

Rule Change and System Enhancements for Mobile Home Valuations

June 29, 2017

Citizens is implementing a rule change and system enhancements that will give agents greater flexibility in establishing Coverage A values for mobile home risks. In the coming weeks, Citizens also will mail postcards to affected policyholders about the rule change.

Rule Change: Increased Coverage A Limits

The Florida Office of Insurance Regulation approved Citizens' request to offer increased Coverage A maximum limits up to 150 percent of the estimated value for mobile home policies.

The following features in the 360Value[®] cost estimator also may increase Coverage A values:

- Beginning July 1, 2017, agents can use a new feature called *Calculate ACV*, which provides an option to improve the valuation for all attached structures:
 1. Select **Calculate ACV** on the *Results* page.
 2. Select **Effective Age**, and enter the estimated age of the structure(s). Agents may have to enter the average age if multiple attached structures have varying ages.
 3. Choose the applicable option from the *Condition* drop-down list:

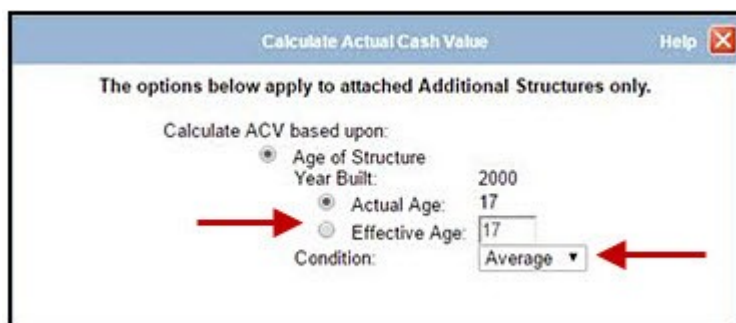
The image shows a software window titled "Calculate Actual Cash Value" with a "Help" button and a close icon. Below the title bar, it says "The options below apply to attached Additional Structures only." Underneath, there is a section "Calculate ACV based upon:" with three radio button options: "Age of Structure", "Actual Age", and "Effective Age". The "Effective Age" option is selected. To the right of "Actual Age" is a text box containing "2000". To the right of "Effective Age" is a text box containing "17". Below these is a "Condition:" label followed by a drop-down menu currently showing "Average". Two red arrows point to the "Effective Age" text box and the "Condition" drop-down menu.

Figure 1: *Effective Age* field and *Condition* drop-down list on the *Calculate Actual Cash Value* screen

Note: Agents must upload photos supporting changes to the age and condition for attached structure(s).

- Beginning July 1, 2017, 360Value will depreciate only the cost of materials for attached structures instead of the total cost of the structures. Agents can apply this change to existing policies or quotes by recalculating the estimated value.

- Complete the *User Defined Feature* fields in the *Additional Structures* section for recent renovations and upgrades and recently added attached structures. Log into the *Agents* site, and refer to the [Cost Estimator Reference Guide](#) for details.
 - Reminder: Agents can use the *Mobile Home Manufacturer* and *Model (Trade Name)* fields instead of the *Supplemental Value Section*. For more information, see the April 21, 2017, [Personal Lines Bulletin](#).
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Selecting Coverage A Limits in PolicyCenter®

Beginning July 9, 2017, agents can select Coverage A limits in a dollar amount up to 150 percent of the *Stated Value* or *Alternate Value Amount* on the *Coverages* screen of a submission or policy change.

Until July 9, use a temporary process to request 126-150 percent for new-business and policy changes. The temporary process is provided in *Frequently Asked Questions* Answer ID 3539 on the *Agents* section of the website.

Citizens Outreach

Citizens will mail postcards to mobile home policyholders, in a staggered fashion, from the first week of July to August 18. The postcards advise policyholders to review coverage options and discuss renovations, upgrades and attached structures with their agent.

To help agencies prepare for these changes, Citizens will send agency principals a list of their mobile home policies later this week so their agency staff can work with policyholders to re-evaluate the value of each mobile home.

Resources

Log in to the *Agents* site to access the:

- *Training* → *Personal Lines* page for:
 - [Cost Estimator Reference Guide](#)
 - PolicyCenter job aids and modules
- *Personal* pages for:
 - PR-M Mobile Homeowners and Mobile Home Dwelling manuals
 - PR-W Mobile Homeowners Wind and Mobile Home Dwelling Wind manuals

Agents who are logged in also can select **Search Frequently Asked Questions** from the website's top menu, and enter *mobile home limits* or *mobile home valuation* in the search field to access mobile home coverage options.

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