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Web site tackles home insurance

Florida man's work helps homeowners find policy writers

BY SCOTT BLAKE - FLORIDA TODAY

Michael Letcher has created something he thinks almost any homeowner in Florida can use.

The former Bank of America finance executive is behind www.homeinsurancebuyers.org.

It's a Web site -- called the Home Insurance Buyers Guide -- he recently created to help Florida residents shop for homeowners' insurance by giving them information about which companies are still writing policies in their county.

The Web site also provides a rating for each company, underwriting guidelines for most companies, and a listing of one local independent insurance agent in each county.

For a \$19.99 fee, users of the Buyers Guide can purchase unlimited access to information on a given county on the Web site for a two-week period. Customers can get information about a second county for an additional \$19.99. Using feedback from his customers, Letcher plans to eventually build that information into a "market intelligence" database that someday will be part of the Web site.

The database will provide information about premiums, coverage, customer satisfaction and other details about insurance companies, he said.

According to Letcher, there are 19 companies writing new homeowners' policies in Brevard County -- about the statewide average.

He found that less than 40 of 437 licensed homeowner insurers in Florida are writing new policies. He also found that most companies writing new policies are pursuing rate reductions or significantly smaller rate increases than companies not writing new policies.

According to Letcher, 39 insurance companies will write new policies in Florida. Insurance agents might represent five to 10 companies, he said, and homeowners may not find other companies in a county that take new business.

"Of the 39 companies accepting new business (in Florida), the Buyers Guide includes some exceptional companies that until now have been hidden behind the (insurance) agent network," Letcher said.

"Since a typical agent represents five to 10 companies, homeowners may never learn about up to 20 other companies still writing new business in their county," he said.

Since the hurricanes of 2004 and 2005, many insurance companies have raised rates and stopped renewing policies in certain counties, in an effort to bolster their bottom lines and decrease their exposure to potential claims.

Letcher said his own frustration trying to find the right insurance led to the idea for the Web site.

Currently, his site offers information for 66 of Florida's 67 counties. He excluded Monroe County in the Keys because the state-run Citizens Property Insurance Corp. is virtually the only insurer there because it has been deemed a high-risk area.

Letcher's website is similar to a state-run Website - shopandcomparerates.com - spearheaded by Gov. Charlie Crist and Insurance Commissioner Kevin McCarty.

The state Web site, which can be used at no charge, has a Florida map that allows the viewer to click on a county and see a sample list of insurance companies and policy prices there.

However, Letcher said the information on his Web site is more up to date, and provides some information that the state Web site does not.

"In the future, the Buyers Guide will offer new features in Florida, while expanding to other states also facing a limited supply of private homeowners' insurance," he said.