Rating Home Based on Age / Type of Roof – Michigan

Thank you for attending our recent Executive/Agency Roundtable Meetings. We enjoyed catching up with you and appreciate your valuable feedback. As discussed at the meeting, we will be implementing a rating attribute based on age and type of roof to prevent adverse risk selection to the homeowner book of business. This rating variable will be introduced effective August 1, 2015 on all homeowner policies (excluding Manufactured Homeowners, Contents, and Unit Owners policies).

In preparation, we began collecting updated roof information to ensure the data we have on file is accurate. This started with a Notice to Policyholders which was included with all homeowner renewals beginning November 1, 2014. We have received a good response thus far and have updated policies accordingly.

The next step towards implementation of this rating attribute is to provide an additional opportunity for policyholders to respond. We will be mailing a homeowner roof questionnaire to all customers whose roof age is 16 years or older, and from whom we have not received a response. The policyholder mailing will be sent in two separate direct mailings, with half to be sent April 1 and the other half on April 17. In the event we do not receive a response and/or the requested information on the form is incomplete, the homeowner policy will renew with the age and type of roof that we currently have on file.

In the next two weeks, we will email you the list of homeowner policyholders who will be receiving the questionnaire (sample may be found in the document link below).

https://www.fmins.com/agpages/publicdocs/2015MIAgeofRoof.pdf

In addition to implementing the rating attribute of age and type of roof, we will also be implementing a new optional endorsement, Actual Cash Value Settlement Windstorm or Hail Losses to Roof Surfacing (HO 04 93). We encourage you to educate your customers about this optional endorsement.

We appreciate your continued assistance in maintaining accurate information on all new and renewal business. If you have any questions related to this project, please call your respective Personal Lines Field Manager, Underwriter, or me.