

What's Changing in April 2024



Description

This job aid provides a high-level overview of what is changing with the April 2024 Personal Lines Solutions releases for Independent Agents. This includes:

- South Dakota Precision Plus Property Rating Plan
- Introducing a Redesigned Nationwide Umbrella (PUL) Product
- Minimum Deductible and Required Limited Roof Surfaces Settlement Windstorm or Hail Losses Endorsement Changes
- ID Card – Policy Change Events (to support Apple Wallet)

South Dakota Precision Plus Property Rating Plan

To continue positioning our Property product for profitable growth, Precision Plus Property enhancements will begin rolling out to South Dakota in April 2024.

| Precision Plus Property Enhancements Include: | Line(s) of Business |
|--|---|
| <p>New Company - New Precision Plus rating plan elements being implemented in a new company, NICOA, in South Dakota include:</p> <ul style="list-style-type: none">• GRID-ID Territorial Rating - Territories have been developed for all rated perils based on Grid-ID. Grids are uniformly sized, contiguous 1x1 mile hexagon shapes that may help provide for enhanced territorial segmentation.• Additional Home Characteristics Rating - Number of Stories, Sq Ft, Garage Type and Capacity, Foundation Type and Percentage of Basement Finish, Wall Siding, Roof Condition, and Roof Shape.• Address Stability Factor – rating variable based on the number of non-military moves in the 5-years before policy issuance for all named insureds.• Precision Plus Coverage Factor – rating variable applicable to multi-line Homeowner policies based on characteristics of a member's auto policy (including bodily injury limits & maximum vehicle age). | <p>Property</p> <p>State(s): SD</p> |

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.

