

Chairman's Corner: Keeping Traditions

by Daniel L. Blodgett, CPCU, AIM, AIS



■ **Daniel L. Blodgett, CPCU, AIM, AIS**, is a project manager in the Systems Department of State Farm's home office in Bloomington, IL. He started with State Farm in 1990 working various jobs including auto underwriter and supervisor in the State Farm Payment Plan. He is on the Board of Directors of the CPCU Society's Central Illinois Chapter, and is past president of the Society's Southwestern Michigan Chapter. Blodgett earned the CPCU, Associate in Management, and Associate in Insurance Services designations.

Fall is one of my favorite seasons. The heat of the summer is gone; the evening air is cool and crisp. In the morning, frost decorates the landscape, and the sun makes the scenery sparkle. For many, the holiday season brings friends and family together as we keep traditions alive or create new ones.

In keeping with our Personal Lines Section tradition, we had excellent attendance from our committee at the CPCU Society's Annual Meeting and Seminars in Nashville. I'm proud to be a part of a group of leaders who show dedication to members and each other. Continuing a "new" tradition, we again kicked off the meeting by reviewing our mission and commitment statement, which reaffirms our focus of serving the Personal Lines Section membership and CPCUs in general. The mission is important and taken seriously by your committee. I'd like to repeat it in this issue as a reminder of what we are all about.

Personal Lines Section Mission

Our mission is to educate professionals in all aspects of personal risk management, to create and disseminate knowledge, and provide expertise to CPCUs and others. We do this through research and program initiatives emphasizing high performance, functional expertise, and practical experience.

I should also mention a pleasant attendance surprise in Nashville when a member of the Personal Lines Section stopped in at our committee meeting. Scott W. signed up for the section this past summer and was attending the Annual Meeting. He saw that the

committee had a planning meeting and stopped in to observe. It sparked a thought for our group, and I'd offer to any member who attends the CPCU Society's Annual Meeting and Seminars or Leadership Summit—you always have an open invitation to the Personal Lines Section Committee meeting. Your opinions are valued and it was good to hear Scott's perspectives.

Another Annual Meeting tradition is successful planning and goal setting. Goals for the diminished value presentation were set well over a year ago by seminar chairman and webmaster **Richard T. Lang, CPCU**, and execution of the program was flawless. Options were discussed for the 2007 Hawaii seminar last spring, and plans were solidified by seminar chairman **Robin K. Olson, CPCU**, in Nashville. Good planning is the best way to ensure success, and we are well ahead of the curve for next year. We are also planning another breakfast meeting to nourish your body and mind. Most likely we'll partner with other sections to help with scheduling and foster teamwork among sections. Look for more information throughout 2007, and we hope you can join us for a relaxed breakfast and the opportunity to expand your network.

Enjoy the coming holiday season by keeping old traditions and starting some new ones. Have a great finish to 2006, and best wishes in 2007. ■

Note from the Editor

by Robert A. Braun, CPCU



■ **Robert A. Braun, CPCU**, is a territory manager with State Auto Insurance Companies, where he is responsible for managing the profitable growth of the central Kentucky region. He joined the Personal Lines Section Committee in 2006, and he shares editorial responsibility for the section newsletter *Personally Speaking*.

Our last edition of the year focuses on the CPCU Society's 2006 Annual Meeting and Seminars, held this past September in Nashville. I last attended this event in 2001 in Seattle, WA, and was impressed with the increased variety and diversity of educational programs. Most of these seminars are presented by fellow CPCUs who volunteer their time and talent to improve the CPCU Society and add value to your membership. In the process of planning and conducting seminars, these professionals accomplish the mission we strive for within our section: to educate members, to create, and share knowledge, and to provide expertise to fellow CPCUs and others. Next year we convene in Hawaii, a beautiful location for enhancing your professional knowledge, so see what's in store from the Personal Lines Section. We hope to see you there!

CPCU Society Annual Meeting and Seminar Highlights

Two articles recap events sponsored by the Personal Lines Section. **Richard T. Lang, CPCU**, reports on the diminished value seminar. **Mary Ann Cook, CPCU, AU, AAI**, shares highlights from the identity theft presentation held at the first annual Personal Lines Section breakfast.

Developing Knowledge of the Industry

Long-time contributor **Jerome E. Tuttle, FCAS, CPCU, ARM, AIM, ARe**, returns to *Personally Speaking* with an article about Michigan PIP. This coverage presents a number of challenges for company underwriters and agents, and Tuttle does an excellent job summarizing some of the intricacies of the coverage.

