Insurance Score Workflow Practices

As part of our ongoing effort provide you a stable Personal Lines product and improve results, Frankenmuth Insurance is amending the process used to obtain an Insurance Score for both new and renewal business.

- Effective September 16, 2011:
  - **The stand-alone Insurance Score ordering screen in iBIS will be deactivated.**
  - Insurance scores for **new business** will continue to be automatically obtained in iBIS, or through your comparative rater real time rate.
  - The following changes will apply to insured requested **renewal re-scores**:
    - **The new score will apply to the renewal regardless of score increases or decreases.** The renewal will rate with the new score and its associated premium adjustment. This means the insurance score premium adjustment may go **up or down** depending upon the revised score.
    - By state regulations, we will continue to allow insureds to request a re-run of their insurance score once per year. To confirm their request, and to inform insureds of our process, insureds will need to complete and sign the "**Insurance Score Renewal Consent Form**" (Form FM-1656). Form FM-1656 is available in Forms Inquiry. The form will need to be completed by at least one named insured.
    - Re-scores will need to be **requested in iBIS only** with written consent of the insured.
      - Once the Insurance Score Renewal Consent Form is completed, it should be **uploaded as a file attachment** through iBIS Policy Inquiry, or as an Endorsement using the Insurance Score Changes for renewal request option on the General Information Screen.
      - Within iBIS Policy Inquiry, **you will be able to view the current and renewal insurance score applied to the policy**. We encourage you to use this automated option as your quickest source for policy information.
- We will run the insurance scores based on all the named insureds listed on the form. The "best of household" insurance score will apply to all policies listed on the form.
- If the form is received prior to or on the effective date of the renewal, the new insurance score will apply to that renewal. If the request for the change is received after the effective date of the renewal, the new insurance score will apply at the next renewal. We **will not accept** any mid-term insurance score changes to the policy.

If you have any questions regarding this revised reordering process, please feel free to contact your Field Manager, Personal Lines Underwriter, or me. If you have any questions about how to process the renewal re-score request in iBIS, please contact eBusiness support at extension 3000.

We appreciate your continued loyalty. Also, thank you for considering Frankenmuth Insurance for your new business opportunities.

In Partnership,

Hope Lesperance
Director – Personal Lines
Phone: (800) 234-1133, Ext: 2569
Email: hope.lesperance@fmins.com

Frequently Asked Questions

- **Question: What date will we need to start using the Insurance Score Renewal Consent Form?**

  - **Answer:** The standalone insurance score ordering capabilities within our iBIS system will be eliminated effective September 16, 2011. Therefore, it will be necessary to begin using the new Insurance Score Renewal Consent Form (FM-1656) right away.

- **Question: Where can I obtain a copy of the Insurance Score Renewal Consent Form?**

  - **Answer:** The Insurance Score Renewal Consent Form (FM-1656) can be found on our website in Forms Inquiry.

- **Question: Why do I need an Insurance Score Renewal Consent Form?**

  - **Answers:**
    - It is important insureds initiate requests to rerun their household insurance scores and provide the information required to obtain the new score.
    - By regulation, we are required to allow insureds to request to have their insurance score re-run once a year. We will be able to monitor compliance to this regulation with the form.
    - The form explains how the new score will apply regardless of the change, up or down. We need insureds consent, because the new score could increase their renewal premium.

- **Question: Do we need to complete all the information on the Insurance Score Renewal Consent Form for a new insurance score to be ordered and implemented?**

  - **Answer:** Yes. The entire form must be completed. If not, we will need to return the document to the agency.   Please remember to have it signed by the named insured and to list all the appropriate named insureds to be rescored.

- **Must the names on the Insurance Score Renewal Consent Form match the names on the policy?**

  - **Answer:** You do not have to list all the named insureds on the Insurance Score Renewal Consent Form, but we will only run a new score on the names listed on the form and those which match the Named Insureds on the policy. Also, we only run insurance scores on the first two Named Insureds.

- **Question: If our client completes the Insurance Score Renewal Consent Form prior to the renewal effective date, when exactly will the new score be used?**
  - **Answer**: We would like to provide you an example assuming a policy renewal date of 9/16/2011.
    - If we receive your uploaded Insurance Score Renewal Consent Form on or before 9/16/11, we will revise the renewal policy effective 9/16/11 with the new insurance score.
    - If we receive your uploaded Insurance Score Renewal Consent Form on 9/17/11 or later, we will **not** make any adjustments to the 9/16/11 renewal but wait until the next renewal (9/16/12) to make any change.

- **Question: When will I find out what the new Insurance Score will be?**
  - **Answer:** Once the insurance score is generated by our staff, iBIS Policy Inquiry will show the current insurance score and the renewal insurance score of the policy.
- **Question: Some policies renew with a Renewal Premium Cap. Will the caps change?**
  - **Answer:** We have not made any changes to how we handle renewals with a Renewal Premium Cap when a new insurance score is applied. As it is today, if the renewal has a Renewal Premium Cap, the cap factor stays the same and is applied to the recalculated rate.
- **Question: Will the renewal reports change as well?**
  - **Answer:** Right now, there are no changes to the renewal reports. We are working on some enhancements to the report and they should be complete in two to three months.
- **Question: How will a new score impact a renewal subject to a minimum premium?**
  - **Answer:** As it is today, a new score may not have any impact on a policy subject to minimum premium.
- **Question: Will Frankenmuth Insurance begin automatically re-scoring all customers on a regular basis?**

Answer: Presently we are researching if and how often we should automatically re-run insureds insurance scores. We will communicate our decision and the process when the research is complete.