Personally Speaking

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CPCU SOCIETY

Technology Trends in Insurance: Part I—How Industry Leaders and Visionaries are Using Technology to Become More Competitive

by Katherine Burger

Editor's note: *Katherine Burger, editorial director for* Insurance & Technology *magazine, spoke about "Technology Trends in Insurance" at a recent ISO gathering in New York. She graciously agreed to publish her remarks in* Personally Speaking. *We will present the article in two parts: This issue's Part I provides an overview of challenges and the industry's strategies for turning those challenges into opportunities. Special thanks to Jim Warda, communication manager at Allstate Insurance Co., for his role in editing this article.*

State of the Industry: In Transition . . .

I'd like to offer my perspective on the state of the insurance industry from a strategic and technological viewpoint, and also review some of the challenges insurance companies are facing in this fast-moving, converged, global, "e-oriented" environment.

The industry is at a turning point, with the change being driven by technology. Specifically, technology allows products to be brought to market faster and provides new ways of marketing and distributing products. Obviously, though, this also results in an undermining of traditional distribution channels. Additionally, new competition, globalization, and consolidation are realigning the playing field.

At the same time, customers are changing. On average, they're younger and more demanding. They want to initiate transactions on their own terms, meaning when and where they want. And, their top priority is getting a deal, which means they have no loyalty to traditional providers.

The real challenge then is that there is confusion on how to respond to these changes. There is the recognition that the web has the potential to answer some of these challenges by providing efficiency, improving customer service, enabling greater marketing prowess, and broadening an organization's reach. But, there is also resistance to some of the most immediate changes the web is driving, particularly in distribution.

Most important are two key lessons we can take from this period. Number one is to heed the customer. To that end, this article will review some of the ways technology is enabling a heretofore undreamed intimacy with and knowledge of the customer, as well as faster product development and improved responsiveness.

The second is to steer clear of the trap of fighting to keep things the way they are. Because even if you win that battle today, you will lose the war; the status quo is already over.

First, Let's Look at the Numbers

Probably the biggest technology issue today in financial services has to do with the concept of customer relationship management (CRM). Many insurers, in fact, are investing huge sums of money and time into CRM systems and their related technologies. According to Ernst & Young, on average, 36 percent of discretionary technology spending will be focused on selling more to existing customers by 2002.

Response to these trends involves more than simply making major investments in key technologies—although that is clearly an essential part of the equation. CRM is a set of integrated technologies and business operational and organizational initiatives that have to align with overall organizational vision—enabling an insurer to understand all the relationships it has with its customers, while also offering maximum service with the most efficient processing costs. An insurance company obviously needs an extremely strong infrastructure in order to support multiple lines of business; and legacy applications; as well as multiple contact and transaction points—including call centers, web sites, agent laptops, etc.

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Technology Trends in Insurance: How Industry Leaders and Visionaries are Using Technology to Become More Competitive

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The industry, however, does not have a good track record of acknowledging customer needs, changes, and concerns. And, carriers' long-term e-commerce and e-business strategies—and plans to build market share—will fail if we don't make it an easy, straightforward process from needs analysis/quote stages through payment, and issues involving site navigation, hot links, click-throughs, privacy and identification along the way. As evidence, according to research from Friedman, Billings, Ramsay, more than 60 percent of consumers beginning the process of obtaining insurance online abandon it before completing the application—discouraged by what is currently a complicated, time-consuming process.

Remember, customers are "taking control" of customer service. That means that they will elect to do business with companies that meet their needs throughout their lifetimes, choosing when, where, and how they shop for insurance and investment products. In addition, the Internet and other technologies have raised customer expectations of immediate gratification through personalized solutions. And they don't necessarily care whom they buy it from. Additionally, though the global insurance industry has its share of extremely strong brands, it will not be easy to change perception of what those brands stand for. In many cases, what the brands stand for is aggravation, bad service, and resistance, not to mention stodginess and conservatism.

A recent IBM survey asked consumers who said they were banking on the web to identify their online banks. Their answers? AOL, Yahoo, Quicken, and Charles Schwab. If I were a banker or insurance executive, that would make me very nervous.

The Industry Spends Big Money on Technology

The fact that a growing number of insurance companies understand the importance of CRM is illustrated by a clear upsurge in strategic technology investments.

