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To: DOI.HOI.2015 (DOI)
Subject: Homeowner's insurance in MA

We are homeowners in Westborough, MA and would like to highlight to you several practices we have experienced that we feel are unfair to consumers:

- 1) Lack of transparency into the rate setting calculation for a person's home
- 2) Lack of transparency into the claim approval/denial process
- 3) Ability to count claims "against you" no matter how small is the claim and even if the claim was denied
- 4) Inability to change the coverage on personal property (fixed % of total home value)
- 5) Communication of coverage changes via policy "inserts"

Insurance companies encourage you to report any damage. The process is when something happens, one of the first things to do is to call your insurance company. At this point, it is not known if there is any coverage and if there is how much it will cost to repair the damage. We have a \$500 deductible, our understanding is this is low.

There have been times when the cost of a claim ended up being less than the deductible. There have been times when a claim was not covered under our policy. And we learned there is apparently a maximum number of claims within a set period and after exceeding this a homeowner cannot obtain coverage and is made to feel lucky they are able to renew at all.

After receiving a 27% increase, we called our agency to help us reduce the overall cost of our insurance and they told us we had too many claims and therefore, no insurance company would cover us. Our only option was to stay with our current company who would reluctantly continue coverage but only at the 27% higher cost. This felt like extortion. We learned the measurement it is more than 3 claims in 3 years. We had 4, 1 under the deductible, 2 denied (each less than \$1000) and 1 for \$1800 cash where the maximum payable under our policy was \$1000. We felt this was overall very small circumstances to cause such a big problem, and we should have been told the criteria.

In addition, the inability to change the coverage level on personal property to suit actual value is an outrage. With home values rising, and coverage of personal property being a fixed percentage of the home value, it just doesn't make sense. We find it hard to imagine there are many people have that much personal property in their home...unless it is antiques or original works of art or jewelry, etc. but these are items for which riders are needed to exceed maximum coverages.

Lastly, each year the insurance company sends any policy changes via "inserts". This is cumbersome to the consumer as over time we are left with reading the policy which contains outdated information then applying the inserts and hope we have all the inserts. Each year the full policy coverage should be sent out with a cover memo highlighting any changes.

Sincerely,
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