

The Importance of Working with a Licensed Insurance Broker

By: Ian Hope

“Only pay for the Insurance you Need” There are few words spoken that will send shivers through my spine while enjoying an evening of television watching as these do. With the current Do-it-Yourself and Shop online way of life that we are now experiencing, taking care of our insurance in a similar way seems like a logical step. Nothing could be further from the truth!

The main problem that consistently comes to mind, when I think about the various impacts of the average Canadian being solely responsible for creating their own insurance program, is that all of the insurance that **you** think you need, in reality, will never be all of the insurance that a licensed, experienced insurance broker will advise you that you need.

In order to be an insurance professional in Manitoba all representatives must successfully complete a great amount of educational courses and certifications before being permitted to even discuss insurance with the general public. As the insurance industry is heavily regulated and legislated there are often changes being made on a Federal and Provincial level. Insurance brokers are required to have ongoing education in order to keep pace with changes to legislation and with insurance company products to ensure we understand any impact to our policy holders.

I constantly advise my clients that it is most important to understand their policies **exclusions**. In the event of a loss, the items that are not covered will have as big an impact, or an even greater impact, on their business than the items the policy will cover. Insurance policy wordings, with sections being regulated by statutes, may differ from insurance company to insurance company and also year to year. Insurance companies have large legal departments that ensure their interests are protected. This creates an unfair advantage for the insurance company over the average “only get the insurance you need” do-it-yourself insurance buyer.

An area where not utilizing a licensed insurance professional can result in a negative outcome for a business owner can be with respect to any legal and contractual obligations they enter into. Under lease agreements or service contracts a business owner may become legally responsible for occurrences that may not be covered under a standard insurance policy. This is where working closely with an experienced insurance professional will help to level the playing field. They will be able to review any contracts and then negotiate on the clients’ behalf to have the required contractual obligations covered with the insurance company.

The final and possibly most important area to have an insurance professional on your side would be in a claims situation. Usually, the insurance company will have their in-house claims adjusters or possibly a third-party adjuster assigned to your claim. These insurance company representatives will be versed on the insurance policy wordings and its exclusions to a much greater level than the average Canadian. As all communication or documentation submitted to the claims adjuster forms the basis of the client’s Statement of Claim, it is important that there is a clear understanding of the policy and its exclusions to make sure that an insured does not negatively prejudice their situation and in effect disqualify themselves from the coverage they assume they are entitled to.

As a business owner, especially in these current unprecedented times, there are so many areas that you need to focus on in order for your business to survive. It’s times like these where a good relationship with an experienced insurance professional is more important than ever so that you can focus on the ever-growing day to day concerns of your business. Allow us to do what we do best which is make sure your interests are protected and represented to their fullest.

If you are a business owner who is looking to devote more of your time to the everyday concerns of being a business owner, and would like to partner with a group of experienced insurance professionals, who put our client’s needs first, we look forward to working with you here at Avant Insurance where “People Before Profit” is our core value.