Observers often underestimate just how much the insurance industry has invested in technology. The industry supports more than $1.8 trillion in annual transactions, including $747 billion in premiums, $207 billion in investment income, and $889 billion in claims and expenses paid, according to Friedman, Billings, Ramsey.

GartnerGroup/Dataquest forecasts IT spending in U.S. insurance industry will grow some 23 percent between 1999 and 2001, from $28.4 billion to $35 billion. Technology spending in insurance is growing at a quicker rate than in banking!

Consider budgets of some of the more prominent U.S. firms: Prudential's annual IT budget exceeds $1 billion; State Farm spent some $860 million on technology last year; USAA spent $800 million; AXA Client Solutions (a unit of global giant AXA) will spend more than $300 million this year; New York Life spends more than $250 million, and Northwestern Mutual more than $150 million.

How does it break down? Right now, agency-related systems and product development/management systems take the biggest chunk of dollars, followed by CRM, claims, and corporate administration systems.

Insurance Technology Spending Breakdowns

	2000	2001
Agency	@ $9 mln.	@ $10 mln.
Prod. Dev./Mgt.	$8.5 mln.	$9.8 mln.
CRM	$5.5 mln.	$7 mln.
Claims	$5 mln.	$5.8 mln.
Corp. Admin.	$2.2 mln.	$2.6 mln.

Source: GartnerGroup/Dataquest

Much of the investment is geared toward infrastructure and the integration of legacy systems with each other and with newer, more customer-oriented systems and tools that facilitate both distribution and analysis, as well as faster, more targeted development of new products and services.

The goal of this is to make it easier for insurers to have anytime, anywhere, any platform access to their customers and critical information about them—as well as providing customers with the same kind of 24–7 access to their financial services provider.

The money is going toward high-speed Internet access, integrated thin-client desktop architectures, and the middleware that brings them together; mobile and wireless technologies; web-enablement of legacy systems; and creation of true CRM, including state-of-the-art call centers, data warehouses and data marts.

State of the Industry

The real challenge is to go beyond rhetoric, and make flexibility, efficiency, and customer focus a reality in the insurance industry.

For example, everyone agrees financial services distribution will diversify and become more customer focused, but will companies really succeed in cross-selling? Except for a few exceptions that prove the rule, they certainly haven't so far.

To that point, the challenge isn't agreeing on the future picture—there's some consensus on that count—but, rather, on how to get there. And while technology is critical and essential, that's almost the easy part. It's the cultural and philosophical issues that will be the biggest hurdles to success. ■

Editor's note: *Part II of this series will focus on several innovative companies that are embracing technology as a part of their key strategies. Do you agree with Ms. Burger's view of the industry? We would be interested in your thoughts. E-mail the editor at dbak8@Allstate.com. The web site for* Insurance & Technology *is www.insurancetech.com.*

The Personal Lines Section Needs *You . . .*

by Sue Weber, CPCU

I have recently been nominated to be on the CPCU Society's Board of Governors. Because of this, I will need to give up my position on the Personal Lines Section Committee.

I would like to urge you to consider joining this committee. The members are committed to providing you with useful information relating to current developments in the personal lines insurance arena. The newsletter *Personally Speaking* gives everyone the opportunity to contribute articles on their areas of expertise. The committee has also given seminars around the country and will be presenting one at the Annual Meeting and Seminars in Seattle.

I have found my fellow committee persons to be energetic and forward thinking. They are always looking for new ideas. Recently, we held a "cybermeeting" with everyone linking via computer. In addition, they are a great bunch and I have made lasting friendships (not to mention some networking opportunities).

So, if you are in personal lines and are looking for a way to serve the CPCU Society on a national level, please consider joining this group. All you need to do is go on the web site and complete an application for national service, indicating you want to join the Personal Lines Section Committee. Do it soon!!!!!!! ■

Flood Insurance—Who Needs It???

by Larry Moser, CPCU, CLU

Flood risk is an important component of risk management. Approximately 19,000 communities throughout the United States participate in the National Flood Insurance Program and nearly all properties located in these communities can be protected by a federal flood policy. The only properties in these communities that are ineligible for flood insurance are properties that appear on the List 1316 report, which includes boathouses and buildings located entirely in, on, or over water and that were newly constructed or substantially improved on or after October 1, 1982. Property owners who refuse a federal buyout or federal mitigation can become uninsurable by being placed on the List 1316 report.

