

CSAA INSURANCE EXCHANGE GENERAL GUIDELINES AND REQUIREMENTS

Adjuster contact information will be provided with the assignment whenever possible. If it is not provided at the time of assignment, please contact Sedgwick Repair Solutions (Please allow 4 hours after receipt of the assignment before calling or if after hours, wait until the next business day). For escalations/unable to reach adjuster, please contact CSAA at 888-582-3008.

WATER MITIGATION SERVICE STANDARDS		TIME FRAME
1	Initial Contact with Customer	30 minutes from receipt of job
2	Onsite Inspection/Job Starts	4 hours from receipt of job
3	Initial Loss Description and upload photos	24 hours from inspection
4	Job Complete	72 hours after job start
5	Estimate and all documentation returned to Xactanalysis	48 hours from job completion
6	Submit requested revisions or additional support to estimate/documentation	24 hours from request
Any delays or exceptions must be noted in the file. In the event of a CAT, you will be notified if any time frames are relaxed.		
TARPING/BOARD UP/ TREE AND DEBRIS REMOVAL SERVICE STANDARDS		TIME FRAME
1	Initial Contact with Customer	30 minutes from receipt of job
2	Job Start	24 hours from receipt of job
3	Job Complete	24 hours from job start
4	Estimate, photos and all documentation returned to Xactanalysis	48 hours after job completion
5	Submit requested revisions or additional support to estimate/documentation	24 hours from request
Any delays or exceptions must be noted in the file. In the event of a CAT, you will be notified if any time frames are relaxed.		
ROOFING/SIDING/GUTTER SERVICE STANDARDS		TIME FRAME
1	Initial Contact with Customer	24 hours before appointment
2	Onsite Inspection	48 hours from receipt of job
3	Estimate and photos returned to Xactanalysis	48 hours from inspection
4	Submit requested revisions or additional support to estimate/documentation	24 hours from request
5	Job Start	15 days from inspection
6	Job Complete	45 days from job start
Any delays or exceptions must be noted in the file		
GENERAL RESTORATION/RECONSTRUCTION SERVICE STANDARDS		TIME FRAME
1	Initial Contact with Customer	1 hour from receipt of job
2	Onsite Inspection	48 hours from receipt of job
3	Estimate and photos returned to Xactanalysis	48 hours from inspection
4	Submit requested revisions or additional support to estimate/documentation	24 hours from request
5	Job Start	10 days after client approval
6	Job Complete	20 days after job start
Any delays or exceptions must be noted in the file		

REQUIRED DOCUMENTS IN ADDITION TO THE ESTIMATE		TIME FRAME
1	24 HOUR REPORT - include brief description of the loss and upload with inspection photos	24 hours from inspection
2	LABELED PHOTOS OF INITIAL INSPECTION/WORK IN PROGRESS - exterior of property, room overviews, affected areas, continuous areas, closeups of damages, debris removed, equipment in place, moisture readings, contents, specialty items, roof layers, pitch gauge for steep, etc. Photos must have detailed labels/descriptions.	24 hours from inspection
3	WORK AUTHORIZATION - must be signed. Separate WA form needed for each job type.	24 hours from job start
4	DRYING REPORT - Any software is acceptable (not handwritten). Upload with estimate and photos.	48 hours from completion
5	LABELED PHOTOS OF COMPLETED JOB. Photos must have detailed labels/descriptions.	48 hours from completion
6	SKETCH/DIAGRAM of affected areas (interior and exterior)	48 hours from completion
7	CERTIFICATE OF SATISFACTION - must be signed and free from Assignment of Benefits language.	48 hours from completion
All required documents with the exception of photos must be uploaded in PDF format.		
Any delays or exceptions must be noted in the file.		

CSAA INSURANCE EXCHANGE GENERAL GUIDELINES AND REQUIREMENTS

MANDATORY SERVICE APPROVALS

1	Water Mitigation: Contact adjuster/examiner if drying will exceed 3 days or cost will exceed \$3,000. Must provide estimated cost, reason for extended drying time/elevated cost and estimated time of completion. Document approval in Xactanalysis notes before continuing with services. Approval note in the file must include date, time and adjuster name that provided approval.
2	Specialty Equipment (water mitigation): Contact adjuster/examiner immediately if specialty equipment such as thermal imaging, thermal heating systems, desiccant dehumidifiers, injection dry systems, rescue mats, fogging machines, etc. are required on a job and secure permission before retaining such services. Document approval in Xactanalysis notes before continuing with services. Approval note in the file must include reason specialty equipment is needed, date, time and adjuster name that provided approval.
3	Third party services such as IH/Environmental testing/ITEL: Contact adjuster/examiner immediately if additional services are required on a job and secure permission before retaining such services. Document approval in Xactanalysis notes before continuing with services. Approval note in the file must include date, time and adjuster name that provided approval. Exception: If home and/or materials predate 1980, adjuster pre-approval is not required for Asbestos and Lead testing. Simply notify the adjuster via Xactanalysis and proceed with testing.
4	Subrogation Protocol: Contractor must identify, document, photograph and contact adjuster if the prospect of subrogation exists. Provider must inform the insured to retain the part or item in question for pickup by a client representative and document file accordingly.
5	Reconstruction/General Restoration estimate. Contact adjuster/examiner to obtain approval before writing a repair estimate if you did not receive a repair assignment. You also must obtain adjuster/examiner approval prior of your estimate prior to sharing it with the insured or beginning any repair work. Approval note in the file must include date, time and adjuster name that provided approval.
6	Time and Material: Must receive approval from adjuster to provide T&M estimate. Approval note in the file must include date, time and adjuster name that provided approval.
7	Contents Losses. Notify adjuster and obtain/document approval if any contents cleaning or contents packout is needed. Approval note in the file must include date, time and adjuster name that provided approval.
8	Demolition. Contractor must not demolish or remove any cabinets, wood/tile/stone flooring, shower/tub enclosures, or any other similar material until receiving approval from the adjuster. An inspection by the adjuster may be required prior to giving any approval. Approval note in the file must include date, time and adjuster name that provided approval.
9	Coverage Concerns/Mold Protocol. If there are any coverage concerns (i.e. flood, rot, ongoing issue, etc.) contractor must contact adjuster for further direction. If mold is found, the provider must follow the following protocol: 1) STOP work; 2) CONTAIN the affected area; 3) SET a dehumidifier to control moisture; (4) CONTACT CSAA immediately for further instructions. Do not set any air movers and do not proceed with services until you have received and documented approval from adjuster.
10	Travel Expenses. Contractor must inform Insurance Company of any mileage or travel expenses that will be incurred to service a loss more than 50 miles from their office. No travel expenses will be approved for losses within 50 miles of their office. Insurance Company must pre-approve any such travel expenses and written approval must be noted in the file. Insurance Company will not be responsible for any unapproved travel expenses. Approval note in the file must include date, time and adjuster name that provided approval.
All adjuster approvals must be documented in Xactanalysis notes. Approval note in the file must include date, time and adjuster name that provided approval. Failure to obtain required approvals AND document in the file may result in removal of applicable line items from the estimate.	

SPECIAL REQUIREMENTS

1	All direct referrals for this client must be reported to Sedgwick Repair Solutions, regardless of the source of the referral.
2	Contractor must update the Workflow status in Xactanalysis at each stage of the process.
3	Service Provider will not discuss the deductible or coverage with the insured and will refer the insured to their adjuster/examiner for information. Note that Independent Adjusters do not have the authority to make approvals or verify coverage. Please contact the staff adjuster or examiner.
4	Deductibles. Do not request a down-payment or collect a deductible upfront for emergency services without adjuster approval.
5	Draws. Discuss any advance draws needed with the adjuster prior to starting work.
6	Inspection Fees. No inspection fees should be charged unless requested to provide consulting/expert opinion services. For consulting/EO jobs, please abide by the Consulting Fee Schedule.
7	Work change orders: all agreed upon change orders with the insured must be uploaded as a PDF document to Xactanalysis.
8	If contractor becomes aware of any issues, allegations, or complaints, you must alert Sedgwick Repair Solutions immediately. We will make reasonable efforts to assist you with resolving the issue.
Facts of the loss may warrant deviations from the program guidelines and deviations should be discussed and approved by the handling adjuster. All adjuster approvals must be documented in Xactanalysis notes. Approval note in the file must include date, time and adjuster name that provided approval.	

