

From: Nicole Manduca [/O=STATEFARM/OU=HOME/CN=RECIPIENTS/CN=LOK2]
Sent: 10/20/2021 6:19:26 PM
To: Tom Moss [tom.moss.c4sg@statefarm.com]; Scott Welsh [scott.welsh.cx30@statefarm.com]
BCC: Nicole Manduca [nicole.manduca.lok2@statefarm.com]; Tom Moss [tom.moss.c4sg@statefarm.com]; Scott Welsh [scott.welsh.cx30@statefarm.com]
Subject: FW: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End
Attachments: image005.jpg; image006.png; image007.jpg; image008.jpg; TR_PRR_SS.PNG

Hi friends –

Sharing the updated graph with data back to April 2020. Are you needing me to assist with the following or is this what Tom is compiling?

Also, what is our YTD % Total Roofs overall and how does that compare to a year ago, 2 years ago? (Not sure if we have 2 years data) How do we compare today against this statement?

- **Baseline:** Analysis of 3-year data validated Full Roof Replacements were paid at 63% frequency for Severity 3 Wind and 90% frequency for Severity 3 Hail.
- **Industry Best:** Industry Best FRR on light wind and small hail averages a 5-10% frequency, therefore an internal quality improvement opportunity of 53-58% for light wind and 80-85% for small hail (Source: Accenture Consulting Services).

Nicole

From: Zach Olson
Sent: Wednesday, October 20, 2021 11:11 AM
To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>
Cc: Sean McCary <sean.mccary.nlzg@statefarm.com>
Subject: RE: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Yep, just pulled:

Zach Olson CPCU®, ChFC®, CLU®, FLMI®, MBA
 Data Analyst – Advanced Analytics
 Bloomington, IL
 zach.olson.tnmu@statefarm.com

From: Nicole Manduca
Sent: Wednesday, October 20, 2021 1:10 PM
To: Zach Olson <zach.olson.tnmu@statefarm.com>
Cc: Sean McCary <sean.mccary.nlzg@statefarm.com>
Subject: RE: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