Countrywide, there are more than 11 million properties located in Special Flood Hazard Areas (SFHAs), also known as 100-year flood plains. Only slightly more than 3 million of these properties are protected by a federal flood insurance policy. There are several million properties located outside of the Special Flood Hazard Areas that should also be protected by flood insurance since more than 30 percent of all flood losses occur in the low to moderate risk Non-Special Flood Hazard Areas (NSFHAs). Unfortunately, many property owners located close to SFHAs do not buy flood insurance. Perhaps it is because they do not understand that flood waters do not stop at the lines depicted on Flood Insurance Rate Maps. Properties located in SFHAs have a flood risk 26 times greater than their risk of fire during a 30-year mortgage period.

Some people do not know their risk of flooding and they do not understand what causes a flood to occur. A flood is . . .

- a general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties from:
  - overflow of inland or tidal waters; or
  - unusual and rapid accumulation or runoff of surface waters from any source; or
  - mudflow
- Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above.

Larry Moser, CPCU, CLU, is vice president of the Flood Insurance Servicing Companies of America Association, and an active member of the National Flood Insurance Program Marketing Committee and the Institute for Business and Home Safety Flood Committee. A 24-year senior manager at Allstate Insurance Company, Moser is product manager for flood, boatowners, and recreation vehicles. He has been the principal coordinator of the Allstate WYO Flood Program for the past seven years.

The floodwater does not have to come from an existing body of water like a river, lake, ocean, stream, or pond; it just has to be surface water from any source. Do you realize that the floodwater could come from a torrential downpour, a levy or dam that gives way, or even a water main that runs down the center of a street that is damaged by a minor earth tremor? Some think that in order to have a flood, there has to be a Presidentially-declared disaster. Would you believe that only 10 percent of all floods are Presidentially-declared disasters? Another major misunderstanding involves disaster assistance and how it is distributed after a flood event.

Some people think that they do not need to purchase flood insurance because they expect the federal government to help them recover from a flood disaster. Unfortunately, these property owners learn after the loss that federal disaster assistance is normally a low-interest loan that must be paid back and that the recipient of these loans are normally required to purchase a flood insurance policy so that they will be protected for the next flood event.

These property owners need to understand that they must renew the flood policy because if they flood again and they did not renew their flood policy, then they will be ineligible for additional federal disaster assistance.

Most homeowners policies do not cover the flood peril, in which case coverage for flood loss requires purchase of a flood insurance policy. Television ads sponsored by the National Flood Insurance Program create awareness around flood insurance and the reasons for purchasing it.

Most flood insurance policies are written by approximately 100 insurance companies that participate in the Write Own Flood Federal Insurance Program. Companies are paid an expense allowance for writing and servicing these policies while the National Flood Insurance Program underwrites the risk and pays the losses. Companies use the expense allowance for flood acquisition costs including agent commissions, underwriting, and processing costs.

Some people describe the area outside an SFHA as the 500-year flood plain, but to help avoid giving people a false sense of security, it might make more sense to change the terminology and call the areas on a flood map high-risk, moderate-risk, and low-risk areas. Wouldn't you agree that this makes more sense than trying to explain the meaning of 100-year and 500-year flood plains?

Once customers understand that flooding can happen to them, they can choose to purchase flood coverage through either a Standard Flood Policy or a Preferred Risk Policy (PRP). The PRP is the low-cost, piece-of-mind flood policy designed for residential 1 to 4 unit buildings located in low to moderate risk areas (FIRM Zones B, C, and X) that have not experienced two or more paid flood losses greater than $1,000.

Writing flood insurance can, depending on other factors, improve customer retention in other lines, increase customer satisfaction, reduce errors and omissions exposure, and increase agency revenue. Remember, if the community participates in the National Flood Insurance Program, all properties in the community are located in flood zones . . . whether high, moderate, or low-risk. ■

Editor's note: *Special thanks to Larry Moser, CPCU, CLU, for contributing this article to* Personally Speaking. *What are your thoughts or experiences regarding flood insurance? Do you agree with Larry Moser? Let your editor know: dbak8@allstate.com.*

Indoor Air Quality: No Easy Answers

by Robin Olson, CPCU

Editor's note: *Special thanks to Robin Olson, CPCU, ARM, ARP, for his contribution of two articles to this issue of* Personally Speaking. *Both articles address timely industry issues.*

"A civilized country is one whose inhabitants must go to a backward area in order to breathe pure, clean air."