CSAA INSURANCE EXCHANGE GENERAL GUIDELINES AND REQUIREMENTS

ESTIMATING GUIDELINES

1	IICRC protocol and guidelines, as well as all state and local laws should be adhered to.
2	Estimates must be written in Xactimate format and returned to Xactanalysis with photos and all supporting documentation. Estimate cover page must include your company name, address, phone number, company tax ID #, claim number, insured and insurance company information, and estimator name.
3	Estimate line items must be supported by photos. Uploaded photos must be clear (not blurry) and labeled. Missing or inadequate photos could result in removal of applicable line items from your estimate.
4	Please refer to and comply with the attached CSAA Vendor Handbook.
5	Labor Minimums should not be applied (if applied, these would appear automatically at the end of the estimate.)
6	Emergency Service Fees: After Hours ES Fee may only be applied if the job is received after 5:00 PM or on a weekend/major holiday and serviced before 8:00 AM on the next work day. During Business Hours: do not apply.
7	After Hours Labor Rates: may only be applied if the job is received after 5:00 PM or on a weekend/major holiday and serviced before 8:00 AM on the next work day. If the job was received during business hours but serviced after hours, the reason must be provided and adjuster approval must be obtained and documented in XactAnalysis in order to charge After Hours Labor Rates.
8	Missing walls and openings should be deducted for all openings that exceed 32 SF.
9	Fuel Surcharges/Truck Fees: Do not apply fuel surcharges or service truck fees to estimates.
10	Equipment decontamination, antimicrobial application, and air scrubbers/negative air charges should not be used on Category 1 losses.
11	Equipment amount and sizing. Dehumidifier size used in estimate is determined not by what is placed, but by the IICRC calculation based on room/chamber size and Class of the loss. Equipment must match what is recommended by the drying software.
12	Monitoring and setup/takedown charges. Must be reasonable based on the amount of equipment placed, and readings are required for any day that monitoring is charged. No more than 2 hours each for first day setup/monitoring or last day takedown/monitoring, and no more than 1 hour per day for interim monitoring is allowed. No readings = no charge. Daily monitoring is required Monday - Saturday.
13	HEPA vacuuming: HEPA light should be used for mold estimates. If HEPA heavy is used, include a detailed F9 note to explain the reason.
14	Filters: Do not apply filter charges to estimates.
15	Debris disposal: Disposal charges should be based on the amount of debris that is being removed. For small loads, the same pickup can be used to dispose debris from multiple jobs. Please prorate disposal charges accordingly. For example: 0.25, 0.5, or 0.75 pickup truck load.
16	General Clean Up: Do not apply to Emergency Service estimates.
17	Lump Sums/write ins: Should not be used unless an itemized supporting subcontractor bid is uploaded, or a detailed F9 note to describe the services.
18	Sub Contractor Bids. If Sub-Bid line item is used within Xactimate estimate, an itemized and detailed sub-bid must be uploaded to Xactanalysis. Adjuster approval is required. Emergency services should not be sub-contracted out. Testing fees/invoices do not qualify as a sub-bid.
19	Content Manipulation Charges/Block and pad furniture: should be billed at Xactimate room size only, not hourly.
20	Testing/3rd party services. Invoices for testing or 3rd party service fees should be uploaded directly into Xactanalysis. These should not be entered in the Xactimate estimate, and no O&P should be applied. (If you include in your estimate, then referral fee will be applied to the cost of the invoice.)
21	Hourly Labor Rates: should be avoided. However, if hourly labor is necessary, include a detailed F9 note to explain the breakdown of the charges and reason for the hourly labor. No more than 2 hours may be added to the estimate without adjuster approval.
22	Xactimate Price variations: should be avoided. However, if a price deviation/override is necessary, include a detailed F9 note to explain the breakdown of the charges and reason for the price change.
23	Project Management/Supervisor Costs. Do not apply PM costs to estimates. Supervisor costs may be applied up to 1 hour per emergency service estimate. Any exceptions must obtain adjuster approval. Please include a detailed F9 note to explain the need for the supervision costs and name and date of the adjuster who provided approval.
24	Repair or cleaning vs. replacement: must provided detailed explanation for thought process and reasoning if replacement is needed.

All estimates and supporting documentation will be reviewed by Sedgwick Repair Solutions. Any deviations from program requirements should be discussed and approved by the adjuster, and well documented in the file. All deviations are subject to approval by Sedgwick Repair Solutions and the client. Sedgwick Repair Solutions reserves the right to modify your estimate (collaborate) in order to comply with these requirements, in order to uphold our contractual agreements with the client. Failure to adequately document a file and/or comply with requests for revisions or additional documentation may result in temporary suspension or removal from this program.

CSAA INSURANCE EXCHANGE GENERAL GUIDELINES AND REQUIREMENTS

OVERHEAD AND PROFIT

		O&P	NON-O&P
1	Water Mitigation		X
2	Mold Remediation		X
3	Structural cleaning		X
4	Contents cleaning		X
5	Contents Pack Out and Pack Back		X
6	Reconstruction	X	
7	Sub Bids/Sub Contractors (requires adjuster approval)	X	

Overhead and Profit can only be applied to Non O&P Items if justified and approved by the adjuster. This would occur in rare exceptions due to complexity or severity of the services being provided. All deviations to program guidelines are subject to approval by Sedgwick Repair Solutions and the client.

Contractor must have a GC license and the subcontracted work must include coordination, supervision and warranty. An itemized sub-bid must be included with the estimate. Simply initiating a phone call (e.g.: scheduling testing) does not qualify for O&P.

PAYMENT PROTOCOL

1	Direct payment to Sedgwick Repair Solutions may be made if all required documents are uploaded. SRS will in turn pay the contractor.
2	If Sedgwick Repair Solutions is not paid, the insured will be paid and contractor must collect payment from the insured, as well as any applicable deductible. If applicable, Mortgage Company may also be included on the check.
3	Collections: Contractor must contact Sedgwick Repair Solutions at least 30 days prior to filing any liens or initiating any collections or legal action.

CSAA Insurance Group, a AAA Insurer

Network Referral Program

HANDBOOK

CSAA Insurance Group provides this guide to support consistency in how its property losses are handled. The material in this Handbook is strictly confidential and is to be used only by participants in the CSAA Insurance Group **Network Referral Program**. The distribution or reproduction of any material in this Handbook is prohibited without the express written permission of CSAA Insurance Group. CSAA Insurance Group reserves the rights to update and modify this document from time to time. CSAA Insurance Group also reserves the right to publish catastrophic specific instructions to its staff and **Vendors** which will supersede this document for the incident response.

Should you have any questions regarding the contents of this handbook, or process and procedure please contact your representative for the **Network Referral Program** or **CSAA VMS Staff**.

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Definitions

Network Referral Program: Refers to the third party administrator that the **Vendor** received the assignment from and that Vendor's are a member of.

Vendor(s): refers to **Network Referral Program** members and their staff.

DRN Vendor refers only to estimators at direct repair network vendors.

Estimator: refers simultaneously to all three types: CSAA **Field staff**, **Vendor's** estimators, and Independent Adjusters.

Independent(s): refers to any independent adjuster hired by CSAA to supplement its **Field Staff**.

