

Actions the MA DOI must take to Protect Consumers with Homeowner Insurance Rate Filings and Policies.

The MA DOI has the responsibility to make sure homeowner insurance rates are not excessive. In order to do this, the DOI must demand that insurers provide adequate proof and justification of all data used in calculating future losses.

All Hurricane Models used in calculating possible Insurers Probable Maximum Loss must be accurate to MA and correlate to MA historic past of hurricane events.

Proof on MA home vulnerability to hurricane loss must be accurate to MA buildings and correlate to MA losses in past events.

All hurricane events whether simulated or actual must be counted only if they are land hitting hurricanes in MA. Bypassing hurricanes cannot be counted for damage unless winds are of hurricane strength on MA land.

The MA DOI must hold the Voluntary Homeowner Insurers of MA to the same “standards” described in the 2014 Denial of the MPIUA Document in regards to Hurricane Models and Reinsurance. Since 44-50% of the Cape and Islands premium is related to Hurricane Loss- it is mandatory the Commissioner require the same proof and justification.

All weather models including the new AIR Winter Storm Model ( which has not been reviewed /vetted for accuracy by any state) must provide proof that the weather events calculating losses on MA policyholders are accurate to MA historic past and are accurate to the vulnerability to MA homes. Using combined weather events from East of the Rocky Mountains and as far south as Virginia is not accurate to MA and is not acceptable.

The DOI in rate filings must require all insurers in rate filings to include all data on how reinsurance was calculated and purchased. They must describe the attachment points, retaining amounts by the Company and what reinsurers are

used. Any Kickbacks from commissions from the Reinsurance Broker must be divulged.

The use of Reconstruction Values vs Replacement Values for Part A- Dwelling, used by many Insurers increases the premiums by increasing the Part A- Dwelling yet when a claim happens, there is no correlation with the language in the Policy which states "Replacement Value".

The insurers are making billions with the increased premiums this brings in and much confusion and lack of coverage when claims happen.

The MA DOI must not allow the Reconstruction Cost to be used unless policies have changed language and also consumers have full disclosure and understanding of what they are buying and coverage given.

#### Wind Deductible Language-

Homeowner Insurance Policies need to have one form of language regarding Wind Deductibles.

Wind deductibles were added to the consumer some 10 years ago with language which indicated "catastrophic winds" associated with Hurricanes.

The Fair Plan Wind Deductible is triggered for every wind – multiple times a year should it occur.

This shift of risk and excessive cost is impossible for consumer to pay and consumers still have outrageous premiums.

I must pay the first \$ 35,000 for wind damage which **was** tied to Hurricane language but now has changed to "Named Storm" without mention of NOAA giving hurricane warning. So when is it triggered? I still pay \$ 3,100 for my policy.

This is confusing for consumers, passes risk to consumers and is an excessive cost to consumers.

The MA DOI must make a rule that wind deductibles shall apply to Hurricane winds only. This deductible shall be no higher than 3% of the Replacement Value and is triggered by Hurricane hitting MA only.

The Attorney General must be allowed to call for a Rate Hearing should the DOI and Commissioner pass a rate which the AG feels is excessive.

Presently there is no remedy for consumers if Homeowner Rate Filings are passed in MA and they are excessive or without justification.

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