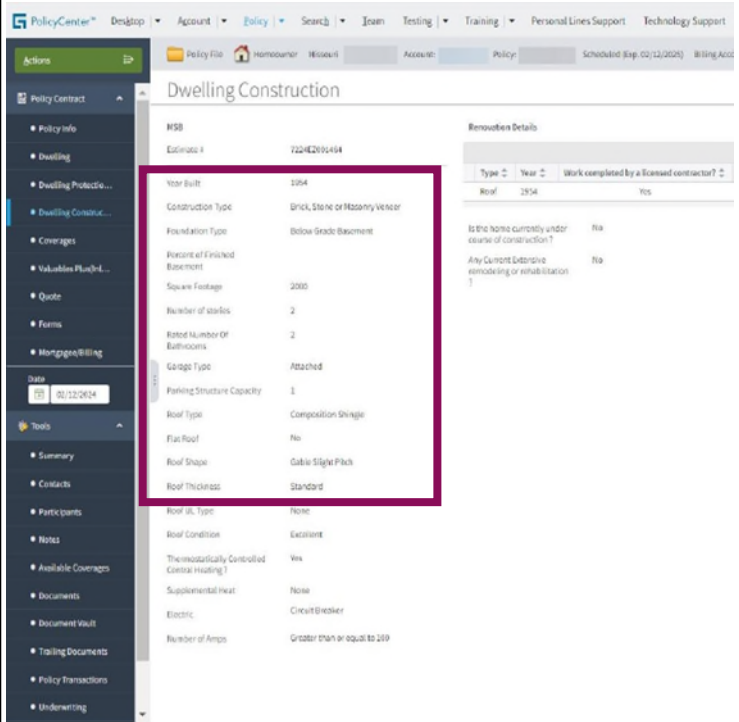
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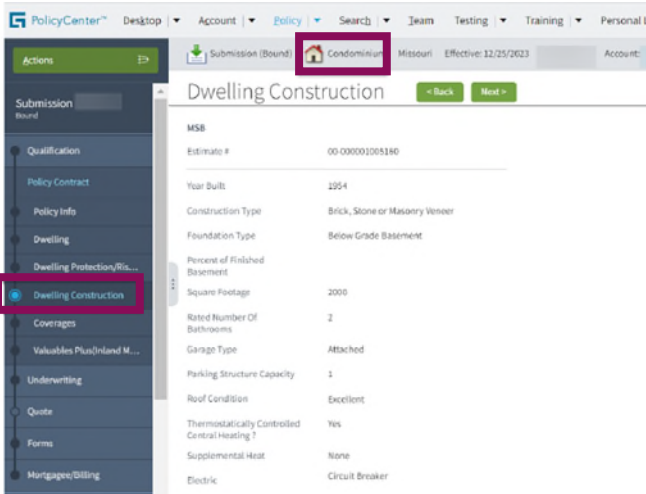
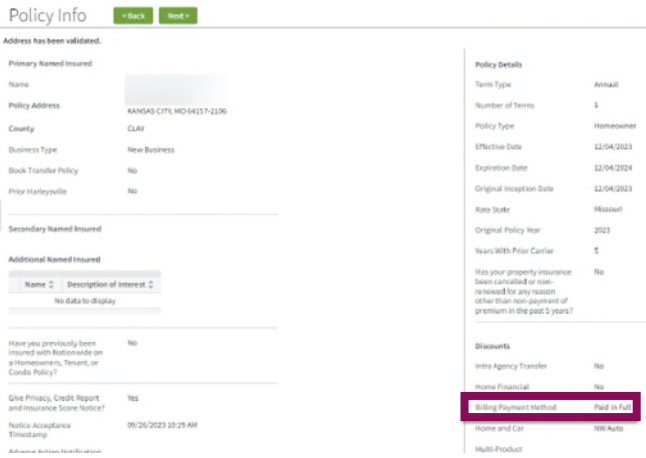
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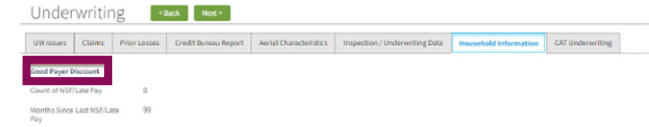
| Precision Plus Property Enhancements Include: | Line(s) of Business | | | | | | | | |
|---|----------------------------|-----------------------------|-----------------------------|------------------------|----|-------|-------------|--------------|---|
| <p>All Companies – New Precision Plus rating plan elements being implemented in <i>all</i> companies (new and existing) in South Dakota include:</p> <ul style="list-style-type: none">• Billing Payment Method - when the insured pays their premium In Full. (Third Party (escrow) billed does not qualify for discount.)• Good Payer Discount - based upon Nationwide payment history, a discount will be applied if there are no late fees or payments with non-sufficient funds in the previous 24 months.) <p>You will be able to begin quoting with this coverage option on April 8, 2024, for the new business and renewal effective dates listed below:</p> <table><tr><th>State</th><th>Underwriting Company (New)</th><th>New Business Effective Date</th><th>Renewal Effective Date</th></tr><tr><td>SD</td><td>NICOA</td><td>May 5, 2024</td><td>July 5, 2024</td></tr></table> | State | Underwriting Company (New) | New Business Effective Date | Renewal Effective Date | SD | NICOA | May 5, 2024 | July 5, 2024 | <p>Homeowners and Condo</p> <p>State(s):</p> <p>South Dakota</p> |
| State | Underwriting Company (New) | New Business Effective Date | Renewal Effective Date | | | | | | |
| SD | NICOA | May 5, 2024 | July 5, 2024 | | | | | | |

| Precision Plus Property Enhancements Include: | Line(s) of Business | Images |
|---|---|--------|
| <p>Home Characteristics and Roof Condition:</p> <p>New Home Characteristic fields have been added to the <i>Dwelling Construction</i> screen in PolicyCenter and will be returned from RCT Express (MSB).</p> | <p>Homeowners and Condo</p> <p>State(s):</p> <p>South Dakota</p> | |