Networking and Section News

The spotlight shines two times this issue—on our fearless leader, **Daniel L. Blodgett, CPCU, AIM, AIS**, as well as on contributing author Jerome E. Tuttle. We also pay tribute to retiring member **Diane G. Baker, CPCU, ARP**, my predecessor in the editor's seat. And, your section is an award winner, earning the gold level Circle of Excellence!

Beginning next year, you can expect subtle changes in the newsletter. Since the Personal Lines Section is multi-disciplinary in nature, we'll build each newsletter around specific themes impacting personal lines. We welcome your input in developing those themes and in providing interesting articles and content for our members. ■

Personal Lines Section Earns Gold Level Circle of Excellence

It is with great pride that we announce that the Personal Lines Section has earned the gold level Circle of Excellence from the CPCU Society for our efforts in 2005–2006. Circle of Excellence recognition is presented to those sections that have completed a variety of activities that help further the goals of the section and of the CPCU Society.



CIRCLE OF EXCELLENCE
RECOGNITION PROGRAM ▲

Many thanks to all section members who made this possible . . . and special thanks to Rob Olson, CPCU, for spearheading the submission to the COE Review Committee!

Highlights from Nashville: Personal Lines Section Breakfast Meeting

Identity Theft—The Causes and the Cures

by Mary Ann Cook, CPCU, AU, AAI



■ **Mary Ann Cook, CPCU, AU AAI**, joined the Institutes in July 2001 as a director of curriculum. Previously, she was associated with the MidAtlantic office of USI Insurance and Financial Services, where she was vice president of personal insurance. Her extensive background in the personal insurance arena and the agents and brokers environment serves her well in her position as program director for two AICPCU courses: Personal Risk Management & Property-Liability Insurance (CPCU 555) and Personal Financial Planning (CPCU 556), and also for the IIA's Accredited Adviser in Insurance (AAI) program.

Members of the Personal Lines Section and 2006 new designees brought hungry appetites for the mind and body to the section's special breakfast held recently at the CPCU Society's Annual Meeting and Seminars in Nashville. The topic was identity theft, an issue growing in importance for our industry.

A full room of attendees enjoyed the event, which was hosted by Section Chairman **Daniel L. Blodgett, CPCU, AIM, AIS**. The program, "Identity Theft—The Causes and the Cures," was presented by **Robert L. Siems, J.D., CPCU**, chairman of the Information Technology Section, and **Patricia A. Hannemann, CPCU**, chairman of the Risk Management Section. The program

was based on material originally developed by the Information Technology Section, and is known in that format as: "Identity Theft: Targeting a Modern Problem with Modern Solutions."

New Designees Welcomed

Among the new designees in attendance were **Michael Leinenbach, CPCU**, of Chubb & Son, and **Clarence J. Kimm, Jr., CPCU**, of Oregon Mutual. Although Michael is a Chubb commercial multi-lines underwriter, he has a background in personal lines, and that interest has never waned. In fact, he describes himself as, "... a personal lines underwriter trapped in a commercial lines underwriter's body." We prefer to view it as just the type of multi-skilled individual who is attracted to the Personal Lines Section! The same holds true of Clarence, an actuary with Oregon Mutual working at times on personal auto. He finds topics related to personal lines interesting and familiar. Welcome, Michael and Clarence!

The Presentation—An Overview of ID Theft

Bob Siems related a timely incident not of identity theft (ID theft), or of mistaken identity—but rather of non-identity. Earlier that same morning, Siems' hotel room keycard was no longer recognized by his now-locked hotel room door, and he became effectively locked out with no access to his possessions inside. Fortunately for our group, he decided to come straight to the breakfast while the hotel staff worked on restoring access to his key cards. Siems used his plight to illustrate that many people are adept at accessing databases (whether accidentally or intentionally) to which they shouldn't have access (this was how his access code had been changed).

When ID theft occurs, the consumer's liability to third parties is limited. However, the real cost to the individual is in lost time from work or in unwarranted legal issues that must be cleared if a



■ **Patricia A. Hannemann, CPCU**, (top photo), and **Robert L. Siems, J.D., CPCU**, discussed the causes and cures of identity theft at the Personal Lines Section breakfast.

claimant presses charges against the victim's "identity." Rectifying ID theft-related issues sometimes requires years and causes a great deal of stress. One ID theft case necessitated the victim taking a total of 10 weeks' vacation time to resolve claim issues. In another case, an ID thief accumulated \$113,000 in bad debt against a victim's record. As an example of how quickly things can spiral out of control once an individual's identity is stolen, an illegal immigration ring used a woman's Social Security number 37 times before she discovered the theft of her identity. ID theft is the top consumer complaint reported to the Federal Trade Commission (FTC).