VMS Staff: refers to the CSAA Vendor Management Teams, including Vendor Management Specialists, their leadership team and the Process Manager.

CSAA Homeowner's Department: Refers to staff that are located in any of the Claims Operating Centers, or the field and includes the following:

Desk Review: Responsible for primary application of estimating guidelines, noted approvals, revision requests and or rejections of files. Works with **Inside Staff** to resolve files.

Field Staff: refers to employee estimators within CSAA, and their leadership team.

Inside Staff: refers to file owners or desk adjusters, usually located within one of the CSAA regional centers, and their leadership teams. This would be the same as the "Desk Adjuster" that is listed in XactAnalysis.

Preliminary Estimate Package: A "Preliminary Estimate" is a complete list of itemized repair operations necessary to repair the damage that **Vendor** can determine on **Vendor's** initial inspection. Accurate pricing may not be determined although a full scope of damage, cause statement, photos and diagram should be included in a Preliminary Estimate package.

Final Estimate Package: The Final Estimate Package is a complete estimate with a full scope of damage, no open items, a diagram, photos showing all the damage and a complete opening statement, and is compliant with the estimating guidelines. . It can be submitted within a reasonable time after the Preliminary Estimate Package has been sent or within 5 business days of the inspection in if a Preliminary estimate package is not necessary.

Our Philosophy

Our goal is to make insurance simple, proactive and personal, and to create the "Perfect Customer Experience". As a member of the **Network Referral Program**, we hope the **Vendor's** will help us honor our commitment by fulfilling these promises when working with our Customers.

The CSAA Insurance Group has always enjoyed an exceptional reputation for courteous, prompt and professional assistance

Members are the center of everything we do. They measure their experience with us, not against our competitors.

When **Vendor** work brings **Vendor** in contact with our members or the public, remember that, in their eyes, **Vendor's** represent us. Make the customer feel that he or she is the most important person **Vendor** will serve that day, and that **Vendor** is listening to their needs and concerns. Above all, be empathetic, attentive, attentive and engaging - a genuine smile, an open mind, and a sincere desire to help will make the **Vendor's** job easier and help us serve our mutual customer.

The result of delivering exceptional service is that we create a positive experience. **Vendor's** ultimate goal should be to make the customer want to recommend **Vendor** to their friends and family.

In the end, a customer's memory of the **Vendor's** interaction with them will be their most enduring memory of the claims process. Research has shown a highly satisfied customer is more likely to return to the **Vendor's** place of business and recommend the **Vendor's** service to friends. With these facts in mind, we must seek to make each customer contact a memorable experience in order to maintain a high level of customer service.

Exceptional service begins and ends with people. It means treating people as individuals. It means anticipating, responding to and meeting their needs. There is nothing complicated about the concept, and nothing routine about the way it is applied. We are here to serve people -- to meet them, listen to them and to provide a service that will address their concerns and meet their needs.

Our Customers

CSAA Member: One of the many benefits of a CSAA membership is having access to the insurance offered by CSAA Insurance Group. If a CSAA member has purchased an insurance policy, he or she is entitled to be paid for damage to his/her insured property, subject to the terms of the policy and the deductible he/she selected. Not all CSAA members purchase their homeowners insurance from CSAA Insurance Group. Some members choose to purchase insurance from other insurance companies. If a CSAA member who is not insured by CSAA Insurance Group asks us to recommend a contractor, we may refer him or her to one of the **Vendors**.

Property Damage Claimant: "Property Damage Claims" are those made by third parties ("Property Damage Claimants") for damage to their property caused partially or totally by the fault of individuals insured with CSAA Insurance Group.

AAA Homeowner claims

For the purposes of this NRP handbook, we will be referring to all CSAA Insurance Group, and claims as "AAA homeowner claims". Please remember that CSAA Insurance Group customers are insured by a CSAA Insurance Group policy.

Network Referral Program Assignments

- 1) We will not assign anyone to a **Vendor** unless an AAA Customer asks for a referral.
- 2) When **Vendor** receives an assignment from the **Network Referral Program**, it is critical that **Vendor** reads it carefully, and follow any instructions that are contained in the assignment. If the instructions are not clear **Vendor** will need to contact the Inside Adjuster or **Field Staff** that is assigned.
- 3) Please refer to the **Network Referral Program** requirements for guidance on the service level standards, best practices, processes and procedures that **Vendor** is expected to adhere to and CSAA Insurance Group's structural property estimating guidelines.
- 4) If, for any reason, **Vendor** is unable to adhere to the service level agreement please contact the assigned adjuster immediately.
- 5) Remember that repair work is always done by the AAA Customer's choice of contractor. Please contact the **Inside Staff** immediately if an AAA Customer indicates he or she wants repairs done by another **Vendor**.
- 6) If a AAA Customer comes to **Vendor** before he or she has presented a claim to us **Vendor** should take the following action:
 - a) Provide the AAA Customer with our toll free number 1-800-922-8228 (24 hours a day/7 days a week) to report the claim. Complete the Preliminary Estimate and photo/images.
 - b) Once **Vendor** has received the XactAnalysis Assignment, **Vendor** must upload the inspection file via XactAnalysis Communications.
 - c) **Vendor** may not proceed with the repairs until final approval of the scope is noted within XactAnalysis by CSAA Homeowner's Claims Department.
- 7) **Vendor** final repair bill cannot be paid without a XactAnalysis assignment from the **Network Referral Program**.

- 8) If you need to have an assignment resent to you please contact the **Network Referral Program** directly. **DO NOT CALL CSAA Homeowner's Department** the **Network Referral Program** has a procedure in place to resend the assignments to **Vendor**.
- 9) If **Vendor** is unable to meet the cycle time requirements they are not authorized to upload a \$0.00 estimate to stop the clock. \$0.00 estimate uploads should only be used in cases where the assignment is to verify a cause of loss and we did not request an estimate from **Vendor**.

Our Expectations

As a member of **Network Referral Program**, each **Vendor** is expected to:

- 1) Provide exceptional service to all of our customers.
- 2) Comply with the Processes and Procedures that are detailed within this handbook and the Structural Property Estimating Guidelines (See separate document titled Structural Property Estimating Guidelines).
- 3) Not combine estimates for mitigation and reconstruction services.
- 4) Prevent disputes between us and the customer. If you need to consult with the **Inside** or **Field staff** please contact them immediately so that we can work together to resolve together and not place the customer in an uncomfortable circumstance.
- 5) When the initial estimate is written by **Field Staff** and any supplement needs to be approved contact the assigned **Field Staff** by phone immediately to review your supplement and work with the **Field Staff** to get approval on the supplement.
 - a) **Please see the workflow that starts on page 24 of this handbook for more details**
- 6) Refer all questions that the customer has regarding coverage issues and policy questions to the **Inside Staff** or **Field Staff** assigned to the claim.
- 7) Promptly notify us and our customer if there will be delays beyond the expected completion date.
- 8) Cooperate with our efforts to maintain high quality service by making **Vendor** employees available to receive **Network Referral Program's** customer relations training and any other training that we may deem necessary.
- 9) **Vendors** must not provide a copy of the estimate to the customer before CSAA approves the estimate. Should the customer ever insist on receiving a copy of **Vendor's** estimate you will need to refer them to the **Inside Staff** or **Field Staff** that is assigned to the claim.