—Unknown

Molds, bacteria, and viruses in homes and businesses can create a wide variety of health problems in humans. Symptoms include the following:

- dry, itchy, and watery eyes
- stuffy, bloody, or runny nose
- dry throat
- lethargy
- headache
- flu-like illness
- breathing difficulty
- skin rash

Scientists and doctors can now sometimes make the link between these symptoms and indoor air quality.

This subject was covered in one of the many insightful seminars at the RIMS Annual Conference held April 29-May 4 in Atlanta. The seminar, "A Microbiological Menace? Indoor Air Quality and Molds, Bacteria & Viruses" was led by Howard Sandler, M.D., of OccuLink and Sandler Occupational Medicine Associates, Inc., and Martin Reape, Ph.D., director of health sciences with FMC Corporation. This article discusses their speech.

Sick Buildings Defined

Dr. Sandler began the seminar with two important definitions. First, he defined a "building-related illness" as "a specific, well-defined illness for which a direct building-related condition can be shown as the cause of the illness." Second, he defined "sick building syndrome" as "a situation where some building occupants experience health and comfort issues associated with being in the building. No specific illness or cause is identified."

He listed a host of complaint triggers. These include the following:

- poor housekeeping
- seasonal change
- water damage
- new building
- recently painted, carpeted, or refurbished environment
- pest control activity

Biological Contaminants and Their Consequences

Various biological contaminants include:

- viruses
- bacteria
- molds, including stachybotrys
- fungi
- biotoxins
- dust mites
- allergens, e.g., cockroaches

These contaminants can lead to devastating consequences. Dr. Sandler mentioned a case in which an entire home was allegedly ruined by the mold stachybotrys. Not only was the house allegedly destroyed, but all the contents ruined as well. In addition, all four of the residents claimed that they suffered various permanent disabilities.

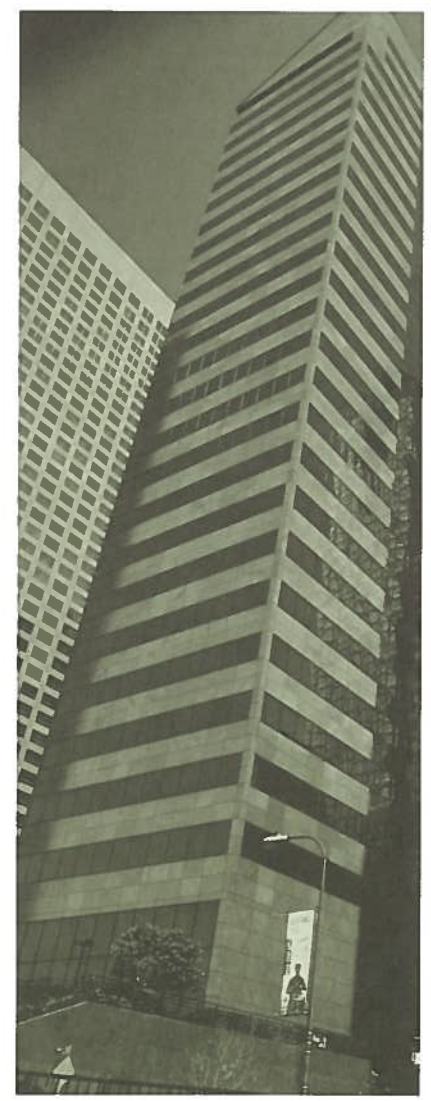
Another case, reported by the *Sacramento Bee* in February 2001, concerned a California couple whose home and contents were saturated by toxic molds. In this case, the local fire department purposefully burned down their home. The couple claimed that the molds left everyone in the home with respiratory problems, nosebleeds, rashes, vision problems, and other illnesses. They estimated spending nearly $200,000 in building, testing, and medical costs during their two-year struggle with these molds.

