

Aon Edge

Private Flood Insurance News • Spring 2020

NFIP Regulatory Update: April 2020 Changes

On April 1, 2020, significant changes to the National Flood Insurance Program (NFIP) take effect that may impact your clients owning property. The following summarizes the key new program updates:

- 23.1% premium rate increase for non-primary residences (SFHA Pre-FIRM).
- 12.5% premium rate increase for Preferred Risk Policies (PRP).
- 7.5% premium rate increase for primary residences (SFHA Pre-FIRM).
- 24% premium rate increase for Severe Repetitive Loss (SRL) properties.
- Increase in the reserve fund assessment percentage from 15% to 18% and increase in the SRL premium from 5% to 10% for SRL designated properties.
- Updated methodology used to determine the floodproofing rating credit for a non-residential building.
- Discontinuation of V-Zone Risk Rating Factor Form.
- If the mailing and property address do not match and the application references the coverage is for a primary residence, additional documentation will now be required.

For additional information regarding the April 2020 changes, refer to [FEMA Bulletin W-19014](#).

EZ Flood® Sharpens Its Focus

Aon Edge remains committed to providing the premier residential private flood insurance product. We are excited to bring additional capacity to this program in the second quarter of 2020. We are implementing additional changes to help EZ Flood deliver sustained performance to agents, property owners and capital markets.

For example, we now require prospective insureds to purchase at least \$40,000 of building coverage to qualify for EZ Flood. With this new requirement in place, Aon Edge will update renewal offers to reflect the minimum coverage available for those eligible properties with coverage in force below this requirement.

Vertafore

Aon Edge is happy to announce that agents will soon be able to access EZ Flood through Vertafore, the leader in modern insurance technology for independent insurance agencies, MGAs, and carriers.

The Vertafore PL Rating™ software solution allows agents to quote real-time personal lines from multiple carriers. This comparative rater is easy to use, reducing agents' data entry and time spent visiting carrier websites.

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Aon Edge Client Services by the Numbers

On any given day, the Aon Edge Private Flood Insurance Client Service team handles:

- 700 Inbound/outbound correspondences
- 350 Agent phone calls
- 150 Renewal offers sent
- 55 Renewals processed
- 50 Policy endorsements processed
- 45 New business policies processed

They accomplish all this while consistently maintaining best-in-class customer service levels at or above our strictly monitored internal service level agreements.

Aon Edge Success Story

Paul S. inherited a home in North Texas that had an existing NFIP flood policy that was up for renewal. He received an estimate that was \$7,000 more than the current policy. Paul thought his option was to either pay the higher premium or go uninsured.

That is until he looked into a private flood insurance policy. Aon Edge produced a quote that was \$6,000 less than the NFIP. This allowed Paul to protect the home against the peril of flood and keep the home in the family.