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Highlights from Nashville: Personal Lines Section Breakfast Meeting

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How Is ID Theft Perpetrated?

Unfortunately, ID theft is easy to commit. Thieves use the following methods: stealing Social Security numbers; pre-texting (obtaining your personal information under false pretenses); taking information from medical ID cards, utility bills, and pre-approved credit card applications; phishing (committing Internet fraud by sending spam or pop-up messages to obtain personal information); intercepting information when you pay your property taxes; and taking your driver's license number.

Sobering Statistics

One in 23 individuals will be the victim of ID theft during his or her lifetime. The average value of an ID theft incident is approximately \$6,300. The average out-of-pocket cost to resolve an ID theft incident is \$1,100. Most unnerving is the fact that half of all ID theft incidents are committed by family, friends, or neighbors.

The Cost of ID Theft

Two categories of loss occur as a consequence of ID theft: financial losses and non-financial losses.

Financial losses average \$6,300. These types of losses include the following:

- credit card bills, loans, contract values
- cost to clear credit record

- cost to notarize fraud affidavits
- time off work

Non-financial costs to resolve ID theft claims, average \$1,100. These types of losses include the following:

- time and effort to clear credit record (40 to 600 hours)
- damage to reputation (credit rating)
- emotional impact
- time spent in jail

Is ID theft insurable? Yes, because the ID theft loss exposure meets the following criteria for insurability:

- loss exposure has large number of exposure units
- loss can be definite as to time and place
- loss is accidental
- loss causes hardship
- loss is calculable
- loss is not catastrophic
- cost of insuring the loss is economically feasible

Chubb, AIG, and St. Paul-Travelers are among those insurers offering coverage. Limits vary, but are typically within the range of \$15,000 to \$30,000. Coverage includes compensation for legal fees, time off work, and expenses to clear one's credit record.

Common-sense advice is that an ounce of prevention is worth . . . well, you get the idea! Some cautionary tips are as follows:

- Protect your personal information and identification.
- Opt out of pre-screened credit card offers (a consumer right as part of the Fair Credit Reporting Act) by calling (888) OPT-OUT.
- Use key resources such as the FTC, www.consumer.gov/idtheft/.
- Request annually a free copy of your credit report. It's a federal law that you can receive a free report. See www.annualcreditreport.com.
- Check your credit rating annually. (Use all three of the major credit bureaus!)
 - **Equifax:** (800) 525-6285
www.equifax.com
PO Box 740241
Atlanta, GA 30374-0241
 - **Experian:** (888) EXPERIAN (397-3742)
www.experian.com;
PO Box 9532, Allen, TX 75013
 - **TransUnion:** (800) 680-7289
www.transunion.com
Fraud Victim Assistance Division,
PO Box 6790,
Fullerton, CA 92834-6790
- File a police report if your identification is stolen. ID theft is a crime, and you must be able to document that a crime has been committed.
- Check your wallet. Is your Social Security card inside? If so, take it out!

Thus ended a very lively, thought-provoking, and "satisfying" breakfast meeting hosted by the Personal Lines Section. To determine whether you may be at risk for ID theft, test your "Identity Quotient" in an interesting, brief quiz that can be found at www.privacyrights.org. Be sure to return periodically to the site for updates, alerts, and tips regarding ID theft issues. ■



■ Personal Lines members discuss identity theft, an issue growing in importance for our industry, at the Personal Lines Section breakfast meeting.

Highlights from Nashville: Personal Lines Section Seminar

Diminution of Value

by Richard T. Lang, CPCU

The Personal Lines Section was pleased to sponsor a seminar in Nashville on diminution of value. This seminar provided a great deal of insight into this emerging industry issue.

The panelists were **David Broemel, J.D., CPCU**, an attorney with Burr & Forman, LLP; **William C. Wilson Jr., CPCU, ARM, AIM, AAM**, director of IIABA's Virtual University; **Douglas G. Baker**, product manager for Audatex (formerly known as ADP Claim Services Group); and moderator **Dale M. Halon, CPCU, CIC**, director of new business development for ChoicePoint.