EXHIBIT

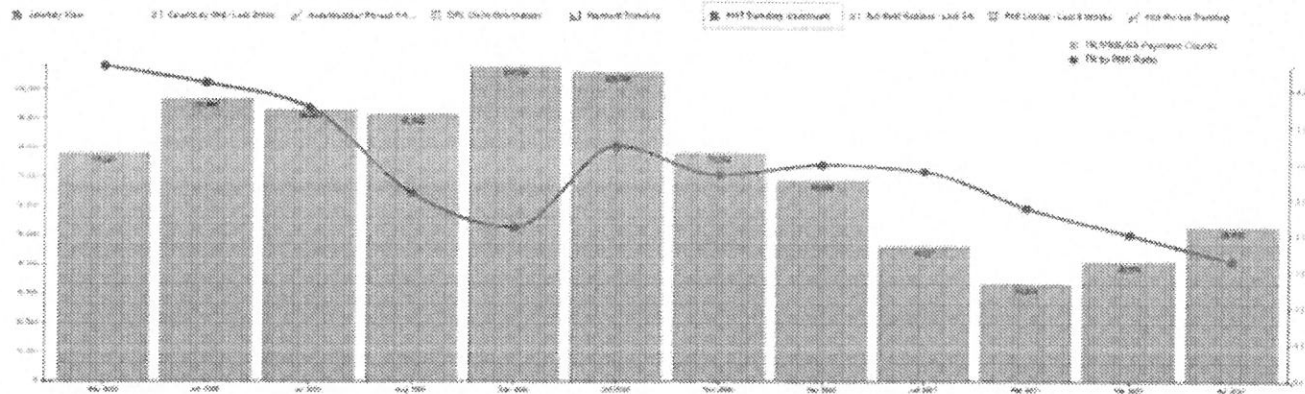
10

Hi Zach –

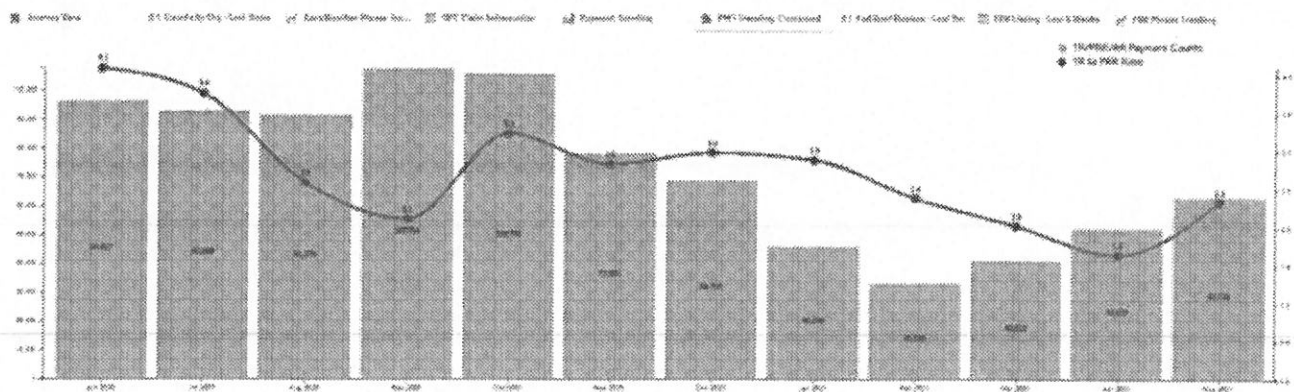
I went through my folder and located the results for May and June 2020 which are attached below. I cannot recall if we ever had a view back to April 2020 but know that is what Kathy is hoping for if it exists. If it does not, we will just need to update the visual to include May and June of 2020. Kathy originally requested our summary be due yesterday and then obviously we received the follow up – is it possible to receive an updated graphic by EOD today?

Wind-Hail Quality Focus - Enterprise

- Trend line represents the ratio of payments for Total Roofs (TR) to Partial Roof Replacements (PRR) Enterprise-wide from May 2020 thru April 2021 for State Farm
- May 2020 resulted in an 4.5:1 ratio compared to April 2021 at a 1.6:1 ratio, an indicator of improved quality



- Trend line represents the ratio of payments for Total Roofs (TR) to Partial Roof Replacements (PRR) Enterprise-wide from May 2020 thru May 2021
- May 2020 resulted in an 8:1 ratio compared to May 2021 at a 2.5:1 ratio, an indicator of improved quality



From: Nicole Manduca

Sent: Tuesday, October 19, 2021 10:55 AM

To: Zach Olson <zach.olson.tnmu@statefarm.com>

Cc: Sean McCary <sean.mccary.nlzg@statefarm.com>

Subject: FW: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Hi Zach –

Kathy is prepping Wensley for his Senior Executive Offsite meeting next week. You will note she is requesting the TR to PRR ratio graph to be populated from April 2020 through September 2021. Are you able to assist in providing this view? I may have snag-it's of earlier months in 2020 if for some reason the data is no longer available.

Thank you in advance – please let me know if any questions.

Nicole

From: Kathy Ress

Sent: Tuesday, October 19, 2021 10:51 AM

To: Nicole Manduca <nicole.manduca.lok2@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>

Cc: Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>

Subject: RE: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Thanks. Looking for the story so will be helpful to provide headlines from this. Appreciate the help.

From: Nicole Manduca

Sent: Tuesday, October 19, 2021 12:50 PM

To: Kathy Ress <kathy.ress.he8j@statefarm.com>; Scott Welsh <scott.welsh.cx30@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>

Cc: Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>

Subject: RE: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Yes, I will get with Zach to get that populated. With the monthly updates, it shaves off prior months in 2020 but he should be able to update. Will return to you ASAP.