In a more recent case (June 1, 2001), *Ballard v. Fire Insurance Exchange,* a $32 million award was granted to a Texas couple that claimed a subsidiary of Farmers Insurance Group had mishandled their claim. This case involved the mold stachybotrys that allegedly resulted from an improperly repaired plumbing leak. The occupants experienced numerous unexplained illnesses, allegedly because of this mold. The jury also found that this home was damaged beyond repair and would need to be demolished.

Robin Olson, CPCU, ARM, ARP, *is senior research analyst for the International Risk Management Institute, Inc. located in Dallas, Texas.*

It is noteworthy, however, that there is no clear consensus on this issue. For example, stachybotrys has been implicated in several cases of pulmonary hemorrhage in infants. However, this implication, initially proposed by researchers at the Centers for Disease Control in Atlanta, is now being questioned. This same organization is now suggesting that this conclusion was premature, citing problems with the methodology used in the original study.

A complicating factor, according to Dr. Reape, is that not all symptoms may be caused by mold or other indoor air pollution within a building. In some tests, the level of mold was higher outside the affected building than inside it. In other tests, the levels of contaminants were the same in houses with and without complaints. There are a host of factors that could cause the symptoms, including indoor air pollution at the individual's workplace, stress levels of the individual, and the individual's allergies.



Managing the Risk

How should a homeowner or landlord handle the indoor air pollution exposure? According to these authorities, if this is suspected as causing an illness, the following steps should be taken.

- Check inside and outside the dwelling or building for leaks and any visual evidence of contaminants. This includes going to the attic and basement to check closely for dampness and discoloration. Also attempt to detect odors of mold. Plumbing leaks are a chief culprit in causing molds in homes. In addition, an evaluation of the heating, ventilation, and air conditioning (HVAC) system is warranted.
- If mold or other contaminants are found, immediate steps should be taken to rid the dwelling or building of the contaminants. In many cases, the use of an environmental consultant may be necessary. It is imperative to check out the credentials of this consultant and contact the references provided. In addition, it is wise to select someone who does not perform the actual remediation work or have an interest in a company that does.
- If symptoms persist, it is recommended to see a physician who specializes in occupational and environmental medicine instead of a family practitioner. The specialist will often be able to more easily isolate the cause.

Dr. Sandler stated, however, that remediation of the mold problem does not always work. "There is limited success in this process, particularly if the symptoms are not related to indoor air pollution, but to stress and allergies. In some cases, the allergies could be related to dust mites and not to mold."

Dr. Sandler also stressed that, in most cases, there is not a direct causal relationship between indoor air pollution and the symptoms or it is impossible to prove that the contamination is the sole and direct cause of the illness. "But this is not always the case and it should be investigated. What is not recommended is to ignore the problem or tell residents or tenants that the problem is in their head."

Conclusion

There are no easy, solid answers to the problem of indoor air pollution, whether it occurs in the workplace or at home. According to Dr. Sandler, assumptions of a direct cause of the symptoms may be premature and should be tested using sound scientific methodology. ■

Editor's note: *Special thanks to Howard Sandler, M.D. for his assistance in this article. Dr. Sandler is the president of OccuLink and Sandler Occupational Medicine Associates, Inc., in Melville, New York. His web site can be found at somaonline.com. OccuLink is an Internet-based provider of management systems and clinical services.*

Perceptual Diminished Value for Personal Autos—Where Are We Going?

by Robin Olson, CPCU

"A long dispute means that both parties are wrong."

—Voltaire

Picture this: you are driving down the road and are involved in a serious accident. Your car, prior to the accident, had a book value of $23,000. The damage to your vehicle amounted to $17,000, and this was properly repaired, and paid for by your insurer.

Now, is your car still worth $23,000? If not, is this loss in value covered by the personal auto policy? Well, it depends. The plaintiff's bar or the owner of an automobile appraisal service provides you one perspective. An insurer provides you a far different one. Which one is right? This is the basis for the diminished value dispute.

There are three broad categories of diminished or diminution of value, as respects an auto loss. These include:

- Perceptual or psychological diminished value—the perceptual loss of vehicle market value due to an accident.
- Repair-related diminished value—the loss of vehicle market value due to inferior quality repairs.
- Insurance-related diminished value—the loss of vehicle market value due to insurance claims practices and/or the failure of the insurer to provide for proper repairs.

