

The old saying, cut out the middleman, might seem at first blush to apply to insurance buying, but a second look will prove that you not only need a middleman, [you need an independent middleman](#)

The middleman will not cost you money here, it will actually save you money, not only on your insurance purchase, but even more so if you experience a claim.

Read on to find out exactly why.

First of all, let me say that when I discuss the middleman in an insurance policy purchase, I am talking about a truly independent middleman, in this case [an independent insurance agent who can represent your needs and protect your rights](#)

Direct writer insurance agencies that represent only one company are not independent enough to save you from yourself.

In addition, if you purchase insurance from an 800 phone number or a company that has you quote your own policy online, you are not going to cut out the middleman cost, you will only be cutting out the service.

This is true no matter if you are purchasing an [auto insurance policy](#)

, [a home insurance policy](#)

or even a

[business insurance policy](#)

There are two ways that an independent middleman can help you and in both cases, the middleman does not raise the cost of the insurance. That's evident when you compare the rates of direct writing insurance companies against those offered by independent insurance agencies.

The first way that you will be better served by a middleman is in the purchasing process. Let's face it, insurance is a complicated legal contract, designed to protect you from certain types of financial ruin.

Buying insurance is not like buying a head of cabbage at the grocery store.

Each person's situation and insurance needs are different and if you don't have the help of someone who understands the contract intimately, who is there to help you figure out your specific needs, then chances are you will make a mistake somewhere.

And the mistake could cost you everything you have worked so hard for.

This is a corner you just don't want to cut.

The second way an independent middleman can protect you is as a buffer between you and the insurance company when it comes to claims questions or claims help. Let me give you an example.

Recently a friend of mine came to me and asked for help with her

[homeowners insurance rates](#)

As I began to work out her needs with her and develop quotes, we found that she had several water damage losses listed in the public record as losses.

She complained that she never received any claim payment and so they shouldn't even show up.

She just called her agent to ask if the water damage would be covered.

In both cases it wasn't.

But the problem is that her agent was not an [independent agent](#)

He represented only one company and as such was an employee of the company.

When she called to ask if the water damage was covered, he was compelled to advise his company of this event and this information was entered into her loss file as well as into the shared loss information called a CLUE report.

These water damage losses on her CLUE report made her house uninsurable for all of the companies that we represented and her current insurance company was able to keep increasing her rates every year since she had no option to go anywhere else for her homeowners insurance. But that is not the end of it. When she went to sell her home, the realtor who represented the buyer discovered the clue report information and she was required to implement costly mold eradication procedures in order to sell her home.

If she had been our client, and called about the water damage to her home, our independence would have allowed us to tell her that the claim wasn't covered and that she shouldn't file the claim because of the other costs she might incur in doing so.

In this case, her lack of a truly independent middleman cost her money not only on her home and [auto insurance policies](#), but also when she decided to sell her home.

Remember, with insurance a middleman will not cost you money, an independent middleman will actually save you money. At [Clinard Insurance Group](#), in Winston Salem, NC, we are an independent middleman for our clients and we add value to their insurance buying experiences every day. If we can help you with your [homeowners](#)

[insurance policy](#)

[your auto insurance policy](#)

, your

[life insurance policy](#)

, or any of your

[business insurance](#)

needs, please call us toll free at 877-687-7557 or visit us online at

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