Broemel began our session with a discussion of the Georgia case findings of *Mabry v State Farm*, 274 GA.498, 556 S.E.2d 114 (2001), "... In almost every case, a vehicle that has been damaged in a covered event will suffer some diminution of value, regardless of the efficacy of the repairs undertaken."

He noted that currently 28 states have appellate decisions concerning first-party diminished value. Seventeen of those states have rejected the theory, and 11 states have accepted that diminution exists and may be payable. All states entertain the potential claim for diminished value with regard to third-party losses with the emphasis that the third party must prove the basis and amount of damage suffered.

Wilson followed up the discussion of first-party losses by highlighting the changes between the 1989 ISO policy and the 1994–2005 ISO automobile policy. In both cases, there are not specific references to diminished value or betterment. However, depreciation is addressed in the 1989 policy applying to an ACV payment, but not repair costs. The updated ISO policy of 1994–2005 modified the language to reflect the

NAIC's Unfair Claims Settlement Practices regarding betterment.

As a result of the Georgia case of *Mabry v State Farm*, ISO introduced an endorsement to exclude diminished value for first-party losses, which included the following definition:

ISO PP 13 01 12 99

Coverage for Damage to Your Auto Exclusion Endorsement

"Diminution in value means the actual or perceived loss in market or resale value which results from a direct and accidental loss."

In addition to the issues involving diminished value with automobile losses, Wilson pointed out several other areas in which diminution is a factor and a risk to the consumer. First, as more and more insurers are excluding first-party diminished value claims in their respective policies, a risk is created in renting vehicles. Many rental agencies have their customers sign a contract covering diminished value and stating that the rental agency has the discretion to repair or total a damaged vehicle. As the exclusionary provisions become more prevalent, the consumer will be assuming these potential risks unless they purchase the rental agency's supplementary damage waiver and/or liability coverages. Wilson has written several articles that are being provided for a short time on IIABA's Virtual University web site at <http://www.iiaba.net/VU/Nonmember/CPCU2006.htm>.

Baker demonstrated how insurers and consumers might calculate a reasonable payment when diminished value is at issue, particularly in states such as Georgia where diminution is accepted. Audatex has analytical software that determines payments based on book value or ACV. The software allows for several

modifiers that affect the final outcome, such as prior damage, salvage titles, loss history, etc.

During the question and answer session, all panelists remarked that there might be significant distinctions between policy coverage and legal responsibility depending upon state laws addressing third-party losses. Generally, an insurer may limit the coverage as long as the exclusions or limitations do not contradict statutory or public policy. As diminished value losses are a matter of fact rather than law in most cases, it is the responsibility of the alleging party to prove that diminished value exists and that it was a direct and accidental loss of the occurrence in question. In addition, courts have generally held that if diminished value occurs, the insurer needs to pay the value based upon the date of loss rather than when the vehicle is sold (which may result in a reduction or no diminution).

In conclusion, the panelists agree that while diminished value may be difficult to prove, it is a very real risk. They pointed out that most courts base payments upon specific policy clauses and definitions, so an insurance professional should be familiar with the policy language addressing diminution. Further, with varying court rulings, a thorough review of case law and statutes should be undertaken before accepting or denying a diminished value claim.

You may find all presentations and handouts on the IIABA's Virtual University web site. In addition, the Personal Lines Section has obtained permission to post the presentations on our web site at: <http://personallines.cpcusociety.org>. ■

Michigan No-Fault Benefits and Non-Residents

by Jerome E. Tuttle, FCAS, CPCU, ARM, AIM, ARE



■ **Jerome E. Tuttle, FCAS, CPCU, ARM, AIM, ARE**, is a senior pricing actuary with Platinum Underwriters Reinsurance. The opinions expressed are those of the author and do not reflect the views of Platinum Underwriters Holdings Ltd. or its subsidiaries. The author is not a lawyer and is not providing legal advice.

Introduction

“We don’t write in Michigan, so we don’t have to worry about Michigan no-fault benefits.” I have heard this said a number of times from auto insurers that only write in a few states, so I decided to research whether this is indeed true.

As underwriters and actuaries, we try to identify, analyze, and treat the various exposures to loss. The Michigan no-fault law provides unlimited medical benefits, and it is the only state to do so. Wage loss benefits are more moderate, although the three-year maximum benefit as of October 1, 2005, is a not insignificant \$158,400. An injured party may still sue for non-economic damages if a verbal threshold has been reached. There is also a Michigan Catastrophe Claims Association (MCCA), which reimburses auto insurers for benefits exceeding \$400,000 as of July 1, 2006; the MCCA is funded by assessing each Michigan auto insurance policy. The property portion of the Michigan no-fault law is also unique, but will not be discussed here.