This article focuses on the first category: perceptual or psychological diminished value.

The History of Perceptual Diminished Value

This issue has been with us for a long time. Gary Stephenson of the Oregon State Insurance Division states that a 1941 case is a seminal one. In *Dunmire Motor Company v. Oregon Mutual Fire Insurance Company,* the court ruled that the insured is entitled to the difference between the pre- and post-loss value of the vehicle and the proper repair of the car may not accomplish this. Based in part on this ruling, the Oregon Insurance Division issued the following statement:

> The question whether an automobile policy covers diminution of value is resolved by examining the insurance contract language. Diminution of value is considered "indemnification," and barring a specific exclusion, it is covered. Therefore, the contract language must specifically exclude that exposure if the insurance company wishes to avoid paying claims based on diminution of value.

Mr. Stephenson notes that many insurers argue that it is extremely difficult to know if a car has experienced diminished value until it is up for sale. However, he states, "Many insurers do offer a minimal amount of money if pressed by the insured for what is often referred to as a 'nuisance' claim."

Perceptual or "True" Loss?

Is perceptual or psychological diminished value a true loss? George Forman with Accident Check, an auto damage appraisal service, stated that this is a true and measurable loss:

> There are telltale signs by looking at the frame and the paint that a major accident has occurred. If the car is repaired improperly, the value of a car can be reduced as much as 50 percent. Even if the car is repaired properly, the value can still drop by 20 percent or more. An experienced auto inspector can always tell if a car has been involved in a major accident. And the insurers are not compensating consumers for this.

He did mention that some insurers pay an additional 10 percent of the damage for diminished value but only if the consumer vigorously pursues this.

One point that several sources made is that if a consumer has an opportunity to buy a three-year-old vehicle that has never been in an accident or a three-year-old vehicle that has been involved in a substantial accident but was properly repaired, he or she would still prefer the vehicle that is accident-free. This reduces the value of the vehicle involved in the accident.

However, some insurers and insurer associations maintain that if the vehicle is properly repaired, it does not lose market value. Dave Hurst, a public affairs liaison with State Farm, states that a skilled repair professional can restore the vehicle to its pre-loss condition:

> When it comes to resale of a previously damaged vehicle, there are many subjective factors at stake, such as color, mileage, options, and dependability. Some buyers might prefer to avoid buying a car involved in an accident. Others might prefer to avoid cars owned by smokers or by people with young children who can be hard on cars.

Mr. Hurst believes that the bottom line is that the personal auto policy only promises to repair or replace a covered auto involved in an accident.

One case against payment of diminished value revolves around the contractual language. The Insurance Services Office, Inc.'s (ISO) personal auto policy (PAP) stipulates, under the physical damage section, that the insurer "pay for direct and accidental loss." The argument is that diminished value, if it exists, is considered an indirect or consequential loss, and thus not payable under the PAP.

Relevant Case Law

How have the courts ruled? In a 1999 Texas class action case, *Carlton v. Trinity Universal Insurance Company,* the appellate court upheld the lower court in support of the insurer. The court stated that the insurer, "fully, completely, and adequately repaired or replaced the property with other of like kind and quality." The court ruled that any decline in market value not subject to repair or replacement is not considered a component part of the cost to repair or replace.

In a 1988 case, *Ray v. Farmers Insurance Exchange,* the court stated that car values may fall, but the PAP does not cover this loss. If this was payable, the court reasoned, this could threaten the insurer's first option—to repair the vehicle. Several other courts have reached similar findings and rationales as well.

However, some recent class action suits have indicated initial signs of success for plaintiffs. In a preliminary ruling in December 2000 (*Sims v. Allstate Insurance Company*), the court granted certification of the suit. This is a precedent-setting case, as class action suits for diminished value have never been certified in the past.

Jonathan Shub, Esq., of Sheller, Ludwig and Badey in Philadelphia, has experience in diminished value suits and believes this is a major event affecting future related class action suits. "This is the first certification of a class action suit for diminished value; however, I believe that this preliminary ruling will be appealed by the insurer."

In another class action case in Georgia still in litigation, *Mabry v. State Farm,* the court issued a preliminary ruling that State Farm notify Georgia policyholders involved in physical damage losses of this diminished value exposure. Mr. Hurst of State Farm states they are now advising policyholders of this per the court's order but have appealed the ruling. He believes that this approach is simply inviting claim disputes and could lead to higher premiums.

