

# Connecticut Big I – Conversation with Progressive Regional Sales Manager Malissa Stritikus

## Q: Progressive launched an updated Homeowners product in Connecticut, what do you want agents to know about the change?

First, thank you for reaching out. Connecticut agents should know Progressive is committed to becoming consumers' and agents' No. 1 choice and destination for auto, home, and other insurance by providing competitive rates and innovative products and services that meet customers' needs. Our HOH is a proprietary product that offers a wealth of coverage options at competitive rates to a majority of homeowners. We have great endorsement package options agents can be excited about offering their customers. Customers can also save big when bundling home and auto, plus they'll have just one deductible if both their home and auto are damaged from the same cause of loss!

## Q: Why did Progressive shift away from its prior HO3 that included a Special Provisions form?

Progressive Home began moving other states to its HOH product about three years ago. The HOH was created by combining our standard HO3 and Special Provisions form. One benefit of the HOH is that it simplifies complex policy terms. It eases understanding for everyone where coverage is afforded, expanded, limited, and excluded.

## Q: When the HOH was rolled out to Connecticut in April 2022, did renewing customers receive notification of the homeowner policy changes and a full copy of the HOH form?

Yes. All renewal customers received a coverage change form, policy declaration, plus the full HOH policy. We recommend any customer who has questions consult their agent.

## Q: Why does the HOH include a “wind and hail” exclusion that agents have not previously seen?

To be clear, our HOH provides coverage for wind and hail damage to homes and contents based on the policy's limits and deductible. With our HOH update, we want to align Connecticut to our standard HOH policy terms used countrywide. The exclusion we are discussing is for wind and hail damage to certain peripheral types of outdoor items such as outdoor radio equipment, TV antennas, satellite dishes, aerials, awnings, aluminum-framed screen enclosures, aluminum-framed carports, solar panels, etc. The rationale for the exclusion is because these are items most susceptible to damages during wind and hail events. Our data shows these items have the highest potential for increasing both the number of filed claims and the payout amounts following storm events. These objects, many times, end up being the only items damaged. In summary, by us strategically excluding wind and hail coverage on these few peripheral-type outdoor items that lead to higher loss costs, we can keep the product and pricing competitive to a majority of homeowners customers.

### Q: Some customers are adding solar panels to their homes. Why did Progressive specifically cite solar panels in the HOH's wind and hail exclusion?

Today, solar panels are expensive to purchase, install, and maintain over time. Yes, they are appearing more often in some areas of the country, but a small percentage of homeowners are choosing to install them. Our Research & Development team monitors the solar panel industry and continues to test and learn about possible future product updates that specifically addresses panels. I believe this could become a consideration for adding a solar panel endorsement in future product revisions. But today, exposure to wind and hail damage to solar panels can result in extremely high claim costs due to their rooftop location, the costs of the panels, plus handling, repairing, removing, and reinstalling the units. A small number of solar panel-related claims following a storm event can negatively impact statewide results, which could apply pressure to raise rates. In other words, as of today, our product is not priced for wind and hail damage to solar panels. But the exclusion helps us offer competitive rates to most Connecticut homeowners, and most agents I speak to want our rates to be as competitive as possible. Progressive is always learning, growing, and adapting to evolving homeowners needs, and I fully expect our future product releases to have options we don't offer today.

### Q: Should agents be concerned if a customer wants to add solar panels to their home?

Agents should always ask questions and review policies with customers. People make all kinds of home revisions and updates that can change their coverage needs. If solar panels are part of those changes, agents should ask more questions to learn what a customer may want, expect, and need. The following are a few solar panel-related questions agents can ask to better understand a customer's coverage needs:

1. Are the solar panels leased or purchased?
2. Who is responsible for the solar panels?
3. Does the solar panel manufacturing company provide any protection, such as against wind and hail damage?
4. What type of warranty did you receive or purchase with the solar panels? What does the warranty cover?

Agents may find customers have coverage outside of their homeowner policies and are not expecting those policies to provide coverage. If there is still a concern, independent agents have options. Our independent agents are great at matching the right policy to meet a customer's needs. Agents will see that Progressive's HOH will continue to meet a majority of clients' needs with a great product at a great rate.

Thank you for reaching out to discuss the Progressive HOH product. I really appreciate all the Connecticut independent agents making the choice to be Progressive partner agents and grow with us. My team and I are available for more questions and to continue supporting the growth of Progressive products and services across Connecticut.