

Insurers seek to drop screens

■ **Insurers ask state regulators to let them remove screen enclosures and carports from their basic policies.**

BY STEPHANIE HORVATH
Palm Beach Post

Two insurance companies want to make homeowners pay extra to insure their screen enclosures and carports against wind and hail damage.

American Strategic Insurance and ASI Assurance both asked state regulators to let them remove screen enclosures and carports from their basic policies. Instead, they want to make that coverage optional. The St. Petersburg-based insurers join at least one other insurance company that is trying to limit its exposure to screen cage damage.

If approved by regulators, American Strategic and ASI would charge customers in coastal counties \$150 a year for every \$10,000 of coverage for their screen cage or carport and \$15 a year for every additional \$1,000 of coverage. The companies would insure damage up to \$25,000, according to a filing made with state regulators on Tuesday.

"The thinking is, they're more susceptible to damage from wind than the house itself. They need to be rated separately," said Kevin Milkey, American Strategic executive vice president.

But the changes won't necessarily result in savings for people who don't have screen cages. Milkey said the companies have not filed for lower prices and that other factors, such as the rising cost of reinsurance, might even make rates jump higher. The companies were granted an average 19.7 percent rate hike in March.

Milkey said the hurricanes of 2004 and 2005 prompted the changes. In the last two years, American Strategic and ASI shelled out about \$220 million to pay claims, and Milkey said, "We had a lot of damage from screen enclosures."

The two companies, owned by Arx Holding Corp., have about 180,000 homeowners policies in Florida.

The request comes about a month after Atlantic Preferred Insurance asked state regulators if it could limit its screen cage payments to \$5,000 per damaged structure.

Insurance regulators don't track whether companies are seeking changes to their screen coverage and don't know if their numbers are rising, said David Foy, chief of staff for the Florida Office of Insurance Regulation.