

# INSURANCE COVERAGE



***Presentation by:  
Fernando Valerio Echeagaray***

# INSURANCE

- What you need
  - What is covered
  - What is not covered
  - How it works
  - What it costs
  - Suggestions
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# CAR INSURANCE WITH FOREIGN PLATES



## Required to get a Policy

- Drivers license
  - Copy of the title
  - Proof you have the car legally (FM3 or Import Permit)
  - Blue book value
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# CAR INSURANCE WITH FOREIGN PLATES



## Full Coverage

- Collision
  - Theft
  - Medical expenses to occupants (USD \$50,000)
  - Liability (USD \$100,000)
  - Legal services (USD \$100,000)
  - Road assistance (depends on the company)
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# CAR INSURANCE WITH FOREIGN PLATES



## Not Covered

- Hit and run
  - If there is an agreement between drivers
  - Disability for affected people  
(attached to minimum salaries)
  - Non-insured motorist
  - Vehicle contents
  - Transit tickets, penalties or bribes
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# IN CASE OF AN ACCIDENT

- 1) Call an adjuster
- 2) Wait for him to represent you  
(do not sign anything without his advice)
- 3) Get a hospital pass
- 4) Get a car repair estimate



## TWO CHOICES FOR REPAIRS

- 1) Direct auto repair
  - Authorized Car Shop
  - Time to find parts
  - Warranty
- 2) Check made for estimated repairs
  - Takes less time
  - Choose your own mechanic
  - May involve additional costs (not covered)
  - May need to import auto parts

Insurers typically do not use dealerships

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# CAR INSURANCE WITH FOREIGN PLATES

## **If the Car is Stolen**

You receive a check for the given value or blue book value once you have endorsed the title.



## **Liability and Legal**

An insurance adjuster or assigned lawyer will follow a third party until both parties are settled.

Covers trials and bail bond if necessary (no insurance policy can be superior to the law)

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## **CAR INSURANCE WITH FOREIGN PLATES**



<b>Value of Car</b>	<b>Yearly Premium</b>
<b>USD \$3,000</b>	<b>USD \$402</b>
<b>USD \$5,000</b>	<b>USD \$445</b>
<b>USD \$10,000</b>	<b>USD \$526</b>
<b>USD \$20,000</b>	<b>USD \$674</b>



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# CAR INSURANCE WITH FOREIGN PLATES

## Suggestions

- Buy yearly premiums
- Buy packaged policies
- Be practical about choosing your car
- Avoid driving during national holidays



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## HOME INSURANCE Section 1



House  
Condominium  
Contents

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# HOME INSURANCE



## Valuation for Houses and Condominiums

- 1) The building value not including the land value
  - 2) Outdoor areas
    - Open areas
    - Pools
    - Palapas
    - Terraces
    - Parking areas
  - 3) Electronic or mechanical devices
    - Elevators
    - Pool equipment
    - AC Systems
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# HOME INSURANCE



## **Valuation for Contents**

Accurate valuation for all contents

Itemize separately:

- Art with a copy of the appraisal or invoice
- Jewelry with a copy of the appraisal or invoice
- Electronics with a copy of the invoice

Without an invoice or appraisal  
compensation is limited to MXN \$40,000  
with a total limit of MXN \$200,000 for theft

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# HOME INSURANCE



## **Covered Risks**

### Basic Coverage

Fire and explosion is 100% covered for each loss

### Extra Coverages

*Earthquake* 80% covered

2% deductible and 78% of each loss

*Hydro and meteorological phenomena (HMP)* 90% covered

2-5% deductible and 85-88% of each loss

*Debris removal*

*Extra expenses*

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# HOME INSURANCE



## **Risks that MAY be Covered**

- Plague damages
  - Installed glass or windows
  - Theft or robbery of contents (15% deductible)
  - Electronics or portable electronics (15% deductible)
  - Theft of personal items (15% deductible)
  - Family civil liabilities
  - Domestic workers
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# HOME INSURANCE



