Frankenmuth Insurance Announces Rule and Rate Revisions on Michigan Homeowners Including Domestic Partnership

We have heard you and Frankenmuth Insurance is excited to announce changes to our Michigan homeowners program, based on your feedback for needed improvements. The following rule and rate adjustments are designed to help you write business with us.

Revisions

The following rate adjustments have been made:

- **Coverage A** factors were adjusted to include increases for amounts below $200,000 and decreases for those amounts greater than $250,000.
- **Protection class** factors have been adjusted to include small increases to PC's 1-3 and significant reductions for those PC assignments of 8B, 1Y-8Y, 1X-8X, 9, 10W, and 10.
- **Construction type** factors have been increased slightly for manufactured homes in a park and homes with aluminum siding.
- **Residence type** rates for secondary residences have been reduced slightly.
- **Protective device** discounts have been reduced.
- **Age of home** rates have been adjusted to provide rate relief to homes ages 0-10.
- **Island residence** surcharge has increased for those homes located on an island with no road access.
- **Age of roof** factors have been adjusted to increase rates for older roofs.
- **The inland marine count** surcharge has been eliminated.
- **The property endorsement** count surcharge has decreased.
- **Payment plan discount** factors have been adjusted and will now include a 10% discount for those policyholders that choose to pay their premium in full.

- **Loyalty** discounts have been adjusted slightly to allow for minimal premium disruption as policyholders transition from the **advance quote discount** into the **loyalty discount**.
- **Age of policyholder** factors have been adjusted with minimal increases for policyholders under age 40 and decreases for those over age 50.
- **Limited guaranteed home replacement cost coverage** has increased.
- **Back-up of sewer or drains** rates have increased for limits of $50,000 and higher.
- **Minimum premium** for condos has increased.
- **Base rates** for all dwelling, renters, and condo forms have increased.

The following rule adjustment has been made:

- **The inland marine count rule** has been eliminated.

We have also introduced the following new rule:

- **Domestic partner**: This new rule has been added to the rule and rate guide, along with the introduction of the Domestic Partner Insuring Agreement form (PI-0001). This form allows two unrelated individuals (over 18) living together in a long-term, committed relationship to be considered "named insureds" on the policy by signing and adding this endorsement. This new form can be used with homeowners, dwelling fire, personal umbrella, and recreational vehicle policies in Michigan.

This endorsement can be added to your Personal Lines policy in iBIS Agency Services on the Policy Information Screen, via a Yes/No question. You will find a new attachment type for the form under the attachment tab.

Although individual policyholders' results will vary, the overall rate impact for the Michigan homeowners program is +4.7%.

Effective Dates

This rate change is effective July 1, 2022.

If you have any questions, feel free to contact your Personal Lines field manager or underwriter. Thank you for your continued partnership with Frankenmuth Insurance.