| Precision Plus Property Enhancements Include: | Line(s) of Business | Images |
|--|--|--|
| <p>For Homeowner and Condo policies, launch to RCT Express (MSB), verify information returned and/or complete all fields, then retrieve the construction information.</p> <ul style="list-style-type: none"> Step 1: Select the Launch MSB button. Step 2: Verify/Complete all fields in RCT Express (MSB). Step 3: Return to PolicyCenter and click the Retrieve from MSB button. <p>NOTE: If using a Comp Rater, it is especially important to ensure home characteristic and roof condition fields are filled correctly before quoting to receive an accurate rate.</p> <p>For existing policies, these new Home Characteristic fields will be updated based on data provided by the RCT Express tool upon renewal. If the RCT Express tool does not provide information for any of these rating characteristics PolicyCenter will retain current information, if applicable, or assign a default for use in rating.</p> <p>For Homeowner policies: Wall Siding, Foundation Type, Square Footage*, Number of Stories, and Roof Shape will now be required.</p> | <p>Homeowner s and Condo</p> <p>State(s):</p> <p>South Dakota</p> | <p>Homeowners:</p>  <p>Note: In accordance with the change that implemented in September 2023, be sure to also review the Roof Year field with your customer before you leave this screen. Once you leave this screen, you will no longer be able to edit this field.</p> <p>*RCT Express returns the Finished Living area as the Square Footage. Finished Living Area is defined as the total finished floor area of the main home. This does not include any built-in garage area, any finished basement area, or bi-level unfinished lower-level area.</p> |

| Precision Plus Property Enhancements Include: | Line(s) of Business | Images |
|---|---|--|
| <p>Roof Condition will now be based on third-party vendor(s) provided data and/or information and will not be editable in PolicyCenter. Roof Condition applies to Homeowners policies only.</p> <p><i>For Condo policies:</i> Foundation Type and Square Footage will now be required. Though these fields are required, the rate will not vary based on entry at this time. Please note, it will be important for the information in these fields to be verified and completed accurately as we work to further enhance the product in the future.</p> <p>Percent of Finished Basement will be required for <i>Homeowners</i> and <i>Condo</i> policies if Foundation Type is equal to Below Grade, Walkout or Daylight Basement. Zero percent (0%) is a valid value indicating an unfinished basement.</p> <p>Billing Payment Method (applies to all companies):</p> <p>The Billing Payment Method field and drop-down are now editable in the <i>Discounts</i> section of the <i>Policy Info</i> screen on Property policies for Missouri.</p> <p>A discount applies to Property policies enrolled in a Full Pay Plan billed to the insured. Third Party Billed (i.e. Mortgagee) is not eligible.</p> | <p>Property</p> <p>State(s):</p> <p>South Dakota</p> | <p>Condo:</p>   |



| Precision Plus Property Enhancements Include: | Images |
|---|--|
| <p>Select the desired method from the field's drop-down list.</p> <p>Once the discount is applied, ensure the billing account has accurate information. (ex. Recurring EFT will need to have bank account information input on the billing account if not already present.).</p> <p>Good Payer Discount (applies to all companies):</p> <p>Based upon Nationwide payment history, a Good Payer discount will be applied if there are no late fees or payments with non-sufficient funds in the previous 24 months. This discount will be applied on all quotes and validated with Billing at new business. If there is no existing billing history, the policy will be considered a good payer.</p> |  |

Introducing a Redesigned Nationwide Umbrella (PUL) Product

To help stay competitive with product offerings, a redesigned Nationwide Umbrella (PUL) Product will begin rolling out to new states.

| What's Changing? | | | | Lines(s) of Business |
|--|------------------------|------------------------------------|--|---|
| Timeline for Changes: | | | | Umbrella |
| State | Production Date | New Business Effective Date | Renewal Business Effective Date | |
| AR UT SD | April 5, 2024 | May 5, 2024 | May 26, 2024 | State(s): Utah Arkansas South Dakota |
| <p>The updated Umbrella product will offer flexibility for new and existing policies by:</p> <ul style="list-style-type: none">• Moving from a hybrid contract to an ISO based, true umbrella contract• Offering vehicle and designated premises exclusions• Allowing non-Nationwide underliers with restrictions and surcharge and Underwriting approval (See FAQ for additional information)• Making it easier for agents and underwriting as the system will stop bind if underlying policies do not meet underlying limits <p>PLEASE NOTE: After the updated Umbrella product rolls out in the state, this will be the only Umbrella option available for New Business.</p> | | | | |



