

Why Some Policyholders Need Creative, Customized Temporary Housing Programs

Policyholders come in all shapes and sizes, including young couples just starting out in their first homes, luxury homeowners and seniors with special housing considerations. They all share a common desire for solid coverage for their most valued investment — their home. When disaster strikes, they want their temporary living option to provide the comforts of home.



By Joan McCarthy Mack

The insurance company able to quickly assess and provide a customized housing solution that meets their unique needs will become a policyholder's trusted advisor — building loyalty and increased referral business.

Depending on the type and severity of the loss, there are several elements to consider when determining the right temporary housing provider to offer your policyholders. They may need a hotel room for a couple of nights, a furnished apartment for a month, or even a single-family home in a specific school district for a year or more. Most temporary housing providers should be able to offer the basics. For a solution tailored to unique policyholder needs, however, there are other factors to consider.

The following 10 questions will help you determine the right housing solution provider for your policyholders. When a crisis causes a loss, can you trust your provider will offer:

1. A wide range of housing options — i.e., hotel rooms, mobile homes, furnished apartments, multiple-bedroom homes, luxury homes?
2. Flexible leasing terms for short and long-term stays?
3. Guidance in adhering to additional living expense (ALE) policy limits?
4. Inventory in the cities and areas most in demand?
5. Around-the-clock customer care?
6. Dedicated insurance experts?
7. Flexible billing and invoicing options?



8. Customized programs to fit individual policyholder needs?

9. Creative solutions to challenges?

10. Alternative inventory for policyholders with special needs?

"It is important for housing providers to first and foremost learn who the insureds are and what their specific needs might be. This allows the provider to find the best possible fit," said Travis Phifer, manager of catastrophe claims for Grange Insurance. "When a housing company is contacted for assistance, the insured has gone through one of the most difficult times of their lives — the loss of their most prized possession (their home). So it is critical for the provider to show

empathy and true understanding of the insured's loss and find that perfect fit for the insured to move their life forward."

Senior Population Brings New Housing Challenges

As policyholders age and are living longer than ever before, the requirements to maintain their life at home are changing considerably. In the United States, the number of seniors is expected to grow significantly in the next 15 to 20 years. In fact, people age 65 or older represented about 12.9 percent of the population in 2000 but will increase to 19 percent of the population by 2030, according to the U.S. Department of Health and



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Human Services Administration on Aging.

Companies should consider a temporary housing provider that can provide alternatives to accommodate the needs of seniors. Special services, such as onsite healthcare and living assistance — especially for those experiencing injuries — won’t be available in a typical temporary apartment or home.

For example, a client with a large senior policyholder base who needs these types of services will want a temporary housing provider who has relation-

ships with assisted-living and retirement communities. In addition to housing, they can provide access to specialized services, such as meal programs, shuttles to local shopping and onsite healthcare — giving policyholders a customized housing solution.

VIP Treatment

High-end and luxury home claims introduce an entirely new set of challenges when it comes to temporary housing. With luxury home sales up in several areas around the country, the demand for special insurance services, including luxury temporary housing, will likely increase.

The *Los Angeles Times* reported that

high-end home sales (homes selling for more than \$5 million) reached a record high in California in 2012. Sales of homes selling for \$1 million or more rose almost

27 percent from 2011 to 2012. Other metro areas of the country reporting a jump in sales of homes selling for \$1 million or more include Detroit,

Denver, Dallas and Phoenix.

Companies insuring homes worth \$1 million or more should assess a temporary housing provider in several areas, including the ability to:


- Provide temporary housing in the right location, with proximity to the desired neighborhood;
- Address security concerns;
- Offer high-end amenities, such as an indoor gym, swimming pool or even staff living quarters.

Your temporary housing provider should also be able to offer a VIP program backed by the proper resources to fulfill policyholders’ custom requests. For example, can they provide executive car service when touring potential properties and an extensive network of real estate brokers who cater to high-end clientele?

“AIG is always looking to improve how we care for our policyholders,” said Frank O’Brien, AIG’s assistant vice president, director of property claims for the United States and Canada. “For example, our demographic of policyholders who own high-end homes require specialty temporary accommodations if they become displaced, so we’ve been utilizing these special housing inventories and programs. It’s important that we find the best ways to service this group’s high expectations and complex needs.”

Staying Flexible

Armed with this information, it doesn’t take long to get a sense whether or not a temporary housing provider is right for your company and will meet the diverse needs of your policyholders.

It really comes down to finding a flexible partner that has the experience, inventory and creativity to respond instantly, place policyholders successfully — even those with custom requirements — and then support them completely. 

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