Nevertheless, when we insure or reinsure Michigan auto exposures, we are aware of

these unique Michigan features, and we try to price our product accordingly.

The wrinkle is that some auto insurers do not write Michigan auto insurance and are not licensed in Michigan. Three states border Michigan (Wisconsin, Indiana, and Ohio), and parts of Illinois and Minnesota are not very far away. Suppose an Ohio driver, who is insured by an insurer not licensed in Michigan, drives a private passenger car in Michigan and has an accident there. Is the insurer (and reinsurer) potentially responsible for no-fault benefits of a magnitude that we did not contemplate?

The following analysis comes from the author’s interpretation of the Michigan Insurance Code, Chapter 31, Section 500, available online at www.michigan.gov/ofis in the Codes and Acts area.

Who Is Covered?

Who is potentially covered for Michigan no-fault benefits? The answer is the named insured, resident family members, occupants, and pedestrians (including bicyclists), with respect to accidents involving a covered auto. Motorcycles are not covered autos and have some unique rules, which will not be discussed here.

The ISO Personal Auto Policy (PAP), under the Out of State Coverage provision, says: “If an auto accident occurs in another state, and if that state has a compulsory insurance law requiring a nonresident to maintain insurance, then the policy will provide at least the required minimum amounts and types of coverage.” Therefore, an ISO PAP will automatically add no-fault coverage, but only if it is required to do so.

First let’s discuss the non-resident driver and occupants, and then we’ll discuss the pedestrian.

The non-resident driver and occupants are insured by an insurer unlicensed in Michigan. That insurer may voluntarily agree to provide Michigan no-fault benefits by filing a certification (see

Section 3163(2)). However, by law the insurer is only liable for loss up to \$500,000 not including loss expense, and there is no recovery from the MCCA for the unlicensed insurer (see Section 3163(4)). Many insurers do file this certification, although not all do so. If the unlicensed insurer does not file this certification, then the non-resident driver and occupants are not entitled to Michigan no-fault benefits (see Section 3113(c)).

Now let’s consider the injured pedestrian who is struck by a non-resident driver. An injured pedestrian initially looks for no-fault coverage to his or her own policy (see Section 3114(1)) or to the family policy. If there is no policy (such as if neither the pedestrian nor the family is a driver, or if they are simply uninsured), then the pedestrian looks for no-fault coverage to the policy of the vehicle owner or operator (see Section 3115(1)). If the pedestrian has his or her own coverage, then the insurer of the non-resident is not liable for the pedestrian’s no-fault benefits. If the pedestrian has no policy, then we are back to the non-resident’s insurer and whether a voluntary Section 3163(2) certification was filed.

If no Section 3163(2) certification was filed, then the pedestrian has no private insurer providing no-fault benefits. The pedestrian has no-fault coverage from the assigned claims fund (see Section 3172).

So the original assertion, “We don’t write in Michigan, so we don’t have to worry about Michigan no-fault benefits,” is accurate if the unlicensed insurer did not file a voluntary Section 3163(2) certification. If the insurer did file this certification, the unlicensed insurer is liable for loss up to \$500,000, which is greater than the net liability of a licensed insurer (reimbursed for unlimited liability in excess of \$400,000). ■

Reference

Robin K. Olson, *Personal Risk Management and Insurance*, International Risk Management Institute, Inc., Dallas, TX, 2006.

Put Something In—Get Something Out

by Dale M. Halon, CPCU, CIC

*Draw a crazy picture,
Write a nutty poem,
Sing a mumble-gumble song,
Whistle through your comb.
Do a loony-goony dance,
'Cross the kitchen floor,
Put something silly in the world
That ain't been there before.*

—Shel Silverstein

I was reminded about this poem, written by Shel Silverstein, as I was thinking about the contributions of **Diane G. Baker, CPCU, ARP**, our retired editor of *Personally Speaking*. As she steps down from her seat on the Section Leadership Committee, we will miss her editorial skills, her teamwork, and her dedication to the work of the section and the CPCU Society.

Diane epitomizes the essence of this poem. She stepped up to the plate when

our section was in pilot status in 1999. Our newsletter would not exist without her commitment to publishing it on a regular basis for more than five years. Our section would not have made it through those early years without her energy and enthusiasm. As a high-level manager at Allstate, she has a schedule that none of us would want, but handled this responsibility with a smile on her face. Her investment of time and talent to this section has paid off, and we're all better for it.