Minimum Deductible and Required Limited Roof Surfaces Settlement Windstorm or Hail Losses Endorsement Changes

Minimum deductibles and the Limited Roof Surfaces Settlement Windstorm or Hail Losses (Limited Roof) endorsement are changing for Homeowner policies in some states.

| What’s Changing? | | | | Lines(s) of Business | | | | | | | | |
|---|-----------------|-----------------------------|---------------------------------|----------------------|-----------------|-----------------------------|---------------------------------|----------------------|---------------|-------------|--------------|---|
| <p>Minimum deductibles and the Limited Roof Surfaces Settlement Windstorm or Hail Losses (Limited Roof) endorsement are changing for Homeowner policies in the states and effective dates shown below:</p> <table><tr><th>State(s)</th><th>Production Date</th><th>New Business Effective Date</th><th>Renewal Business Effective Date</th></tr><tr><td>IA IL MO OH</td><td>April 5, 2024</td><td>May 5, 2026</td><td>May 26, 2024</td></tr></table> | | | | State(s) | Production Date | New Business Effective Date | Renewal Business Effective Date | IA IL MO OH | April 5, 2024 | May 5, 2026 | May 26, 2024 | <p>Property</p> <p>State(s):</p> <p>Iowa Illinois Missouri Ohio</p> |
| State(s) | Production Date | New Business Effective Date | Renewal Business Effective Date | | | | | | | | | |
| IA IL MO OH | April 5, 2024 | May 5, 2026 | May 26, 2024 | | | | | | | | | |
| <p>What’s Changing?</p> <p>The industrywide pressures related to inflation and increased weather activity, especially convective storms, are also being felt at Nationwide. As a result, we will be increasing minimum deductibles and requiring a Wind/Hail Roof Payment Schedule in some instances to combat these pressures and help keep premiums affordable.</p> <p>These changes materially alter the loss settlement provisions under the Homeowner policy, so it is very important that you clearly explain to your customers the policy provisions and how it impacts their premiums and potential claims settlement in the event of a loss. A customer notice will be included in the renewal documents sent to the insured.</p> | | | | | | | | | | | | |

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Minimum Deductible and Required Limited Roof Surfaces Settlement Windstorm or Hail Losses Endorsement Changes

Lines(s) of Business

A high-level summary of the changes in the deductibles and Limited Roof strategy are outlined in the chart below:

Property

State(s):

**Iowa
Illinois
Missouri
Ohio**

| Type of Deductible | Summary of Changes | Details |
|--|---|--|
| All Peril Deductible | <ul style="list-style-type: none">Minimum increasingApplies to NEW major homeowner policies | <ul style="list-style-type: none">\$2,500 for Dwelling Coverage Amount > \$250,000\$1,000 for Dwelling Coverage Amount < \$250,000 |
| Wind/Hail Deductible | <ul style="list-style-type: none">Minimum increasingApplies to NEW and EXISTING major homeowner policies | <ul style="list-style-type: none">A separate wind/hail deductible must be selected on all major homeowner policies.Greater of 1% Dwelling Coverage Amount or \$1,500Must be > or = to All Peril deductibleExisting customers' Wind/Hail deductible will be systematically increased at their renewal effective date |
| Limited Roof Surfaces Settlement Windstorm or Hail Losses | <ul style="list-style-type: none">Introducing or expanding endorsement to all underwriting companiesApplies to NEW and EXISTING major homeowner policies | <ul style="list-style-type: none">Required on roofs aged 11 years or more, except for roof type surfaces of Slate, Tile, Metal, and Wood/ShakeEndorsement will be systematically applied for existing customers at their renewal if applicableEndorsement revises the homeowners policy settlement provisions for roof losses, resulting from windstorm or hail to a pre-determined schedule of replacement cost based on roof age and roof type as shown on the policy declarationsNOTE: The most recent version of the Limited Roof form can be found on Reference Connect. (Form Name: H 03 64 06 22 – Limited Roof Surface Settlement Windstorm or Hail Losses) |