CSAA will send a copy of the approved estimate to the customer at the same time that the settlement letter is mailed to the customer.
- 10) **Adjuster Notifications**-Please follow the guidelines below for direction on the best way to contact us at certain points in the claim. This is only a guide for the best way to notify us under certain circumstances and does not supersede the Adjuster Notifications, and Adjuster Approvals that are listed below.
 - a) **XactAnalysis note only**-When the notice is to provide us with an update, progress reports, or is a general update on the assignment.
 - i) Examples: Customer contacted, site inspected, materials ordered, job started, Project Manager Assigned, unforeseen circumstances that will delay the job, customer changed scope and a change order will be needed.
 - b) **Phone call to "Desk Adjuster" that is listed in XactAnalysis or the Field Adjuster that wrote the initial estimate**-When you need immediate attention from CSAA, or approval from Inside or Field Staff.
 - i) Examples: Mold discovered, customer disagrees with the repair scope, inspection performed and the actual circumstances do not match what was included in the instructions, approval needed for third party inspection, coverage in question, and customer wants to cash out for any portion of the work.
 - c) **Email notification to Inside Staff via XactAnalysis**-For anything that may require action on our end, but does not require immediate attention an Email notification to the Inside or Field Staff that is assigned via XactAnalysis will be sufficient.
 - i) Examples: Inspection fee invoice uploaded, third party report uploaded, drying time will exceed beyond three twenty-four hour periods.

Customer Service Recovery

Complaints can call for quick response, extra tact, and patience. Behind every complaint is a person asking for help. Give prompt attention to the problem, get all the facts, and collaborate with the customer to resolve their concerns. The following rules should be applied:

- 1) Immediately notify the **Inside Staff** of any complaint from our customer involving either **Vendor** work or our claim handling.
- 2) All reasonable complaints must be handled to the AAA Customer's satisfaction.
- 3) Document the customers concerns
- 4) On workmanship warranty complaints document the items in question, and the resolution plan in XactAnalysis.
- 5) In the event of a dispute over the quality or necessity of specific repairs, **Vendor** must abide by our decision.
- 6) **Vendor** must notify the **Inside Staff** of any complaints made by AAA Customers.
- 7) Adhere to the guidelines that are set under the Customer Resolution Cycle Times in the Service Level Agreement.

Customer Resolution Cycle Time Expectations

Service Level Expectations	Parameters	Measurement
Concern Documented	From Reported by CSAA Member to Documented in XactAnalysis	One Day
Customer Contacted to Discuss Next Steps in Resolution Process	From Reported to Customer Contacted	One Day
Site inspection (If Necessary)	From Customer Contacted to Site Inspected	Three Days
Solution Identified	From Site Inspected to Action Plan	One Day
Action Plan Approved (Action plan must be provided to CSAA as a note, or document in XactAnalysis)	From Action Plan Submitted by Project Manager to Project Manager's Supervisor	Two Days
Problem Resolved	From Action Plan Approved to Resolution	10 Days
Certificate of Satisfaction Signed by CSAA Member	From Resolved to Signed	Two Days
Resolution Certificate of Satisfaction Uploaded	From signed to Uploaded into XactAnalysis	One Day

Service Level Expectations

Service Level Expectations	Mitigation	Reconstruction
Customer Contact Time	not to <u>exceed</u> 1 hour	not to <u>exceed</u> 1 business day
Inspection Time	within 2 hours of contact with the customer	within 1 business day of contact with the customer
Initial Photo's and Report	1 business day from Inspection	1 business day from Inspection
Job in progress photos and report	Every three days from initial report-Until job completed	Every two weeks from Job Start-Until job completed
"Package" Upload	3 days from <u>Complete</u>	3 days from <u>Inspection</u>
Job Start Date	2 hours from <u>Inspection</u>	14 days from <u>Client Approval</u>
Job Flow Calendar	n/a	3 business days from <u>Start Date</u>
Estimate Approval - Network (QA Approve)	2 business days from "package" <u>Upload</u>	2 business days from "package" <u>Upload</u>

Estimate corrected by Contractor	One business day from the request (Estimate reviewed with Exceptions)	One business day from the request (Estimate reviewed with Exceptions)
Work Authorization/Authorization to Release Payment Uploaded	1 business day from <u>Inspection</u>	1 business day from <u>Start Date</u>
Completion Statement	3 days from <u>Job Complete</u>	3 days from <u>Job Complete</u>
Job Complete	5 days from <u>Start Date</u>	45 days from <u>Start Date</u>

Emergency Service Mitigation Guidelines

CSAA Insurance Group

- **Any delays or exceptions relative to the below standards must be documented in the Notes Section.**
- All supporting documentation must be uploaded in .PDF format via XactAnalysis. Do not send any documents directly to a CSAA Insurance Group ("CSAA IG") adjuster via Fax, Mail, or Email.

UPDATE STANDARDS

Jobs in progress require a job status update every 3 days.

Jobs pending payment require a job status update every 45 days until payment is received.

SERVICE STANDARDS	TIME FRAME	PRIORITY
Customer Contacted (Vendor must follow-up with customer if unable to schedule appointment each day for three days. If unable to schedule appointment, Vendor must inform adjuster. Must note XACTANALYSIS and NETWORKS ASSIGNMENT MANAGEMENT SYSTEM on each attempt.)	60 minutes from Assignment Received	Critical
Emergency Services On Site (Vendor must start job within 2 hours of inspection if agreed upon with the insured. If insured declines services, Vendor must contact adjuster immediately and note NETWORKS ASSIGNMENT MANAGEMENT SYSTEM and XACTANALYSIS.)	2 hours from Assignment Received	High
Enter Start Date	2 hours from 1st Inspection	High
Initial Loss Description (Vendor must provide brief summary of damages and estimated costs to adjuster via email in XactAnalysis and NETWORKS ASSIGNMENT MANAGEMENT SYSTEM.)	1 Bus Day from 1st Inspection	Critical
Enter Job Completion Date	24 Hours from Job Completion	High
Direction to Pay (May be included as a separate document or included on the Work Authorization or Certificate of Satisfaction.)	3 Bus Days from Job Completion	High
Enter Invoice	3 Bus Days from Job Completion	Low
Estimate Revisions	1 Bus Day from Request	High

DOCUMENTATION STANDARDS	TIME FRAME	PRIORITY
Photos - Front Elevation & Source of Loss (Minimum of five (5) labeled photos must be uploaded to XactAnalysis (post initial inspection). Front Elevation, Risk Address, Source of Loss and prior to demo.	1 Bus. Day from 1st Inspection	High
Photos - Work In Progress (Minimum of five (5) labeled photos must be uploaded to XactAnalysis.)	3 Bus. Days from Job Start	High
Photos-Equipment (Must show all equipment that Vendor will be billing for)	3 Bus. Days from Job Start	High
Photos-Moisture meters initial readings	1 Bus. Day from Job Start	High
Work Authorization (Must be uploaded to XactAnalysis)	1 Bus. Day from Job Start	Medium
Photos-Moisture meters final readings	3 Bus. Days from Job Completion	High
Monitoring Charts (Moisture Mapper or Mica Report)	3 Bus. days from Job Completion	High
Certificate of Satisfaction (Must be uploaded to XactAnalysis)	3 Bus. Days from Job Completion	Low

MANDATORY SERVICE APPROVALS

Emergency Services exceeds \$3,000-Must provide estimated cost and reason. Document and email adjuster via XactAnalysis.

3rd Party Services-Vendor must receive adjuster approval and document in XactAnalysis if environmental testing/services are needed, which includes: Asbestos, Lead, Mold. In addition, Dry Cleaning, Contents Restoration, Specialty Sub-Contractors, etc.

Exception: if home and/or materials predate 1980, adjuster pre-approval is not required for Asbestos and Lead testing. Simply notify the adjuster via XactAnalysis and proceed with testing.

Mold Remediation-If mold is found, the **Vendor** must follow the following protocol:

- (1) IMMEDIATELY STOP work
- (2) CONTAIN the affected area
- (3) SET a dehumidifier to control moisture
- (4) CONTACT CSAA IG immediately for further instructions (no longer than 24 hours).
- (5) ADD "Opening Statement Template" to the notes in XactAnalysis (no longer than 24 hours)
- (6) Upload photo's to document damages ASAP (no longer than 24 hours)
- (7) EMAIL a mold remediation estimate to the Senior Claim Specialist ASAP (no longer than 24 hours)
- (8) Upload the Mold Remediation estimate to the assignment after the Senior Claim Specialist has approved the estimate.