On a personal note, Diane, I will miss you most of all. You encouraged me during the early years of the section, through times I was not sure I'd stick it out. You taught me to "Do a loony-goony dance" when I took things too seriously. Thank you! Good luck and Godspeed.

I challenge all CPCUs to follow in Baker's footsteps to see if you can get more out of your commitment. ■



■ Diane G. Baker, CPCU, ARP

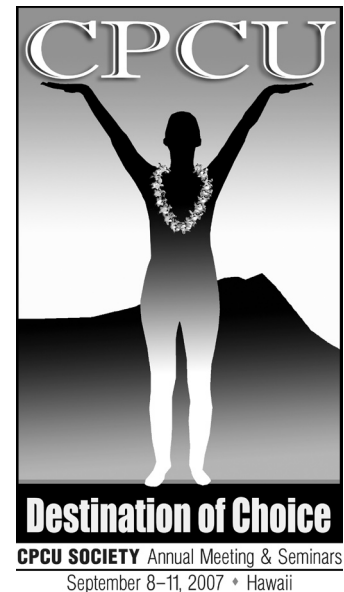
2007 CPCU Society's Annual Meeting in Hawaii: Seminar Planning Begins Early

As Hawaii beckons us in the not-too-distant future, rest assured that the Personal Lines Section is busy planning its seminar for this event.

We recently selected the title for the seminar—"Riding the Waves of Technology in Personal Lines Insurance." This seminar will provide a stimulating overview of how technology has changed the personal lines risk—auto and homeowner—and how insurers have responded to both the changes in the risks and the technologies used to market applicants, underwrite applications, and adjust personal auto and homeowner losses.

This timely seminar will include a discussion of artificial intelligence/expert systems on the underwriting side, "black box" GPS, and similar tools affecting the privacy of the insured. The discussion will include an assessment of how consumer attitudes may have changed toward the insurance industry and its products. You will leave this seminar with vastly improved knowledge in this dynamic area—knowledge you can directly apply to your jobs.

Look for more details down the road! And don't forget to mark September 8–11, 2007 on your calendar for the CPCU Society's Annual Meeting and Seminars in Honolulu! ■



Spotlight On . . .

Daniel L. Blodgett, CPCU, AIM, AIS



■ **Daniel L. Blodgett, CPCU, AIM, AIS**
Year of Designation: 1995
Employer: State Farm Insurance
Position: Project Manager

What are Your Primary Work Responsibilities?

I'm a project manager for property and casualty projects in the Systems Department at State Farm. I manage multiple project teams ranging from a dozen to more than a hundred members per team. Projects include software, hardware, maintenance, research, and many topics in between.

Why Did You Pursue Your CPCU Designation?

Several reasons. The biggest one was to earn the designation and help myself compete for higher-paying jobs within my organization. Obtaining the CPCU was and is still regarded by our organization as a demonstration of commitment to education and self-improvement. As I've moved through various managerial ranks, the CPCU continues to carry prestige and the reputation for high standards. Oh, and Hawaii in 1995 may have been at the back of my mind when I began studying and testing.

What Prompted You to Join the Personal Lines Section?

I was looking to serve at the national level since I'd been through the chapter officer ranks. Many of the sections were pertinent to my background, but the Personal Lines Section was new. I like challenges so the new section seemed interesting—more so than one of the established lines. My prior roles at State Farm include being an auto underwriter, a supervisor in the billing/payment department, and an analyst in the P&C Systems department. I had background knowledge that I thought I could offer to the Personal Lines Section.

What Is the Most Unique Experience You Have Had In Your Career?

Wow—I've worked for State Farm for 17 years, and there are too many unique experiences to settle on just one. On the business side, I've been involved in mass department and/or office realignments; dress code changes from formal to business casual; and managed projects to start new insurance lines. On the personal side, I've been pulled out of my own internal job interviews due to my wife going into labor with our first child, and I missed my first CPCU meeting as the president of the chapter due to my wife being in labor with our second child.

On the lighter side I'll offer this as my reply to the "unique" experience: My first job with State Farm was maintaining our company car fleet in Michigan (i.e. washing the company cars). I'm a car guy so I often helped peers with car troubles—flat tires, dead batteries, etc. One day I helped an employee jump-start his car only to find (as soon as I connected the jumper cable) that the reason his battery was dead was that the car alarm had been activated all night! Have you ever had your head under the hood of a car, 10 inches from the horn, and given the "juice" back to activate a car alarm? Let's say it woke me up, and I'm glad I have a strong heart.

