

## The stakes they gettin' higher - Captive consumers are vulnerable consumers

ACME News

Insurance has always been a big deal to loss victims, disaster survivors, and needless to say, United Policyholders. To the rest of the world...not so much.

As to paying for insurance policies that are optional, consumers can just say no, not buying. End of story. But as to insurance policies that are legally mandatory: Auto, Home, (if a home has a mortgage) and Flood (if a property is in a flood zone and has a mortgage), and certain types of business insurance, it's another story entirely. What happens to a driver who can't afford auto insurance? They can't drive. What happens to a homeowner that can't afford the insurance their lender is requiring? They have to sell their home. What if they can't sell their home because of the insurance price tag? They lose their home. Foreclosure. Bankruptcy. The direst of straits. Paying for legally required insurance coverage can be a HUGE problem.

With the dramatic cuts in the field of investigative journalism, and the impact of the Citizens United decision and rulings giving an insurance corporation the rights of a person under the law...some of the important forces that have kept insurance rates in check have gone away. But on the bright side, competition, elected officials and the ease of Internet shopping may keep us safe from price-gouging and opportunistic rate increases to some degree.

That said, the impact of [climate change](#) and insurer's reactions to climate change on the cost of property insurance is a REALLY BIG DEAL. The escalating cost of home and flood insurance has very serious consequences for consumers and for our organization and we are taking this issue very seriously. Over the past year we've been getting up to speed on [foreclosure](#) counseling and loan modification rules, because that's how serious the insurance affordability problem is becoming in some areas.

Next week, in New Orleans we are meeting with advocates for the business community and with

grassroots homeowner advocates to strategize on the escalating insurance cost problem that coastal area homeowners have been dealing with in Florida for many years, and that has migrated over to Alabama, and up to New Jersey, Long Island and even into Pennsylvania and Colorado. And today we joined the National Community Reinvestment Coalition in order to better serve current and aspiring homeowners contend with insurance affordability challenges.

Onward and UPward!