From: Kathy Ress

Sent: Tuesday, October 19, 2021 10:48 AM

To: Scott Welsh <scott.welsh.cx30@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>

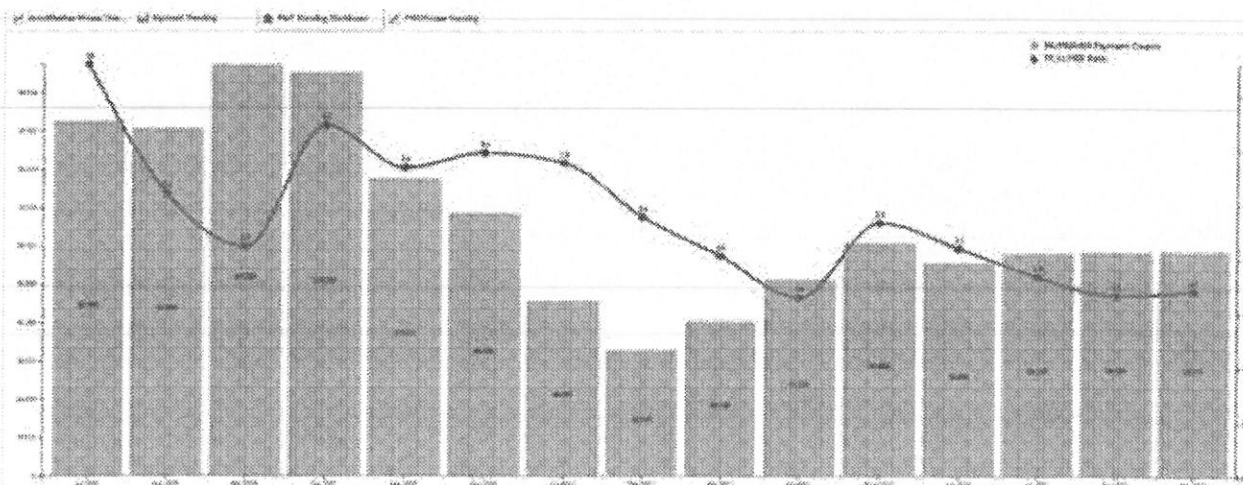
Cc: Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>

Subject: Q3 TTR: PRR: SEO Update Wind/Hail and Fire End to End

Do we have a view of this that dates back further? I seems to recall we had one that dates back around April 2020.

Total Roof Payment

The following graph reflects the ratio of Total Roof (TR) Payment Reason Codes to Partial Roof Replacement (PRR) Payment Reason Codes. Results are reflective of improved quality claim handling behaviors in identifying wind and hail damage to roof surfaces.



From: Kathy Ress

Sent: Tuesday, October 19, 2021 12:17 PM

To: Scott Welsh <scott.welsh.cx30@statefarm.com>; Tom Moss <tom.moss.c4sg@statefarm.com>; Nicole Manduca <nicole.manduca.lok2@statefarm.com>

Cc: Kathy Ress <kathy.ress.he8j@statefarm.com>; Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>

Subject: Q1& 2: SEO Update Wind/Hail and Fire End to End

Thank you!

As I work through adding other items and editing, I'll send you inquiries to help me frame:

First one on the statement below:

