

Property/Casualty Risk Management Briefs

Copyright. InsuranceTimes™ © 2003 by M&S Communications, Inc. All rights reserved. September 30, 2003

Mass. FAIR Plan seeks slight hike

BOSTON — The Massachusetts FAIR Plan wants to raise rates for homeowners an average 3.8% beginning Dec. 31, 2003.

The Mass Property Insurance Underwriting Association, known as the FAIR Pan, has filed the 3.8% rate request with the Division of Insurance, along with a request for an average 3.8% reduction on dwelling rates. No change is being sought in commercial property rates.

The DOI has scheduled a hearing for Nov. 4. The State Rating Bureau and Attorney General may participate in the hearing. □

Aegis offers HO product in NH

CONCORD, N.H. — New Hampshire agents now have a new specialty market for difficult-to-place properties. Aegis Security Insurance Co., Harrisburg, Penn., is offering a non-standard product through surplus lines broker MinuteMan Group of Nashua.

Insurance Commissioner Roger Sevigny is hoping the product will help address at least some of the difficulties with lower end properties in the north and western parts of the state. Limits are \$125,000 and under.

"Hopefully we'll see a little bit of relief come about as a result of this new product," he said. This non-standard product is not as broad as the traditional HO-3 policy and includes a limited exclusion on dogs.

"This means they can exclude a specific dog that has a history of offenses, but they can't exclude an entire breed of dog," said Sevigny.

This product does not address wind or seacoast issues but Sevigny indicated that the New Hampshire Insurance Department is not receiving as many complaints about finding coverage for these risks as it had been getting.

"Did the problem go away?" he said. "I don't know. But I plan to work closely with agents to find out exactly what market issues exist and to what degree they are a problem." □

Public doubts workplace safety

A poll by the American Red Cross suggests that people feel more confident about being prepared for devastating disasters in their homes than in their workplaces. It indicates that 58 percent do not have disaster kits, and 59 percent have no family emergency plans. Only one-third expressed confidence that adequate steps had been taken by their employers to provide for emergencies. □

Group wants tire expiration dates

WASHINGTON — A private safety group wants the government to put expiration dates on tires, citing evidence that even unused tires can suffer damaging internal wear.

Strategic Safety, LLC asked the National Highway Traffic Safety Administration to collect data on aging from tire manufacturers, including all lawsuits involving tread separation on tires older than 6 years. It also asked the agency to consider expiration dates.

Tire manufacturers responded that the idea may not be realistic since there are so many variables that affect aging. "It's not so simple to just slap a date on it," said Dan Zielinski, a Rubber Manufacturers Association official. □