

Non-Pricing Ways to Manage Severe Weather

Shantelle Thomas

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Considerations

- ☐ Inspections/Re-inspections
- ☐ Underwriting Guidelines
- ☐ Exposure Management
- ☐ Deductibles
- ☐ Prevention
- ☐ Residual Markets
- ☐ Contract/Coverage Changes



Inspections/Re-inspections

- Roof Age, Condition or Material
- Presence of Mitigation Devices
- Insured to Value



Underwriting Guidelines

- Prior Losses
- Non-renewals
- Correct Classification



Exposure Management

- Defining the High Risk Area
 - State, County, Distance from Coast
 - Concentration within a radius
- Thresholds
 - Maximum AOI
 - Maximum # of properties
 - Maximum % of total business
- Monitor and Take Action



Deductibles

- All-Peril Deductible
- Hurricane/Tropical Cyclone Deductibles
- Wind/Hail Deductibles



Prevention

- Education
 - Mitigation Devices
 - Flood Insurance
- Pre-Event Warnings
- Maintenance Reminders



Residual Markets

- Windpools
 - AL, MS, NC, SC, TX
- Citizens
 - LA, FL
- Fair Plans
 - All other states excluding Maine



Contract/Coverage Changes

- Limit Additional Living Expense
- Reporting Requirements
- Limit Replacement Cost Coverage
 - Actual Cash Value
 - Roof Payment Schedule
- Exclusions
 - Pool Enclosures
 - Roof
 - Cosmetic Damage