

# Personal Lines Policy Collections



## Description

This job aid provides definitions, details and dates to help you advise your customers regarding the collections processes.

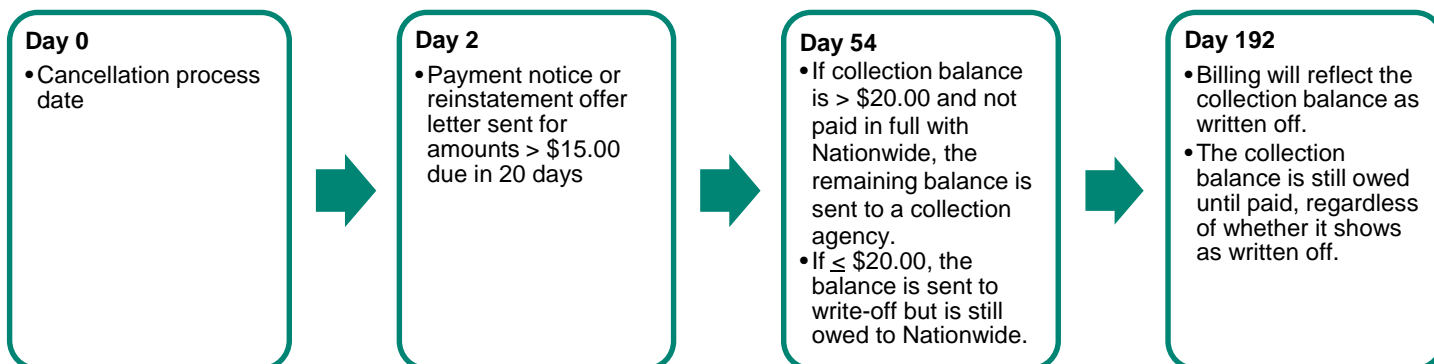
## Definitions

- **Collection balance** results from an unpaid premium at the time of cancellation if a policy is not paid through the cancellation date.
- **Write-off balance** is a collection balance that remains due from the Named Insured and is still owed.

## Guidelines

- Collection balances cannot be transferred to an active policy; credit from cancelled policies may be transferred to new policies.
  - Payment must be received in full to stop the collections process.
- Nationwide does not report unpaid balances to the Credit Bureaus.
  - This is done by our collection agencies after it is referred.

## Non-Pay Cancellation Collection Timeline



By accepting a copy of these materials:

(1) I agree that I am either: (a) an employee or Contractor working for Nationwide Mutual Insurance Company or one of its affiliates or subsidiaries ("Nationwide"); or (b) an Independent Sales Agent who has a contract and valid appointment with Nationwide; or (c) an employee of or an independent contractor retained by an Independent Sales Agent; or (d) an Independent Adjuster who has a contract with Nationwide; or (e) an employee of or an independent contractor retained by an Independent Adjuster.

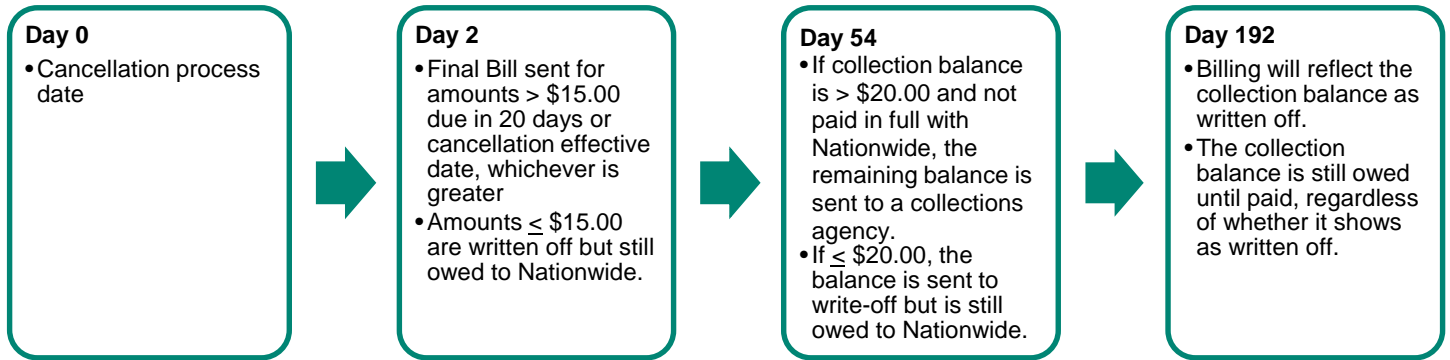
(2) I agree that the information contained in this training presentation is confidential and proprietary to Nationwide and may not be disclosed or provided to third parties without Nationwide's prior written consent.

