Frankenmuth Insurance Announces Rate Revision for Ohio Homeowners

Good news! Frankenmuth Insurance is excited to announce changes to our Ohio homeowners program, based on your feedback for needed improvements. The following rate adjustments are designed to provide rate relief to accounts with higher Coverage A values ($400,000+), homes with newer roofs, and those who pay their premiums in full. We've also increased the advance quote discount to 10% to increase our competitiveness for new business.

Key Revisions

- **Coverage A factor** reductions for Coverage A values between $400,000 and $1,000,000
- **Age of roof factor** reductions for homes with newer roofs
- **Protection class factor** reductions for homes with split protection class designations (X/Y), which minimizes policyholder disruption if protection class is updated between renewals
- **Payment plan discount** increasing to 10.3% for those that select an annual pay plan
- **Advance quote discount** increasing to 10%

The following rate adjustments have been made:

- Coverage A factors have been adjusted and include rate relief on homes with Coverage A from $400,000 to $1,000,000, with a focus on homes in the $450,000 to $850,000 Coverage A range.
- Coverage C factors for condo and renters have been adjusted and include rate relief on policies with Coverage C greater than $40,000. There are slight increases to policies with less than $40,000 in coverage.
- Protection class factors have been adjusted and provide rate relief for homes with favorable protection class assignments (1–4) and split designations (X/Y). This will help minimize policyholder disruption at renewal if there are protection class updates.
- Secondary and seasonal homes will receive rate decreases.
- Age of roof factors have been reduced for homes with an age of roof up to 19 years old, with a larger reduction for newer roofs (0–5 years old). Homes with roofs more than 20 years old will receive slight increases.
- Age of policyholder factors have been adjusted to smooth factors between ages and provide an overall decrease to policyholders between 26 and 50 years of age.
- Payment plan premium adjustments for monthly, quarterly, and semi-annual have been eliminated, and a greater discount (10.3%) will be offered for annual payment plans.
- Loyalty discounts have been adjusted slightly to allow for minimal premium disruption as policyholders transition from the advance quote discount into the loyalty discount.
- Advance quote discount was increased from 7% to 10%.
- Inland marine count premium adjustments have been eliminated.
- The limited guaranteed replacement cost endorsement factors have been increased for both 125% and 150% options.
- All base rates have been adjusted with increases to special, Home Protector, and Ultra-Home Guardian and decreases to tenant and condo. The minimum premium was also increased for condo from $75 to $80.

Although individual policyholders’ results will vary, the overall rate impact for the Ohio homeowners program is 0.4%.

Effective Dates

This rate change is effective June 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.