What Has Been Your Biggest Challenge?

A big challenge has been my continuous learning cycle within our industry when I am focused on one small aspect of the market in a job like auto underwriting or P&C project management. There is so much out there to learn, and attending the Leadership Summit and CPCU Society Annual Meeting and Seminars was really eye-opening to just how much there is to know.

Please Share An Interesting Fact About Yourself of Which Your Fellow CPCUs May Not Be Aware

I may be the last person on Earth that doesn't have a home computer. I don't particularly want one; however our oldest child is in fourth grade, and the fifth-grade teachers are beginning to assign homework on the Internet. I may have to break down and join the current century (20th, right?) within the next year. ■

Spotlight On . . .

Jerome E. Tuttle, FCAS, CPCU, ARM, AIM, ARe



■ **Jerome E. Tuttle, FCAS, CPCU, ARM, AIM, ARe**

Year of Designation: 1986

Employer: Platinum Underwriters
Reinsurance

Position: Senior Pricing Actuary

What Are Your Primary Work Responsibilities?

As a reinsurance pricing actuary, I forecast claims experience and calculate indicated rates for casualty reinsurance treaties in workers compensation, general liability, auto liability, and umbrella. I visit our client ceding companies, audit a sample of their policies, and speak with ceding company and broker actuaries.

Why Did You Pursue Your CPCU– Designation?

In the early 1980s I worked as an actuary for a large broker, and it made sense then to earn the Associate in Risk Management (ARM) designation. I was surprised to learn that the ARM gave me credit for CPCU 1. I put that credit aside for a few years, but it gnawed at me; it was unfinished business. Eventually I decided I could not leave this CPCU 1 credit as unused, and I completed the CPCU exams.

What Prompted You to Join the Personal Lines Section?

I joined in the late 1990s to learn more, and to network, because my company was reinsuring a lot of personal auto business.

What Is the Most Unique Experience You Have Had In Your Career?

As an actuary, I am mostly a left-brain person. However, the Society of Actuaries has given actuaries a wonderful opportunity to exercise our right brains by sponsoring an every-other-year actuarial fiction contest. So I have written three short stories, including one involving personal lines. They are all available on my web site, www.jerrytuttle.com, so please come visit.

What Has Been Your Biggest Challenge?

Actuaries have the stereotype of being dull and nerdy. Well, often we are, but we have personalities too. I am the webmaster of www.actuarialjokes.com, which attempts to break this stereotype with more than 150 actuarial jokes—unfortunately, none of them funny. Fortunately, none of my three sons would be described as either dull or nerdy.

Please Share An Interesting Fact About Yourself of Which Your Fellow CPCUs May Not Be Aware

I have always had a soft spot for the blind. In the 1970s I read math textbooks into a tape recorder for Recording for the Blind, which makes these recordings available to college students. I currently read a weekly newspaper into a tape recorder for EIES of New Jersey, which makes these recordings available to people by phone, and I am its volunteer webmaster at www.eiesofnj.org. ■



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6 Cologne	8am	overnight
7 Koblenz	8:30am	overnight
8 Koblenz Mainz	2pm	6:30am overnight
9 Frankfurt Disembark am Fly Frankfurt/USA Meals: B	overnight	

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GG73-319**

Gather your friends and relatives and join other CPCU professionals on this spectacular River Cruise. Wend your way along the historic Rhine River and discover the storybook regions of the Netherlands and Germany—fairytale towns nestled in the riverbends, terraced vineyards climbing the hillsides, medieval castles perched along craggy cliffs. Unpack just once and step ashore in sophisticated cities and vintage villages, your local Program Director by your side to lead your discoveries. And if nine days only whets your appetite for more of Europe, expand your vacation with affordable optional extensions in Amsterdam and Frankfurt & Heidelberg.