## **Risks that are NOT Covered**

- Contents disappearance (without break in)
  - Art or jewelry if not itemized correctly
  - Profit losses
  - Burglary during or after natural phenomena or war
  - Automobiles
  - Underground construction (basement)
  - Underwater or floating constructions
  - Buildings under construction
  - Damages due to a lack of maintenance
  - Construction defects
  - Pre-existing damages
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# HOME INSURANCE

## COVERAGE LIMITS IN USD \$



### **BUILDING**

Fire  
Earthquake  
Hydro and meteorological  
phenomena (HMP)

**100,000**

### **CONTENTS**

Fire  
Earthquake  
HMP

**30,000**

**Debris Removal**  
**Extra Expenses**

**10,000**

**10,000**

### **THEFT**

Personal belongings 5,000  
Art or jewelry 5,000  
Electronic equipment 5,000

**15,000**

### **WINDOWS**

**5,000**

### **LIABILITY**

**100,000**

In this example  
annual premiums  
would be roughly  
**USD \$1099**

Annual coverage  
costs are between  
0.75 and 1.25%  
of covered value.

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# HOME INSURANCE



## Suggestions

- Buy a Master Policy if you live in a condominiums and make sure the Master Policy covers cross liability
  - Buy your own policy using market value if your condo association does not offer a Master Policy
  - Always have content insurance with extra coverage for earthquake, HMP, windows, theft, liability, debris removal, and extra expenses
  - Verify that your policy reflects what you actually own
  - Keep cash and jewelry in a safe box
  - Make sure any mortgage policies cover the full amount you owe
  - Provide accurate information to your insurance agent
  - If you are not interested in having HMP coverage for your building: Purchase two separate policies, one for the building without HMP and a separate one for contents that includes HMP
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# HEALTH INSURANCE BY MEXICAN COMPANIES



## **To be Eligible for a Policy**

- 64 years old or less when applying
  - Fill out an application
  - Have a medical check up if required
  - Live in Mexico at least 9 months of the year
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# HEALTH INSURANCE BY MEXICAN COMPANIES



## Coverages

- Major medical for accidents or illness
  - Some exceptions apply for up to three years (waiting periods depend on the insurance carrier)
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# HEALTH INSURANCE BY MEXICAN COMPANIES



## What is NOT Covered

- Preventive Medicine
  - Prescription Drugs (cost less than deductible)
  - Dental plans
  - Cosmetic surgeries
  - Alcoholism or addiction treatments
  - Self harm
  - Organ transplants to non insured third parties
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# HEALTH INSURANCE BY MEXICAN COMPANIES



## **Deductible**

- Between MXN \$4,000 and 50,000  
(for each covered illness or accident)

## **Insurance Limits**

- MXN \$10,000,000 or Unlimited
  - Emergency outside Mexico USD \$50,000
  - Extension available to USD \$250,000 outside Mexico
  - Catastrophic illnesses USD \$1,000,000 outside Mexico
  - No deductible for accidents
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# HEALTH INSURANCE BY MEXICAN COMPANIES



## **Direct Payment**

- Deductible
- Coinsurance reduced or eliminated
- Medical network

## **Reimbursement Method**

- Deductible
  - Coinsurance
  - Physician fees limited
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## HEALTH INSURANCE BY MEXICAN COMPANIES

**Deductible (MXN \$)**      10,000      20,000

**PREMIUMS (MXN \$)**

Woman 55 years      30,135      16,569

Man 55 years      27,528      13,194

Woman 64 years      39,412      22,357

Man 64 years      37,380      20,326

Includes Mexico Unlimited

USD \$1,000,000 for catastrophic illness

No deductible for accidents

Extension to USD \$250,000 limit outside Mexico  
costs an additional MXN \$7,000 to 9,000

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# HEALTH INSURANCE BY MEXICAN COMPANIES



## Suggestions

- Purchase a Mexican national high limit, high deductible health policy with an extension for catastrophic illnesses [and pay routine expenses out of pocket since medical and dental fees are much lower in Mexico]
  - If you are not interested in having a major medical policy buy travel insurance
  - Do not forget about waiting periods that could apply
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[info@valerio.com.mx](mailto:info@valerio.com.mx)