Time and Material-May only be used when Xactimate does not have a matching, appropriate line items to meet the activity that was performed.

Program Deviations-Vendor must receive approval from the adjuster if the loss warrants deviations from the program guidelines. Approval must be noted in XACTANALYSIS and the Preferred Network Providers File Management System

MANDATORY SERVICE APPROVALS

Contents Pack-Out, In / Storage-Vendor must have adjuster approval in writing (email), and documented in XactAnalysis. **Vendor** must submit a pack out/in, storage estimate for approval by the **CSAA IG Homeowner's Claims Department** for approval, and receive approval from the **CSAA IG Homeowner's Claims Department** prior to initiating any Pack Out/In and Storage.

Vendor must provide a copy of all inventory sheets for Contents Pack-Out/In, Storage and the insureds signed authorization to provide these services to CSAA IG via XactAnalysis (Uploaded as a .PDF document under the documents tab. CSAA IG will not issue payment for these services without a copy of these documents.)

Thermal Imaging-Thermal images & report must be uploaded to XactAnalysis, if applicable. Pre-approval from adjuster must be documented or the **Vendor** cannot charge for this item. (\$250 MAX)

Travel Expenses-Vendor may charge for the excess travel time when the loss location is outside their designated coverage area. The Vendor may charge FEE DRV for every mile outside of the coverage area and LAB LBR for time employees spend driving to the loss location once they reach the outskirts of their coverage area.

Pre-approval by Network must be documented in XactAnalysis.

Immediate Notifications-Inside Staff or Field Staff must be notified within 24 hours of discovery via phone and an XactAnalysis note if:

- (1) Loss involves CAT 3, Mold, Dry Rot, Asbestos and/or Lead Testing Post 1980 home,
- (2) Insured refused service
- (3) Insured is non-responsive over 3 days (upon the 4th day notify CSAA IG)
- (4) Coverage is Questionable
- (5) Known safety hazards (6) Subrogation Potential
- (6) Water damage was caused by a source outside of the property or unit (i.e. ground water, water from another unit, etc.)
- (7) Any demolition needed beyond carpet and pad - send note to adjuster via XactAnalysis with details and the reason demo will be needed. **Vendor** should receive written approval via XactAnalysis before proceeding with any demo.
- (8) If total job costs will exceed \$3000.

Vendor At-Fault Damages-Vendor must notify the adjuster in the event they cause any damages to the property or structure while performing restoration services.

Specialty Equipment Usage- Vendor must receive approval to use specialty equipment other than air movers and LGR dehumidifiers.

- This would include, but not limited to: desiccant dehumidifiers, inject dry systems, rescue mats, hot- thermal fogging machines, etc.

Air Scrubber / Negative Air Mover Usage - Authorized on Mold Remediation, Lead / Asbestos Abatement, CAT 3 Mitigation. Any Exceptions must be pre-approved by the adjuster and documented in XactAnalysis.

- Do Not Apply/Charge for 3rd stage HEPA Filters.

Customer Complaints-Vendor must notify adjuster immediately if there are any customer complaints, accusations against the **Vendor** or scope disputes.

CLIENT CONTACT AFTER HOURS/HOLIDAY EMERGENCY CONTACT-After Hours contact: CSAA IG toll free number 888-335-2722. Request an on call adjuster or supervisor.

HAZARDOUS MATERIALS TESTING

Asbestos - pre-test is authorized when the home was built prior to 1980 and/or materials were used/installed prior to 1980.

- Pre-testing is also authorized when local or state regulations require it regardless of the age of material.
- All other testing requires supporting documentation submitted with the billing.

Lead-Swab or chemical pre-test is authorized when the home was built and/or materials were used/installed prior to 1980.

- All other testing requires pre-approval from **Inside or Field Staff**.

Mold-Pre-Testing may only be performed when you have written authorization from the assigned Senior Claim or Field Specialist.

Bio-Hazard- may only be performed when you have written authorization from the assigned **Inside or Field Staff**.

SPECIAL REQUIREMENTS AND PAYMENT PROTOCOL

Repair Estimates – Vendor shall not provide an estimate for repairs directly to an insured unless they receive a separate assignment and instructions from CSAA IG to do so. CSAA IG will provide approval on all estimates to ensure customers are aware of covered damage and will transmit a copy of the approved estimate to the customers.

Vendors may separately enter into agreements with CSAA IG customers for non-covered work which are not subject to this requirement.

Daily Monitoring-Required for all water losses Mon-Sat. Equipment charges may be reduced by the number of days that monitoring is not performed.

- CSAA IG reserves the right to make adjustments to billing for days where monitoring is not performed including Sunday.

XactAnalysis Account This is an XACTANALYSIS Account - Service **Vendors** MUST update XactAnalysis. (Job in Progress, Document, Estimate, Photo Uploads and Notes)

IICRC Equipment Guidelines-CSAA IG prefers carpet in place/top down drying vs the carpet floating method of drying. However, IICRC Applied Structural Drying guidelines and protocol should always be followed. Be sure to document the notes in XactAnalysis with the reasoning for method of drying chosen, especially if demo and/or carpet removal is needed.

Drying Methods-CSAA IG prefers that **Vendor** attempt in place drying methods when possible.

- Example: try to detach toe kicks and get air movement under the cabinet to dry the space under a cabinet, rather than removing cabinetry or drilling holes in the toe kick. Try to dry cavities behind showers/tubs and cabinetry, by accessing the walls/ceilings through any adjoining rooms rather than removing showers/tubs and cabinetry.

Emergency Roof Repairs-Vendor should consider temporary roof repairs over tarping a roof. A tarp should only be used in extreme situations like large areas of shingles are blown off, or damage to the roof from tree(s) falling & fire where a temporary repair is not possible. **Vendor** must inform the customer that they performed a temporary repair, but a permanent repair is needed and they would need to direct any coverage questions to their adjuster.

- For example if the assignment says to tarp a roof, but the **vendor** inspects and determines that the source of a roof leak is at the eave tie in, a roof valley, or roof penetration **Vendor** should caulk/tar the area rather than placing a tarp over the area

Emergency Tree Services-The emergency service is to take the tree off of a building structure (House, shed, deck, etc.) and place it on the ground in order to protect the building structure from additional damages.

- A separate bid to cut up and haul the debris off of the property should be provided to CSAA IG when it is requested. Cutting up and hauling off debris should only be performed after CSAA IG authorizes the estimate for these services, and the customer authorizes cut up and haul off.

Deductible and/or Down Payment-Service **Vendor** will not request a down-payment or collect a deductible upfront for emergency services without adjuster approval.

Coverage and Approvals-Independent Adjusters do not have the authority to make approvals or verify coverage. Please contact owning adjuster.

Client Direct Claims-Claims received directly from Client must be submitted to the Network for processing.

- Facts of the loss may warrant deviations from the program guidelines. Deviations should be discussed and approved by the handling adjuster.

MITIGATION OPENING STATEMENT TEMPLATE AND EXAMPLE

The following template must be adopted by vendors providing emergency and mitigation services through any partnership with CSAA IG.

Site was inspected by [Name of person inspecting and the company that they are with] on [Insert Date of Inspection] with [Insert Names of all parties that were present] to discuss the damage that occurred to their residence. According to the insured the date of discovery was [Insert Date of Loss]. The source/origin of the loss was the [Insert source of loss].

In our professional opinion the loss occurred approximately [Insert duration of loss].