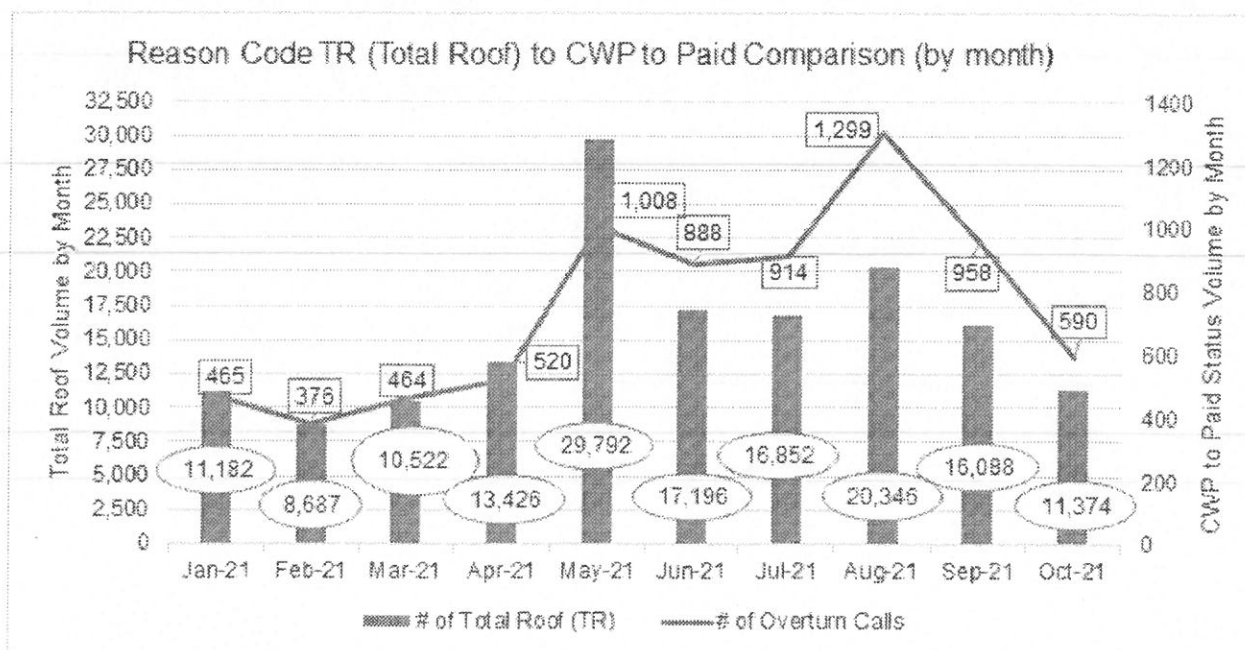
- The chart below does not provide at % - Could we provide a statement of what the % range is and the YTD average?

Also, what is our YTD % Total Roofs overall and how does that compare to a year ago, 2 years ago? (Not sure if we have 2 years data) How do we compare today against this statement?

- **Baseline:** Analysis of 3-year data validated Full Roof Replacements were paid at 63% frequency for Severity 3 Wind and 90% frequency for Severity 3 Hail.
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Call quality tracking

One measure we track to identify the quality of our initial claim call is the number of claims that were previously Closed Without Payment (CWP) and were subsequently changed to a paid status of a Total Roof (TR). Many factors may impact why the loss moved from a CWP status to a Paid (TR) status, and the change in status may not indicate that the initial call was incorrect. A common cause of this change is a customer initially withdrew their claim and it was closed CWP but later resubmitted the claim and requested an inspection of the roof. As noted in the charts below, while there has been movement from month to month of this measure, the overall percent change (%) in movement has been minimal.



From: Scott Welsh
Sent: Tuesday, October 19, 2021 4:17 AM
To: Gregory E Jones <gregory.e.jones.gzwh@statefarm.com>; Kathy Ress <kathy.ress.he8j@statefarm.com>
Cc: Tom Moss <tom.moss.c4sg@statefarm.com>; Nicole Manduca <nicole.manduca.lk2@statefarm.com>
Subject: SEO Update Wind/Hail and Fire End to End

Good morning Kathy and Greg,

Attached is our initial draft of an overall summary of Wind/Hail Call to Action work and the Fire End to End work - Fire Segmentation and Staffing Analysis. Nicole, Tom and I worked from the resources provided and gathered additional data to outline the companies activity/response to the 2021 season. We also worked with Katie to get her review and feedback.

As we discussed, we will plan to update the document with the most current data at month's end for the November SEO.

We have included both requests (Overview of 2021 Wind/hail work and Fire Design Work) in a single document. For ease of use, we can make these two separate documents if that is preferable.

Please let us know if this format/content/level of detail meets the needs for the SEO or if you would like us to make some updates/edits.

If this document will be shared or used beyond talking points/notes for Wensley, I would recommend a legal review.

Thank you and please let us know.

Scott