THE BEST POLICY: ENSURE YOUR INSURANCE HAS YOU COVERED

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Imagine you're spending an evening out with your family when you receive the tragic news your home is on fire. You rush to the scene, only to find there is nothing that can be done to salvage your home. It is too far gone. One of the first calls you make will be to your insurance agent. In the days to come, you find out the coverage you had on your dwelling will not be sufficient to rebuild your home at the current cost of construction.

This is a scenario we could all find ourselves in. Even if you recently reviewed your policy and were comfortable with your coverage, the inflation we have experienced this year has put us all in a position of being underinsured.

What if the fire broke out in your poultry house? An underinsured poultry house can mean having to go back to your lender and get a second loan to be able to build back.

This possibility has been on our radar all year, as we have watched the rising cost of construction. We have been able to see with each policy review that many of our insureds are underinsured. Our advice to our customers, and to all poultry farmers, is to check with a builder to find out how much it would cost to rebuild your home, your barns and your poultry houses. Then take a look at your policy to ensure your coverage is sufficient to rebuild, should you find yourself in a loss situation.

The hope is that you will never need to use your insurance, but if you do, you want to make sure you're with a reputable company and you have the proper coverages. This goes deeper than having the appropriate amount of coverage; you need to verify you have the right coverages specific to a poultry operation. Farm liability, loss of farm income and equipment breakdown coverage are coverages no poultry farm should be without.

How does your loss of farm income work? What are your limits? How long will they pay loss of farm income? These are all questions you need to be able to answer.

What about your deductibles? Know how they work. Some are per occurrence, and some are per building. Per occurrence means should you have a single event, like a tornado, that damages multiple buildings, you will only be assessed one deductible, and it will be the highest of all buildings affected. For example, if your home, dry stack and poultry house suffer wind damage, your insurer will assess the poultry house deductible, since it will be the highest. If you have per-building deductibles, you will be assessed a deductible for each building damaged.

Poultry farms are complex when it comes to insurance and having an agent who understands your needs is very important. Contact your agent once a year to review your policy. Given the time, energy and money you have invested in building your farm, it is imperative that your insurance policy will protect you against the unexpected.