Minimum Deductible and Required Limited Roof Surfaces Settlement Windstorm or Hail Losses Endorsement Changes

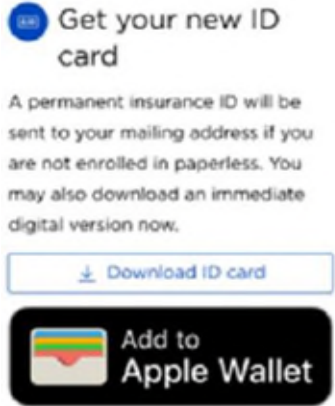
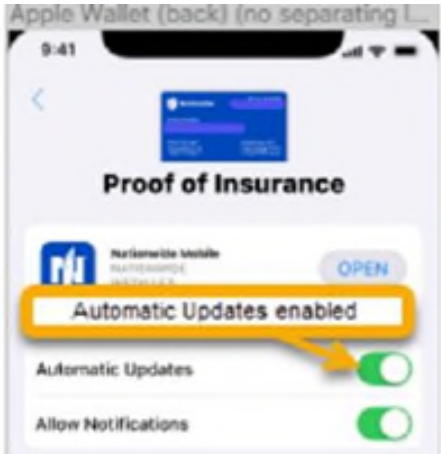
Roof Age Updates:

It is important that any “roof surface” updates (replacement) made to a customer’s roof be reflected on the policy promptly, as the roof type and roof renovated year displayed on the Declarations Page will be used to determine the requirement of this endorsement, factor into premium calculations, and utilized to settle covered losses payable under this endorsement at time of loss. Accurate roof age and type are critical and depend on the agent/customer to keep the policy up-to-date. Please encourage customers to notify you immediately of any roof replacements so that you may update the policy to obtain accurate coverage.

As a one-time courtesy, Nationwide has partnered with a third-party company to identify homes that appear to have replaced their roof more recently than our records indicate. Roof year is defined as the most recent year the main dwelling structure’s roof was completely replaced. If your customer’s roof has been identified as being newer than our records indicate, we will systematically update their policy based on the information from the third-party company and a communication will be included in their renewal packet. The customer communication will inform the customer of this update and address commonly anticipated questions.

ID Cards – Policy Change Events

Changes to ID Cards are being made to support Apple Wallet

| What's Happening? | Line(s) of Business | Images |
|---|---|--|
| <p>To improve the Customer Experience, and to reduce calls to Agencies, a new Proof of Insurance ID Card functionality (iPhone only) for all states will begin on April 6, 2024. When a new insurance ID card is available for an auto policy, the latest policy information will automatically reflect on the Apple Wallet ID card, if they have enabled automatic updates on the back of the Apple Wallet ID Card. ID Card will be available for the following cases within the web self-service:</p> <ul style="list-style-type: none"> • Policy Change confirmation page (visual IVR and authenticated changes) • Quick ID (unauthenticated ID card access) • Policy documents page (authenticated ID card access) • Billing – payment confirmation page <p>For Auto policies only, Apple Wallet ID card will be upgraded to support automatic updates. When new policy information is available, the Apple Wallet POI will update to reflect the latest information. Have members complete the following steps to allow for this new functionality:</p> <ul style="list-style-type: none"> • On the web self-service application as part of the ISP/IVR confirmation page, members have the option of immediately downloading a digital version of their Auto ID cards and/or adding it to their Apple Wallet. <p>Note: If the member has the original Apple Wallet ID card saved within their Apple Wallet, they need to add the new version of the Apple Wallet ID card to enable automatic updates. Members will have access to the functionality when using an iPhone.</p> <ul style="list-style-type: none"> • After adding the new Auto ID card to their Apple Wallet and automatic updates are enabled, then the ID will be automatically updated when new data is available. | <p>Auto</p> <p>State(s): All</p> |   |