



## **HOW ARE DEDUCTIBLES USED TO CALCULATE A CLAIM?**

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### **What is a deductible?**

A deductible is the part (or amount) of the claim you're responsible for. Insurers will deduct this amount from any claim settlements they pay to you or on your behalf. So if your insurance policy has a \$1,000 deductible, that means you've agreed to pay \$1,000 out of your pocket for the damage to your home.

### **Are there different types of deductibles?**

Yes. A deductible can be either a specific dollar amount or a percentage of the total amount of insurance. There are special deductibles that apply to certain types of claims; some deductibles are applied to specific parts of your home. Look at the declarations page or the front page of most homeowners insurance policies to learn about your policy's deductible.

### **How are deductibles used to calculate a claim?**

Some insurance policies have a special deductible for losses caused by wind, hurricanes, or other types of storms. The insurer applies this deductible when one of those types of disasters causes the damage. If something else damages your home, then the "all peril" deductible would apply.

Some policies also may have a special deductible that applies to a specific part of your home, like your roof. In these cases, the deductible could be either a flat dollar amount or a percentage.