

System Updates for Coverage B Increased Limits Options

April 25, 2016

Effective immediately, the increased Coverage B – Other Structures options announced in the April 14, 2016, [Personal Lines Bulletin](#) are available in PolicyCenter[®] for new business and renewals, and midterm policy changes for existing policies with effective dates on or after February 1, 2016.

Notes

- The changes outlined below apply to all personal lines policy types except tenant contents and condominium policies.
 - Increased limits options for Coverage B – Other Structures is not available for structures that are rented out or used to conduct business.
 - PolicyCenter alerts agents that they must upload additional photos when they request Coverage B exceeding 10 percent.
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Clearinghouse and Coverage B

When entering a risk in the Property Insurance Clearinghouse, the maximum limit for Coverage B indicates 10 percent. If the risk is eligible for Citizens, the Coverage B limit can be increased in PolicyCenter.

Agents can perform a quick quote in PolicyCenter to obtain the premium amount for the increased Coverage B options.

PolicyCenter Changes for Homeowner and Dwelling Policies

The default amount for Coverage B is 2 percent of the Coverage A amount (or the percentage the agent selected in the clearinghouse). Agents can increase Coverage B in 5-percent increments up to 60 percent.

PolicyCenter Changes for Mobile Home Policies

For mobile home policies, the minimum Coverage B limit is 10 percent. Agents can increase it in 5-percent

increments, up to 60 percent of the Coverage A amount, as shown below:

The screenshot shows a software interface titled "Property Coverages". It contains several rows of coverage options with associated values and a dropdown menu for Coverage B. The dropdown menu is open, showing percentage options from 10% to 60%. The current selection is 10%.

Coverage	Value	Settlement Method	Amount
Coverage A - Dwelling	100,000		
Coverage A - Loss Settlement	Replacement Cost		
Coverage B - Other Structures	10%		10,000
Coverage C - Personal Property	20%		25.00%
Coverage C - Loss Settlement	25%	Cash Value	
Coverage D - Loss of Use	30%		
	35%		
	40%		
	45%		
	50%		
	55%		
	60%		

Figure 1: Coverage B – Other Structures drop-down options for mobile home policies

For *Mobile Homeowners 3 – Special Form (MHO-3)* policies, a \$2,000 minimum Coverage B amount applies. Agents can increase it only when the Coverage B dollar amount is more than \$2,000.

Binding and Issuing the Policy

Agents can bind coverage for eligible risks when requesting Coverage B limits greater than 10 percent, but Underwriting must approve the submission before the policy can be issued.

Agents must indicate the occupancy and usage of the additional structure in the *Agent Application Remarks* section in PolicyCenter. For more information about how to enter remarks, review the *Entering Application Remarks in a Submission* job aid, which is in the *Training* section of the *Agents* site.

Additional Resources

For PolicyCenter processing details, log in to the *Agents* site, and refer to the job aids and modules on the *PolicyCenter* training pages.

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