This loss will take approximately [Insert Number of days] days to mitigate

ROOM(s) DAMAGED

[Provide a list of the damaged rooms]

DESCRIPTION OF DAMAGES

[Provide a description of the damages which needs to include whether are any secondary damages in the home]

WERE BUILDING MATERIALS REMOVED

[Provide a list of affected materials]

EQUIPMENT USED FOR MITIGATION

[Provide equipment list and count of pieces of equipment placed in the home]

EVIDENCE RETAINED

[Describe any evidence retained, and current status of where evidence is located]

Example:

Site was inspected by John Smith of ABC Mitigation Services on 5/18/15 with Ms. Karen Phillips to discuss the damage that occurred to their residence. According to the insured the date of discovery was 5/18/15. The source/origin of the loss was a leak from the patio closet water heater.

In our professional opinion the loss occurred approximately seven days before our inspection.

This loss will take approximately 4 days to mitigate/reconstruction.

ROOM(s) DAMAGED

Patio Water heater closet, Dining, Living, Laundry

DESCRIPTION OF DAMAGES

Drywall, carpet had elevated levels of moisture. Evidence that water went under sheet vinyl. Had to be removed to dry materials. Small area of mold growth on drywall.

WERE BUILDING MATERIALS REMOVED

Drywall, carpet padding, and sheet vinyl

EQUIPMENT USED FOR MITIGATION

Air Movers (9) Dehus (1) NAM (2)

EVIDENCE RETAINED

Water heater supply line was sent to Stutman Law by Amy Smith of ABC Mitigation Services on 5/20/15. UPS Tracking # is 1234 5678 9123 4567 8901

Subrogation, Salvage and Special Investigations

Estimators should notify Inside Staff of all opportunities to recover salvage, pursue subrogation, and any identified red flag indicators, but not using the estimate as a transmission. Vendors should use XactAnalysis notes and Field Staff should document the same both in the internal claim system and XactAnalysis Notes.

We have engaged Stutman Law to assist with recovery on 1) flexible faucet supply line, 2) toilet parts, and 3) water heater supply line failures. Any failure of these parts should be sent directly to Stutman Law TOPS Program with the claim number included.

The three items listed above are the only items that are to be handled by Stutman Law. Estimators will need to contact Inside Adjusters or Field Staff for further instruction on how to proceed when there is subrogation potential for any items that are not included in this list.

Vendors should secure direct-billed shipping labels from the Network Referral Program or VMS Staff. Field Staff may secure shipping labels from their leadership team.

Vendors should note XactAnalysis confirming when an item has been secured and shipped. Field Staff should note the claim system and XactAnalysis Notes.

CSAA Insurance Group

CSAA Reconstruction-Procedures

Documents

All documents must be in .pdf format

All documents must be submitted via XactAnalysis Communications	
All documents must be uploaded as a document via XactAnalysis. Do not submit as a photo.	
All documents must be uploaded within one business day of their availability	
CSAA Approved Estimate Opening Statement	Always Required
Estimate Disclaimer	Always Required
Signed Work Authorization/Authorization to Pay†	Always Required on Sold Jobs
Signed Certificate of Satisfaction	Always Required on Sold Jobs
Job Schedule	Always Required on Sold Jobs
Sub Bids‡	When applicable to the loss
Permits/Permit Fees	When applicable to the loss
Building Code Requirement Change Notices	When applicable to the loss
Contents Pack Out Inventory Forms	When applicable to the loss
Signed Authorizations to remove and store or remove and dispose contents	When applicable to the loss
Third Party Reports*	When applicable to the loss
Third Party Invoices*	When applicable to the loss

†The Work Authorization/Authorization to Release Payment must be the **Network Referral Program** approved version of this document.

*It should be noted that the Work Authorization/Authorization to Release Payment **is not** a binding contract and is not intended to replace any contract for services that **Vendor** must have signed by the customer to remain compliant with any requirements from state, and local regulatory agencies.*

‡Sub Bids-Should only be utilized for highly specialized custom work, or specialty trades. Do not utilize sub bids for what would be considered standard trade work.

Examples of standard trade work would include, but not be limited to drywall, painting, flooring, insulation, finish carpentry, roof, siding, gutters

*Third party reports and invoices will include, but not be limited to:

Hazardous Materials pre-Remediation, and post remediation clearance, Roof Inspections, Engineering/Architectural/Drafting Services

XactAnalysis Workflow Status Updates	
Customer Contact	Always Required
Appointment	Always Required
Inspection	Always Required
Job Sold Status	Always Required
Target Start Date	Always Required on Sold Jobs
Target Completion Date	Always Required on Sold Jobs
Materials Ordered Date	Always Required on Sold Jobs
Job Start	Always Required on Sold Jobs
Job Completion	Always Required on Sold Jobs

Job Site Diagrams	
All job site diagrams must be completed using the sketch tool in XactiMate.	
Measurements must be rounded up or down to the nearest inch.	
CSAA will reject estimates with hand drawn diagrams or measured using the dimensioning tool	
Subrooms	Must be set as a subgroup of the main room (e.g. Closets, Pantry, Master Bathrooms, etc.)
Openings	Door, window, missing walls must be placed in the sketch
Stairways	Stairways must be placed in the sketch

Reference Blocks	Must be put in place for tubs, showers, vanities, cabinetry, fireplaces, hearths, changes in type of flooring in a room (e.g. portion of room is tiled, remaining is carpet).
Deductions	Must be applied for all openings, stairways and reference blocks, reference areas.

Adjuster Notifications	
Vendor must notify Inside or Field Staff immediately if:	
Vendor inspects and Vendor anticipates that the reconstruction will exceed \$25,000	
Vendor needs to submit any supplement Referrals: Contact assigned Field Staff. Direct: Contact assigned “Desk Adjuster” that is listed in XactAnalysis.	
Vendor will not be able to provide service per the Service Level Agreements outlined below	
There is possible subrogation	
There are unrelated pre-existing conditions in the home	
There is evidence that they may be multiple unrelated losses occurring in the home	
Customer requests any upgrades or a change in the scope of work (Change Order)	
Building inspector requests modifications	
The customer requests credit for work that they will complete on their own, or through others	
Examples	I'll complete the painting on my own. Just send me a check for that part
	I have a buddy that can take care of my wood floors. Just send me a check for that and I will pay him.
Vendor needs a third party report (e.g. ITEL, Architectural Drafts, etc.)	
The customer refuses to allow Vendor to inspect	
There will be a delay in being able to inspect that exceeds three business days	
You will not be able to adhere to the job schedule due to unforeseen circumstances that will cause a delay	
The customer is delaying inspection or repairs	
The property will require pack out to complete repairs	
The customer submits a service level, or workmanship complaint	
The customer is disputing the repairs, grade of materials or the estimate	
The assignment instructions do not match the circumstances of the loss	
Examples	Emergency Services are needed, but the assignment instructions do not indicate that Inside or Field Staff arranged for Emergency Services
	XactiMate instructions indicate that the loss is a water loss, but Vendor arrives on scene and determines that it is a fire loss.
Vendor comes across any unwarranted or unexpected circumstances that may require further investigation by CSAA to determine coverage.	
Examples	Evidence that heat is not maintained in the home and the pipes froze
	Evidence that damages may be long term not sudden and accidental
	Hidden damages or wet/dry rot is discovered
There are known safety hazards	
Vendor is unable to determine the cause of the loss	
Hazardous Materials Testing and Remediation may be needed	

Adjuster Approvals	
Vendor must receive written authorization from Inside or Field Staff before proceeding when	
The request is for estimating services and Vendor has submitted an estimate for repairs	
Note:	Vendor may take steps to secure the work authorization and authorization to pay before receiving approval. Make sure to explain to the customer that this is a non-binding document and a separate contract will need to be signed by the customer before Vendor can commence repairs.