There have been other cases outside class action suits in which the court has ruled in favor of the insured. In one 1992 case, *Delledrone v. State Farm,* the court ruled that a comparison of actual cash value of the vehicle before and after the accident should be made and the difference paid.

ISO's Response

To deal with litigation of this type, ISO filed an endorsement to the personal auto policy, **coverage for damage to your auto exclusion (PP 13 01),** in nearly every jurisdiction in 1999. This endorsement defines "diminution in value" as "actual or perceived loss in market or resale value which results from a direct and accidental loss." This is excluded from coverage. As of June 2001, the filing results are as follows:

Approved:	39 jurisdictions
Disapproved:	9 jurisdictions
Pending:	2 jurisdictions
Not filed:	4 jurisdictions (all are non-ISO jurisdictions for personal auto)

The disapprovals in those nine jurisdictions were primarily based on specific case law.

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Perceptual Diminished Value for Personal Autos—Where Are We Going?

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Conclusion

So, where are we going with this long-running dispute? It is not going away at all; in fact, it may have added strength due to the preliminary ruling in *Sims v. Allstate Insurance Company* in December 2000. Many observers believe, however, that with the endorsement excluding diminished value gaining acceptance, this issue may eventually dry up. However, Chuck Schlager in ISO's personal auto division states that the endorsement has not been tested. Mr. Hurst with State Farm does not see any leveling off of litigation. "It is still very early in this process," he claims.

From this vantage point, the diminished value debate is far from resolved and one worth watching closely in the future. ■

Favorite Web Sites

What are a few of your favorite, most useful web sites? Please share them with us. In each upcoming issue we will publish sites that may be of interest to other readers. To get started, here is an assortment of sites about a number of topics:

www.floodalert.fema.gov: This web site is the National Flood Insurance Program web site, and it links to other flood alert locations. Considerable flood information can be found at this site.

www.fema.gov is the web site of the Federal Emergency Management Agency. It contains links to flood insurance and information on flood maps, tornadoes, hurricanes, and earthquakes.

www.nuco.com is the web site of the *National Underwriter* magazine. Free viewing of recent articles is available on this site.

www.roughnotes.com is the web site of *Rough Notes* magazine. Articles and access to archived back issues and articles is available.

www.claimspages.com is a web site for claims professionals. It contains links to dozens of related sites. It has current articles and information regarding claims issues and trends.

And, last, but not least a site that pokes fun at our actuarial partners: **www.actuarialjokes.com.**

Join us in Seattle, WA!

The Personal Lines Section has developed this educational seminar to be held during the CPCU Society's 57th Annual Meeting and Seminars in Seattle, WA, October 21-23, 2001.

Bricks to Clicks: The Underwriting Process Meets the Internet

Monday, October 22—3:15 - 5:15 p.m.

Internet technology, while highly beneficial to insurers and their potential customers, is still at arms length. What are customers' and insurers' expectations? How will the underwriting process be affected? What are the pricing and information need ramifications? Learn the answers to these questions and more from industry professionals who have already assumed a leadership role in these efforts.

Moderator
Dale M. Halon, CPCU, CIC
Abacus Direct

Panelists
Joan Cotter
Ameraset Consulting Group

Michael Gaughn
Trans Union

Scott Horwitz
Fair, Isaac

Sandy L. Stevens
Response Insurance Group

Call (800) 932-2728 and select option 4 for Annual Meeting registration information or visit www.cpcusociety.org to download a copy of the registration form.

From the Editor

by Diane G. Baker, CPCU

There are several "hot" industry items covered in this issue of *Personally Speaking*. The articles offer insight into technology issues, the consequences of indoor pollution, the importance of flood insurance, and the diminished value issue in auto insurance. A special thanks to all who contributed these articles. This issue marks the introduction of a new "permanent" column where we will share a number of your favorite web sites.

Again, this is ***your*** newsletter. Please write and let me know what is of interest to you. What drives you to read *Personally Speaking?* Thanks in advance for your support in making our newsletter a success. ■

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Personally Speaking is published by and for the members of the CPCU Society's Personal Lines Section.

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