

The Kentucky FAIR Plan

a guide for consumers



What is the Kentucky FAIR Plan?

Created in 1968, the Fair Access to Insurance Requirements (FAIR) Plan is an association that operates as an insurance company by making homeowners and other property insurance available to people unable to buy insurance through regular markets.

Who operates the FAIR Plan?

A seven member governing committee acts as the FAIR Plan's policy-making body. The plan is managed by a staff of insurance professionals independent of a single insurance company. All property and casualty insurance companies doing business in Kentucky participate in funding the plan and share any losses and profits.

Who buys insurance through the FAIR Plan?

Almost anyone, provided the property to be insured meets basic fire, loss prevention and safety standards. However, most people who want to insure their properties can get a broader coverage and often a better rate in the competitive market.

What coverage is available in the plan?

The FAIR Plan's **basic dwelling policy** protects buildings, homes and personal belongings against such hazards as fire (including damage by lightning). Protection against wind, hail, explosion, smoke, damage by vehicles or aircraft, vandalism and malicious mischief is available as an option.

The FAIR Plan's **homeowners policy** protects against all of the previously listed perils and also provides limited theft and personal liability coverage, in case someone is injured on your property.

Up to \$150,000 of protection is available on a private dwelling and up to \$1,000,000 on commercial property, not including farm, and on manufacturing properties, depending on location.

Does the FAIR Plan insure any property?

Yes, any property in Kentucky, but reasonable standards must be met to obtain coverage. However, these requirements are things that most people would normally do to protect their properties.

An inspection of the property is required for every policy issued. If that inspection reveals hazardous conditions, the property owner is made aware of the hazards and given time to correct them. Once completed, coverage may be provided.

How are claims handled by the Kentucky FAIR Plan?

If you're insured in the plan and suffer a loss, contact your agent or the Kentucky FAIR Plan at (502) 425-9998 and report it at once. Make a list of the damaged or destroyed items with estimated values and submit to the plan administrators.

What if someone insured through the FAIR Plan finds a better deal elsewhere?

They should take it. The Kentucky FAIR Plan operates as an insurer of last resort, which exists for those applicants who are unable to obtain insurance from another source. Property owners should shop around before and after they come to the plan. If they find a better deal after they have purchased insurance through the plan, they can cancel their policy without fear of penalty.

FACTS about the Kentucky FAIR Plan

- More than 400 Kentucky insurance companies support the Kentucky FAIR Plan and subsidize its losses.
- The FAIR Plan works with community and civic groups to help ensure the availability of basic property insurance in all areas of Kentucky.
- The FAIR Plan works closely with firefighting and law enforcement officials to fight against arson-for-profit in the state.

For more information, contact any licensed property & casualty agent in your area or write to:

Kentucky FAIR Plan, 9200 Shelbyville Road, Hurstbourne Park Building, Suite 600
Louisville, KY 40222 or call (502) 425-9998; or on the Web at <http://www.kyfairplan.com>

Kentucky Office of Insurance, P.O. Box 517 Frankfort, KY 40602-0517;
Call (800) 595-6053 or (502) 564-3630; TTY: (800) 462-2081; or on the Web at
<http://doi.ppr.ky.gov/kentucky/>

Do you need information about insurance issues? Do you want to file a complaint? Do you know someone who has committed the criminal act of insurance fraud? Contact your state Office of Insurance.



Kentucky Office of Insurance

P.O. Box 517, Frankfort, KY 40602-0517

Toll free: 1-800-595-6053 TTY (deaf/hard-of-hearing): 1-800-462-2081

<http://doi.ppr.ky.gov/kentucky/>



The Kentucky Office of Insurance does not discriminate on the basis of race, color, national origin, sex, age, religion or disability and provides, upon request, reasonable accommodation, including auxiliary aids and services necessary to afford an individual with a disability an equal opportunity to participate in services, programs and activities.



Printed with state funds on recycled paper

January 2005