	Vendor's need to refrain from commencing work, and ordering materials until Vendor receives notification via XactAnalysis that the estimate was approved (Client Approved).
Vendor has submitted a supplement for repairs. *	
Note:	When CSAA "Client Approves" an estimate the XactAnalysis assignment will be closed. The Inside Staff will need to be asked to change the status from closed to open before you can make changes to the estimate and upload the supplement
	CSAA reserves the right to refuse payment for supplements if Vendor initiates repairs prior to receiving written approval for the supplement
	All supplements must be supported by thorough photo documentation, or third party bids/reports
Vendor determine that a pack out will be necessary to complete repairs	
Note:	Vendor will be required to submit a pack out/in estimate for approval before commencing work.
	CSAA will not issue payment for pack out before we receive all inventory sheets/contents tracking documents, and the authorization to remove, store and/or dispose of contents that was signed by the insured and an authorized representative of Vendor company.
	When the items are returned to the customer CSAA will not issue payment for pack in before we have a signed copy of Vendor contents returned and property condition form.
The home was built after 1980 and Vendor feel that Asbestos or Lead testing is necessary.	
The loss is a Category 3 water loss and Vendor feel that a clearance test is needed.	
It is determined that Hazardous Materials Remediation is necessary	
Note:	Vendor will be required to submit a Hazardous Materials Remediation estimate for approval before commencing Hazardous Materials Remediation work
Vendor determines that a report or expert opinion from a third party will be necessary to determine cause, or to determine materials grade.	
Examples	ITEL necessary to determine flooring grade.
	Roofer needed to determine the cause of a roof leak
	Engineer needed to determine the reason why walls are collapsing

*When Field Staff wrote the initial estimate they will be **Vendor's** primary point of contact for any supplements that **Vendor** needs to submit.

When **Vendor** wrote the initial estimate the Inside Staff (Desk Adjuster) that is assigned to handle the claim will be the primary point of contact for any supplements that **Vendor** needs to submit.

Definitions

DRN Vendor refers only to estimators at direct repair network vendors.

Estimator refers simultaneously to all three types: Field staff, DRN vendors, and Independents.

Field Staff refers to employee estimators within CSAA IG, and their leadership team.

Independent(s) refers to any independent adjuster hired by CSAA IG to supplement its Field Staff.

Inside Staff refers to file owners or desk adjusters, usually located within one of the CSAA IG regional centers, and their leadership teams.

Vendors refers to both Independent Adjusters and DRN Vendors.

VMS Staff refers to the CSAA IG Vendor Management Teams, including Vendor Management Specialists, their leadership team and the Process Manager.

Key Estimate Documentation and Standards

When CSAA IG does not indicate a communication method between estimators and adjusters, Field Staff should update the claim system file notes and XactAnalysis Notes and vendors should submit Notes in XactAnalysis.

Opening Statements

Estimators should document key portions of their inspection through Xactimate's Opening Statement field professionally and accurately. CSAA IG expects opening statements to be used for the purpose of documenting causation and an estimate disclaimer.

For roof losses, estimators should specify the age of the roof in the Opening Statement.

Causation

A clear and concise cause statement must be based in an objective and professional opinion as to how the loss came to occur.

It is critical that estimators describe what failed and how. If an estimator cannot definitively determine the failure, they may state that difficulty clearly and then provide the most reasonable explanation for the damage or, at their discretion, involve a contractor or other expert for assistance with determining the cause.

Estimate Disclaimer

Please include the following disclaimer language verbatim:

The following estimate represents a fair and reasonable figure to repair or replace the damaged items or structures noted at the time of my inspection. It is not a contract to complete those repairs. This estimate does not represent a guarantee of payment.

Please present this estimate to a contractor before you authorize the start of repairs. We will not accept any supplements unless they have prior approval by an authorized AAA Insurance adjuster. If your contractor has questions regarding this estimate please have them contact me at the number listed above.

General Loss Details

Vendors should submit documentation on parties present for the inspection, additional causation details, damage observations, condition observations, and length of repair estimates using General Loss Reports.

Field Staff should directly note claim files with General Loss Report type information.

People Present

Estimators should document the name of each person who was present for purposes of inspecting the loss.

Related Damage Observations (and unrelated or prior damages)

Confirm and describe the claim specific damage indicated by the assignment, the customer, or found independently during the property inspection.

Estimators should limit unrelated and prior damage observations to appropriate photographs with descriptions and to the XactAnalysis notes. Field Staff should place appropriate notes directly within the internal claim system in lieu of XactAnalysis.

Condition Observations

Estimators should report on the age and condition of related aspects of the risk as it relates to any depreciation recommendations.

In the event of water intrusions or leaks where duration cannot be definitely determined, document statements from the customer, physical conditions observable, and whether additional information is expected to be gained by an expert opinion.

If the exact date of the leak cannot be established, consider statements from the customer, physical condition of the property, and other available information to determine the leak duration.

Subrogation, Salvage and Special Investigations

Estimators should notify Inside Staff of all opportunities to recover salvage, pursue subrogation, and any identified red flag indicators, but not using the estimate as a transmission. Vendors should use XactAnalysis notes and Field Staff should document the same both in the internal claim system and XactAnalysis Notes.

We have engaged Stutman Law to assist with recovery on 1) flexible faucet supply line, 2) toilet parts, and 3) water heater supply line failures. Any failure of these parts should be sent directly to Stutman Law TOPS Program with the claim number included.

The three items listed above are the only items that are to be handled by Stutman Law. Estimators will need to contact Inside Adjusters or Field Staff for further instruction on how to proceed when there is subrogation potential for any items that are not included in this list.

Vendors should secure direct-billed shipping labels from the IVMS Staff. Field Staff may secure shipping labels from their leadership team.

Vendors should note XactAnalysis confirming when an item has been secured and shipped. Field Staff should note the claim system and XactAnalysis Notes.

Scoping Losses and Writing Estimates Measurements and Sketch

All measurements and diagrams should be accurate to the nearest inch within Sketch in Xactimate. Sketch may be substituted with an Eagleview or Roof Insight type diagram where available and permitted. Only minimum repairs are exempt from Sketch requirements.

Adjacent rooms should also be measured and accurately depicted in Sketch when there is any material that is continuous between the rooms, or when damages are likely to be found to extend into the next room once repairs begin.

Consider the directional lay of flooring using the Flooring Cut Diagrams and include the report in the estimate upload to XactAnalysis.

Include in Sketch any elevations, fences, decks, driveways, carports, and similar real property when damaged.

All offsets must be taken in Sketch, using reference areas where appropriate. Examples include, but are not limited to:

- Missing walls, knee walls, door and window openings;
- Cabinets areas;
- Multiple material walls;
- Wainscots;
- Bathtubs, shower surrounds, and mirrored areas;
- Kitchen islands and bathroom vanities;
- Entryways with varying flooring material.

Scope

Economical repair of an item should be considered prior to replacement. Roofing estimates should consider repairing the affected shingles or a slope replacement before replacing the full roof.

Estimators should include all damage that will be caused by the repair process in preparing the estimate.

Identify when line items will fall under different coverages, such as: Dwelling, Other Structure, Fungi/Mold, Personal Property, and Code Upgrade.

Estimators should explain their scope to the customer to ensure that all claimed damages have been documented.

Included Operations and Overlap

Some line items include consideration for multiple operations in Xactimate Price Lists to increase efficiency. An example of this is painting walls and ceilings which includes detaching and resetting a normal amount of standard lights, switch plates, and outlet plates. If detach and reset of the switch and outlet plates was written in addition to painting the walls and ceilings for a normal room, then overlap errors would have occurred.

Included operations are itemized and viewable in the “Line Item Illustration” by right clicking on any line item within Xactimate.

Price List Deviations

Any deviations from Xactimate pricing should be explained with associated line item notes and supported with documentation on the component level pricing variation.

