



STUDENT OF THE INDUSTRY PARTING SHOT

Birth of the Multiple-Line Policy...Do We Need Another One?

By Paul Buse, President of Big I Advantage®

In doing some research, I stumbled upon the birth of the first multiple line insurance policy in our fair industry: Homeowners. What a great story!

You can see the innovation turned out to be quite a nice premium event...and not the least for **The Insurance Company of North America** ("INA") who was the only writer of the line for several years. Before 1950 and when INA filed the form, most insurance was written by separately regulated and narrowly focused insurers writing only "property" (fire and extended perils) or "casualty" (liability and medical payments). In fact in the filing made on August 11, 1950 in Pennsylvania, the form was even called "Homeowners Policy Multiple Form." Before 1950 to duplicate the same outcome, you probably needed multiple policy issuing insurers to obtain Dwelling Fire Policy, a Personal Articles Floater and a Personal Liability Policy and you might still be missing extended perils on your home and medical payments. The situation was ripe for change.

1950	\$ 30,000	(2)
1951	777,000	(2)
1952	1,317,000	(3)
1953	2,906,000	(3)
1954	15,587,000	(3)
1955	83,490,000	(4)
1956	178,912,000	(5)
1957	240,680,000	(5)
1958	344,710,000	(5)
1959	522,604,000	(5)
1960	763,765,000	(5)

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Source: Hunt, Jr., Frederick J. (1962). "Homeowners - The First Decade". [Proceedings of the Casualty Actuary Society](#). Retrieved 2016-11-04

This brings me to the reason for my review of the origins of multiple line forms. Are we ripe for change? Do we need an omnibus multiple line form that would cover many of the coverages often not purchased by consumers... even though we know they *should* purchase them? We know too well the low penetration of personal umbrellas and lower penetration still

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is consumers purchasing high limits of Uninsured and Underinsured Motorist. What if we could combine other overlooked coverages to drive conversations with consumers? Think about in-home business coverage for all the work-at-home and 1099 situations. How about renters insurance for young adults and the rising exposure with millennials for non-owned automobile liability from rented or shared cars? What about all the dollars that flow into PDA "insurance" on consumer cell phone bills and coverage for property in storage facilities? What else might be added to something as "radical" in the day as homeowners was in 1950?

Have an idea? Do you think such a program would work on Big "I" Markets? Send me an email at paul.buse@iiaba.net.