WHAT'S INCLUDED

- ◆ **Roundtrip transatlantic air transportation**—aboard regularly scheduled flights from 7 U.S. cities to Amsterdam, returning from Frankfurt
- ◆ Airport welcome by a GCT representative at your destination and private, roundtrip airport/pier transfers
- ◆ **Accommodations**—for 7 nights aboard a private Grand Circle river ship in an outside cabin
- ◆ Outside Cabins with picture windows on the Sonata Deck
- ◆ **ALL meals**—7 breakfasts, 7 lunches, and 7 dinners
- ◆ **5 exclusive, guided sightseeing tours**—Amsterdam, Dusseldorf, Cologne, Koblenz, Mainz
- ◆ **Exclusive Discovery Series events**—Home-Hosted Dinner
- ◆ Exclusive services of up to 4 experienced Grand Circle Program Directors
- ◆ Shipboard commentary during cruising
- ◆ Informative handouts featuring maps and tips for discovery on your own
- ◆ Captain's Welcome and Farewell Reception and Dinner
- ◆ Private motorcoach land travel
- ◆ **5% Frequent Traveler Credit toward your next Grand Circle trip**—at least \$77 per person
- ◆ Baggage handling for 1 piece of luggage per person, including tips

**Reservations & Information: Call Grand Circle Travel
at 1-800-597-2452 Option #2**

Extend your trip and your value

AMSTERDAM, the Netherlands

3 nights pre-trip from only \$495

Your optional extension includes:

- **Accommodations**—for 3 nights at the Superior First-Class Moevenpick Hotel or similar
- **3 meals**—daily breakfast
- **Sightseeing**—Amsterdam city tour
- Exclusive services of an experienced Grand Circle Program Director
- All transfers
- **Plus, consider these optional tours**—Amsterdam Adventure (\$65 per person), Double Dutch Treat (\$50 per person)

Price per person: \$495. Single supplement: \$195. ►ATA2007

Trip extensions subject to availability.

FRANKFURT & HEIDELBERG, Germany

3 nights post-trip from only \$445

Your optional extension includes:

- **Accommodations**—for 3 nights at the new NH Frankfurt City Hotel or similar
- **4 meals**—daily breakfast and one lunch
- **Sightseeing**—Frankfurt and Heidelberg city tours
- Exclusive services of an experienced Grand Circle Program Director
- All transfers

Price per person: \$445. Single supplement: \$195. ►ATF2007

STORYBOOK LANDSCAPES ALONG THE RHINE

Prices are per person for 7 nights, based on double occupancy, and include roundtrip airfare as listed below, and meals and sightseeing as specified in the What's Included box.

Depart from:

MARCH 5, 2007

Baltimore, Boston, Miami, Newark, New York, Philadelphia, Washington, DC	Sonata Deck	\$1545
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Sonata Deck cabins feature a picture window.

►ATF2007

PRICES ABOVE NOW INCLUDE AIR FUEL SURCHARGES.

KNOW BEFORE YOU GO

- Throughout the River Cruise season, weather conditions affect European river depths, and water levels may require adjustments to your itinerary.
- Traveling in March, you can expect cooler temperatures or inclement weather.
- This program features a fair amount of walking over cobbled streets and older wooden piers. For full enjoyment of this trip, you should be in relatively good health. If you have difficulty walking or are wheelchair-bound, please consult our Travel Counselors for guidance.

Additional departure cities may be available. Call for details.

Single supplement: 25% of fare. Single accommodations are limited.

Additional taxes of \$162.60 (subject to change) will be applied. Ask for details.

Cancellation Charges for River Cruises: For all cancellations we will refund the cost of your trip less the following per-person charges. Charges shown include the \$150 administrative fee:

Prior to departure	Charge
121 days or more	\$150
120–90 days	\$500
89–60 days	40% of selling price
59–30 days	50% of selling price
29 days–departure	100% of selling price

Guaranteed Travel Protection Plan: Please call for details on this optional program.

Every effort has been made to produce this information accurately. We reserve the right to correct errors.

Please note: After you reserve your trip, toll-free customer service is available Monday–Friday 8 am to 5 pm and Saturday 9 am to 3 pm (Eastern time) at 1-800-597-2452 Option #1.

Reservations & Information: Call 1-800-597-2452 Option #2

Please be ready to give the reservations agent the following information:

Service code: GG73-319

Trip name/code: Storybook Landscapes along the Rhine / ATF

Departure date: March 5, 2007

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Check Us Out on the Web

Where can you go to get up-to-date information about what is going on in the Personal Lines Section? The Personal Lines Section web site, of course!

Check out the updated format found at <http://personallines.cpcusociety.org> where you can

- Interact with fellow CPCUs through "FAQs."
- Share ideas for upcoming newsletter issues through "Section Newsletter."
- "Link to Other Sites" for fun and useful information.



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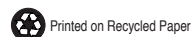
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