

Greetings as we wrap up one of Minnesota's nicest summers in my memory. I will be greedy and put in a request for a gorgeous autumn as well.

**CYBER BULLYING –  
STORYTIME**

Your 16 year old daughter Beth participates with two other friends in "teasing" a classmate, Natalie, online on one of the social media websites. Perhaps they even include inappropriate photos, questioning her morality. The group continues to tease and taunt Natalie at school and online. Natalie gets severely depressed and at some point tries cutting herself. Her distraught parents sue each of the three girls and their parents for \$3 million.

If you are Beth's parents, where would you find coverage for this lawsuit and defense costs? Most homeowners and umbrella liability policies exclude lawsuits for any kind of character defamation which this case clearly is.

**BUY OPTIONAL  
PERSONAL INJURY  
LIABILITY COVERAGE**

The cost is about \$25 a year as an endorsement to your homeowners policy. Most umbrella policies will provide the coverage so long as your primary homeowners coverage includes it.

**WHAT IT COVERS**

Lawsuits for certain kinds of defamation including, but not limited to libel, slander and invasion of privacy. That certainly fits the kinds of behaviors Beth and her friends chose to do.

**WHAT YOU SHOULD DO**

Check your homeowners coverage summary pages (the Declarations). If you can't locate the coverage, call Corporate 4 Customer service at 952-893-9218. Ask them to confirm that you have personal injury coverage on your homeowners policy. [FYI, Carol and I recommend it to every client.]

**WHAT ABOUT THE  
"INTENTIONAL ACTS"  
EXCLUSION?**

All liability policies exclude coverage for injuries or property damage you cause intentionally. The same holds true for personal injury liability coverage. The three girls were clearly hurtful to Natalie but probably did not intend for her to physically injure herself. Plus, unless it is excluded, both the home and umbrella policies might defend and cover the parents for their alleged parental negligence.

**ATTENTION: MEDICARE  
CLIENTS WITH SENIOR  
GOLD MEDICARE  
SUPPLEMENT**

Fall marks the prescription drug open enrollment period for 2016 coverage. If you are with Blue Cross, you currently have either the Standard or Premier Medicare Blue RX prescription drug plan. In 2015, Blue Cross introduced a third plan called the "Value Plus" plan, offering a lower deductible and lower monthly costs, with a slightly smaller network of participating pharmacies. The Value Plus plan was offered to you in a mailing from Blue Cross a year ago.

**IN CASE YOU MISSED THE  
MAILING, CHECK IT OUT  
FOR YOURSELF**

Have your prescription list ready and go to Blue Cross's drug comparison site [www.YourMedicareSolutions.com](http://www.YourMedicareSolutions.com). Just input your prescriptions to discover your total out-of-pocket cost for each of the plans they offer.

**TO CHANGE PLANS OR  
GET MORE INFORMATION**

During the open enrollment period October 15 to December 7, contact Mary Jo Hoff by phone at 952-896-9524 or by e-mail at [mjhoff@corporatefour.com](mailto:mjhoff@corporatefour.com). She is our resident health insurance guru.

**AND FOR THOSE OF YOU  
WITH INDIVIDUAL OR  
FAMILY OBAMACARE  
PLANS**

Fall of each year also marks an open enrollment for a change of plans and/or change of insurance providers. It's also a time where you can apply for financial assistance with the premiums or even possibly qualify for Medical Assistance a.k.a. Medicaid. Any change you make won't be effective until January 1, 2016.

**TO SEE WHAT'S  
AVAILABLE TO YOU AND  
YOUR FAMILY**

Contact Mary Jo Hoff. She will be happy to run comparison spreadsheets on the type of plan you like. Mary Jo and I both agree that the best plans offer open access where you can see specialists without a referral. Even go to the Mayo Clinic if you want.

**DOES YOUR CAR  
INSURANCE COVER  
REDUCTIONS IN MARKET  
VALUE?**

When your car is involved in a collision, there are two types of physical damage losses. Direct – the cost to repair the car itself. And indirect – the loss in market value as a result of having been in an accident. Your collision pays only for the direct damage – not indirect.

**WHAT ABOUT WHEN YOU  
RENT A CAR?**

The same is true in most states, other than in Minnesota. Your collision coverage will transfer to the rental car but pay only the cost to repair the car. You will be responsible, by contract, for the loss in market value. That's why if you live elsewhere, you're better off to buy the supplemental collision damage waiver coverage from the rental company because that CDW will waive your responsibility for both types of damage.

**MINNESOTA GOT IT  
RIGHT!**

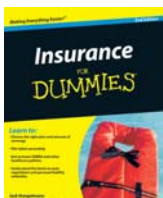
The rental car law in Minnesota requires that property damage liability coverage apply to the damage to rental cars rented anywhere in the United States or Canada. The law requires the coverage to pay both indirect and direct costs of collisions or any other damage the renter might be responsible for by contract (i.e., hail damage). Because it is liability coverage, no deductible applies!

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*Client Bob J. recently died. He and his wife Violet have been customers of mine for over 40 years. His passing made me realize how much I appreciate your choosing me to help you with your insurance program. Whether you have been with me for decades or just a few months, the joy in my work is helping you navigate the sometimes overwhelming and often choppy waters of insurance and risk management.*

*All the best!*

*Jack Hungelmann*



Insurance for Dummies second edition, authored by Jack Hungelmann. Buy it online at [www.dummies.com](http://www.dummies.com) or [www.amazon.com](http://www.amazon.com).