(3) I acknowledge that: (i) certain information contained in this training presentation may be applicable to licensed individuals only and access to this information should not be construed as permission to perform any functions that would require a license; and (ii) I am responsible for acting in accordance with all applicable laws and regulations.

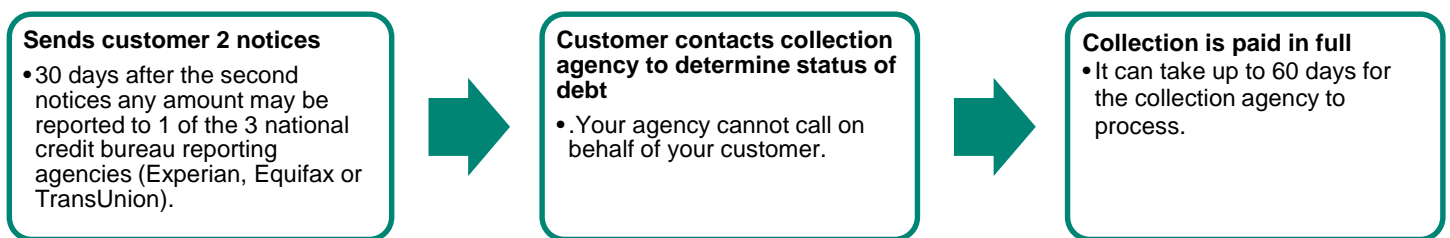
(4) I agree that I will return or destroy any material provided to me during this training, including any copies of such training material, when or if any of the following circumstances apply: (a) my Independent Sales Agent agreement with Nationwide is cancelled or I no longer hold any appointments with Nationwide; (b) my employment with or contract with a Nationwide Independent Sales Agent is terminated; (c) my Independent Adjuster contract with Nationwide is terminated; (d) my employment with or contract with a Nationwide Independent Adjuster is terminated; or (e) my employment or contract with Nationwide is terminated for any reason.

Insurance terms, definitions, and explanations are intended for informational purposes only and do not in any way replace or modify the definitions and information contained in the individual insurance contracts, policies, or declarations pages, which are controlling. Such terms and availability may vary by state and exclusions may apply. Discount amounts and availability vary by state, product and other factors and may not be applied to all policy coverages, and are subject to underwriting guidelines, review, and approval. Coverage for claims is based on the facts and circumstances of each claim, applicable laws, and the policy language.

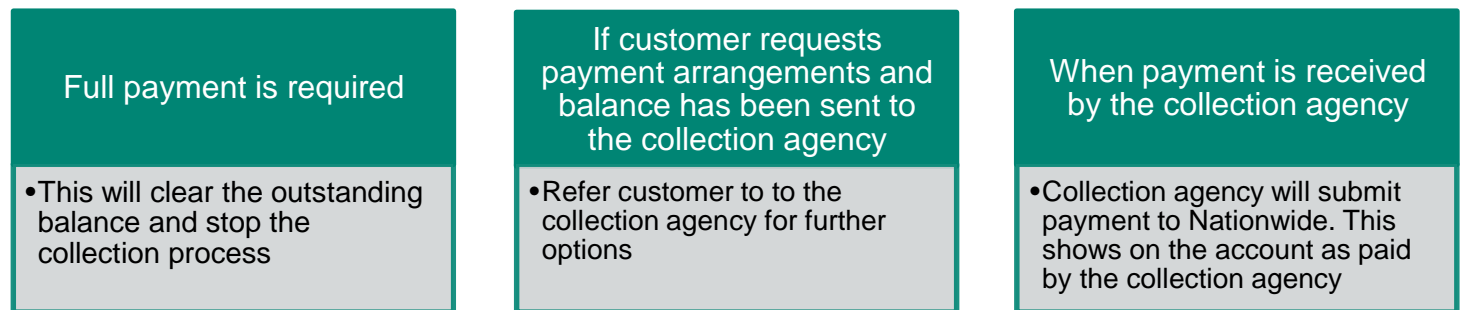
## All Other Cancellation Reason Collection Timeline



## Collection Agency Actions (after 54 days of non-payment)



## Payment Arrangements for Collection Balances/Write-Offs



**Note:** If adjusting the policy to correct or clear the collection amount the system will electronically notify the collection agency of the new amount due or that the collection has been cleared.

## Collection Payment Disputes

- If amount is being disputed, explain why the amount is owed (Coverage period, Premium charged, payments, etc.).
- Use the manual calculation formula to provide a rough estimate regarding refunds/collections shown in the Cancellations Job Aid Addendum located [here](#). (This is not available in North Carolina when short-rated).
- Advise the customers to contact the collection agency. They will work directly with designated processing associates to resolve the dispute.

# Locate Collection Balance in Agent Center

## Steps 1-3

Action	Screen																																																																		
1. On Client Summary, select “Inactive billing account” and select the appropriate account.	<div><div>Inactive billing accounts</div><div><div>Billing account:</div><div>See all billing</div><div>Policies:</div><div>XXXXXXXXXXXX</div></div></div>																																																																		
2. The “Warnings and Notifications” box will display the collection balance.	<div><div>Billing account summary for XXXXXXXXXX</div><div><div>Warnings and Notifications</div><div>Policy6555V 555555 - Status</div><div>Cancelled for Non-pay, settle collections amount due: \$301.13</div></div></div>																																																																		
3. If the collection balance is not available on the “Account History” for the customer: <div>a. You may need to change the “Start Date” to refine your search.</div> <div>b. A copy of the collection letter can be seen by selecting the “View” icon.</div> <div>c. If the account is set up on a Paperless policy, the collection letter will be sent via email. “Account History” and “Contact History” notes will indicate it was sent via email.</div>	<div><div>Account history XXXXXXXXXX for Customer Name</div><div>Search by policies (Auto, Property, Homeowner) (optional)</div><div>All</div><div>Filter By (optional)</div><div>All</div><div>Start Date a</div><div>XX/XX/XXXX</div><div>End Date</div><div>XX/XX/XXXX</div><div>Go</div><div>Use this format: MM/DD/YYYY</div><div>Use this format: MM/DD/YYYY</div><table><thead><tr><th>Processed</th><th>Transaction</th><th>Description</th><th>Debit/Credit</th><th>Balance</th><th>Action</th></tr></thead><tbody><tr><td>XX/XX/XXXX</td><td>Collection</td><td>Sent to Collections for amount \$301.13</td><td>\$0.00</td><td>\$301.13</td><td></td></tr><tr><td>XX/XX/XXXX</td><td>c Electronic Communication</td><td>A COLLECTION LETTER EMAIL WAS GENERATED FOR DATE: XX/XX/XXXX</td><td>\$0.00</td><td>\$301.13</td><td></td></tr><tr><td>XX/XX/XXXX</td><td>Collection</td><td>INTERNAL NATIONWIDE Collection Letter Sent for amount \$301.13</td><td>\$0.00</td><td>\$301.13</td><td>b View</td></tr><tr><td>XX/XX/XXXX</td><td>Policy Cancel</td><td>Policy Canceled transaction was processed</td><td>-\$1,271.18</td><td>\$301.13</td><td></td></tr><tr><td>XX/XX/XXXX</td><td>Collection</td><td>INTERNAL NATIONWIDE COLLECTION PROCESS BEGUN</td><td>\$0.00</td><td>\$1,572.31</td><td></td></tr><tr><td>XX/XX/XXXX</td><td>Orange Box Reinstatement Message</td><td>CANCELED XX/XX/XXXX. POLICY IS INELIGIBLE FOR REINSTATEMENT</td><td>\$0.00</td><td>\$1,572.31</td><td>View</td></tr><tr><td>XX/XX/XXXX</td><td>Pay Plan Cancellation</td><td>Policy Cancellation in the amount of \$276.13 was processed</td><td>\$0.00</td><td>\$1,572.31</td><td></td></tr><tr><td>XX/XX/XXXX</td><td>Reversal</td><td>Installment in the amount of \$221.04 was backed out (Reversed)</td><td>\$0.00</td><td>\$1,572.31</td><td></td></tr><tr><td>XX/XX/XXXX</td><td>Account Status Change</td><td>OLD STATUS OK NEW STATUS CP DATE CHANGED XX/XX/XXXX</td><td>\$0.00</td><td>\$1,572.31</td><td></td></tr><tr><td>XX/XX/XXXX</td><td>Fee Reversed</td><td>Installment fee in the amount of \$2.00 was backed out (Reversed)</td><td>-\$2.00</td><td>\$1,572.31</td><td></td></tr></tbody></table><div>Items per page: 10 11 – 20 of 53</div><div>Return to billing account summary</div></div>	Processed	Transaction	Description	Debit/Credit	Balance	Action	XX/XX/XXXX	Collection	Sent to Collections for amount \$301.13	\$0.00	\$301.13		XX/XX/XXXX	c Electronic Communication	A COLLECTION LETTER EMAIL WAS GENERATED FOR DATE: XX/XX/XXXX	\$0.00	\$301.13		XX/XX/XXXX	Collection	INTERNAL NATIONWIDE Collection Letter Sent for amount \$301.13	\$0.00	\$301.13	b View	XX/XX/XXXX	Policy Cancel	Policy Canceled transaction was processed	-\$1,271.18	\$301.13		XX/XX/XXXX	Collection	INTERNAL NATIONWIDE COLLECTION PROCESS BEGUN	\$0.00	\$1,572.31		XX/XX/XXXX	Orange Box Reinstatement Message	CANCELED XX/XX/XXXX. POLICY IS INELIGIBLE FOR REINSTATEMENT	\$0.00	\$1,572.31	View	XX/XX/XXXX	Pay Plan Cancellation	Policy Cancellation in the amount of \$276.13 was processed	\$0.00	\$1,572.31		XX/XX/XXXX	Reversal	Installment in the amount of \$221.04 was backed out (Reversed)	\$0.00	\$1,572.31		XX/XX/XXXX	Account Status Change	OLD STATUS OK NEW STATUS CP DATE CHANGED XX/XX/XXXX	\$0.00	\$1,572.31		XX/XX/XXXX	Fee Reversed	Installment fee in the amount of \$2.00 was backed out (Reversed)	-\$2.00	\$1,572.31	
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**Note:** To Opt-in to receiving billing notices for Cancellations, Non-Pays, and Reinstatements, see Manage Billing Notices in Billing Key features job aid.

## Collection Letters

1. **Post-cancellation notices** (Collection Letters, Final Bills, Payment Notice, Reinstatement Offer Letters) are prepared at the policy level and are sent to the policy address located on the Policy Info" screen in PolicyCenter.
2. A **Reinstatement Offer** letter is sent when a policy cancels for non-payment that is eligible for reinstatement and there is a collection amount due. This letter is sent in place of the Payment Notice letter.
3. **Mortgages and third parties** are not sent non-pay and/or collection letters.

## Collection Agency Contact Information

Nationwide uses a third-party vendor called CCS (Credit Collection Services).

Customer Contact Hours of Operation		
Phone:	(617) 965-2000 x4490 English	(800) 317-3804 Spanish
Hours:	M – F 8 a.m. to 8 p.m. ET	
Mailing Address:	Customer <b>has</b> the payment stub: CCS (Credit Collection Services) P.O. Box 55126 Boston, MA 02205-5126	Customer <b>does not</b> have payment stub: CCS (Credit Collection Services) P.O. Box 607 Norwood, MA 02062

## Troubleshooting Tips

1. If the **collection letter cannot be located**, contact the Personal Lines Service Center.
2. **Revised Collection Letters** are not sent to the customer.
3. **Changes in the outstanding amount** do not generate a revised collection letter or final bill. Changes in the amount could occur due to an adjustment to the cancellation date, partial payment, returned payment, or removing/adding coverage.
4. **Partial payments** will not delay or stop the collection process. **Payment must be received in full to stop the collections process.**
5. **Collection balances** cannot be transferred to an active policy; **credit from cancelled policies may be transferred to new policies.**
6. Nationwide does not report unpaid balances to the Credit Bureaus. This is done by our collection agencies after it is referred.

## Why does my customer owe a collection balance?

1. **Has there been a due date change?**
  - Changing the due date from the renewal date may cause there to be days of coverage paid for upon cancellation.
  - e.g. Renewal date is 10/01/23 and due date is 10/10/23; upon cancellation, there are 9 days of coverage which would need to be paid for.
2. **Has there been any recent policy changes?**
  - If there has been a recent policy change, there could be a pro-rated balance still owed as the billing system may not have generated enough bills prior to the cancellation to pay the entire balance.
3. **Is the customer enrolled in SmartMiles?**
  - After the cancellation, there may be one more SMMU transaction which updates in the system to account for mileage driven before the cancellation.
4. **Have there been any returned payments?**
  - Returned payments impact the final unpaid balance; depending on the time of return, if a refund is issued after the cancellation and final payment returns, a collection balance may be owed as a result.