Labor Hours, Subcontractor Bids, Time and Materials Estimates

Estimators may utilize each of these methods to augment an estimate for specialized needs; however, in all cases, line item notes are appropriate to explain the reason that Xactimate line items are not appropriate for the evaluation. Additional photos are appropriate to support the variance.

When a subcontractor bid line item is used, the estimator must include the subcontractor’s detailed bid as an attachment in the estimate package.

Inside Staff should report all justified sub bids due to underpriced line items to pricing@xactware.com to ensure price lists are appropriately surveyed and maintained.

Coverages and Building Code Upgrades

Estimators should write for like kind and quality under Dwelling or Other Structure accurately.

Building Code Upgrades should be included in an estimate when a permit is secured and a change order is written.

Building Code Upgrades requires careful documentation because it is generally separated into a separate Additional Coverage from the structure’s actual cash value or replacement cost payments. This coverage supplements the basic replacement cost coverage when required by local code. Estimators should attach a copy of the applicable code or documentation from the governing body should be attached to the XactAnalysis file.

Estimators should use Xactimate’s built in Building Code Upgrade functions to accurately separate additional cost due to code mandates from the primary coverage.

Permits & Fees

Contractor costs for waiting in line for permits or meeting with building inspectors are considered part of the Profit and Overhead allowed for a claim. Any additional fees or costs associated with meeting building inspectors and/or wait times associated with obtaining permits must be approved in advance by Field Staff or Inside Staff.

A copy of the permit or fee invoice must be obtained in order for the cost to be included into the estimate. If a permit or fee invoice is outstanding, an open line item should be included into the estimate. This open item can be reimbursed after it is incurred.

Trade Minimum Line Item Charges

CSAA IG prefers the automatic application of labor minimums. This will be the default setting for estimates written for CSAA IG. If a labor minimum populates that is being performed by tradesmen already on site it is to be removed. Example:

- HVAC (HVC) labor minimum for vent cap replacement on a roof repair/replacement.
- General (GEN) Labor or Cleaning (CLN) minimum when work is being performed by trades already on site.
- Finish Carpentry (FNC) minimum for minor baseboard repairs, which is more commonly performed by a drywaller doing work on the same job.
- Electrical (ELE) minimum for detaching and resetting lights due to other trade repairs

An update to CSAA Xactimate defaults has been requested from Xactware that will be made over the next few months that will apply labor minimums to the estimate. Until system defaults are updated, CSAA IG will allow for labor minimums with separate material only billing if the apply labor minimum option was not manually selected.

Minimum charges should not be depreciated. Only one minimum should be applied per trade category.

Matching

Flooring replacement, when warranted, should generally continue across open floor up to a closing door, a pre-existing change in material or directional lay, a transition strip, or another open break occurs. When exceptions occur, provide a line item note to explain the variance. See “Matching” subsection below for additional resources.

CSAA IG expects to provide its customers with a reasonable match to surrounding materials, even if local regulations do not require it. Regulations can supersede this standard with more stringent requirements.

CSAA IG employees should review challenging matching cases with their supervisor for guidance. Vendors should review such cases with the assignment’s desk adjuster or a VMS Staff

Quality Grading and Material Testing

Under normal circumstances, inspect the material, discuss the quality with the customer, and use the appropriate Xactimate grading.

In the event that an estimator is not confident in their carpet quality determination or a customer does not agree with the grading, ITEL may be utilized.

ITEL’s procedures allow for a full laboratory analysis which allows for expert testimony if required. Expect a three day turnaround when ITEL is required to consider shipping and testing times.

ITEL provides a discontinued shingle location services through its partnership with DMI. Where roofing damages are minor and repairable except for material availability (T-Locks, CertainTeed New Horizon, Classic Horizon, Hearthstead by example), estimators should perform a material test with ITEL and opt into the discontinued shingle location service. More information can be found here:

<http://www.itelinc.com/Services/RoofingandSiding/DiscontinuedLocationService.aspx>.

Attempt to secure an original, unused floor material sample before removing in-use material from the customer’s property.

If the manufacturer and style of material is available to the estimator, such information should be included in the testing request form.

The results of any material testing must be directly used in the estimate using the appropriate category’s NFCP line item code, entering the material costs in the component tab.

Trade Specific Instructions

Clean-up

Basic cleanup is included in most line items. If labor for additional post repair clean-up is necessary then the reasoning should be properly documented with a line item note.

Contents Manipulation

Select the appropriate room size when estimating the unit cost of contents manipulation. If the room size category is not appropriate due to unusual circumstances, labor hours can be used with a line item note and supporting photographs.

Debris Removal/Hauling

CSAA IG mandates that Estimators always include removing debris from the premises unless all line items involving removal of material also have an included operation for the removal of the material from the premises.

The line item used for removal of work site debris must be appropriate for the amount of debris that is being removed. If debris removal requires less than a full pickup truck load, reduce the quantity of the line item to the appropriate fractional percentage which the pickup truck will be filled by the job.

A dump truck may be more appropriate for larger jobs, and a dumpster may be appropriate for the largest.

Fencing

Assignments to estimators will generally not be requested unless Inside Staff requires verification of the cause or the extent of damages requires measurements.

When inspections are completed, estimators should pay attention to whether any of the damaged fence independently defines a property line (“shared fencing”) or whether each neighboring property has an independent fence (“private fencing”). Some situations will include both *shared fencing* and *private fencing*, and line item notes should clearly define this.

On *shared fencing*, estimators should indicate the actual length divided by 2 (halved) since both property owners on each side of the fence share ownership of the fence. *Private fencing* sections should have actual quantities. For clarity, use separate line items for *shared fencing* and *private fencing* within an estimate.

Provide separate and detailed measurements for portions of fence with different extents of damage (i.e. leaning vs. downed) or causes (i.e. wind vs. deterioration).

Sound fence sections can be detached from failed posts and secured to new posts as a method of repair.

All products except for the California HO-3 product compensate covered fence damages at Actual Cash Value only (use appropriate non-recoverable depreciation). The California HO-3 product compensates covered fence damages at Replacement Cost only (do not apply any depreciation).

Flooring

Remember to remove the appropriate offsets. See [Measurements and Sketch](#).

Carpet Finish

For wall-to-wall carpet in multiple rooms, estimate the loss to replace the carpet up to a closeable door or other appropriate break point.

Material testing is discretionary, not mandatory, for quality grading. ITTEL is our allowed method. See [Quality Grading and Material Testing](#).

Waste Standards for Carpet

Only the affected carpet pad should be replaced. No waste factor applies.

Carpet will be estimated using the drop method using the most efficient roll direction. Xactimate should be set to “Use Scrap”. Flooring Cut Diagrams must be included in XactAnalysis uploads showing all cuts.

Sheet Vinyl Finish

When removing vinyl and underlayment, use the FCV ULVR line item.

Damage created by the removal of glued down vinyl on concrete should generally be floated using FCV PREP or FCV PREP+. Floor prep should not be needed on a raised foundation if underlayment is used.

For smaller rooms, using a 6 foot roll in Xactimate may be more cost efficient.

Transition strips are considered open breaks and we should not replace further than a transition strip in most cases.

ITEL is available to support quality grading. See [Quality Grading and Material Testing](#).

Waste Standards for Vinyl

Sheet vinyl will be estimated using the drop method using the most efficient roll direction. Flooring Cut Diagrams must be included showing all cuts.

Wood Finish (Laminate, Engineered Hardwood, or Solid)

Consider refinishing over replacement where reasonably appropriate, excluding laminate.

Transition strips and changes in grain direction are considered open breaks. If damage does not impact both sides of the break and replacement is necessary, replace only the damaged section up to the open break. Include a line item note if it is appropriate to sand and refinish the undamaged section to support matching.

Waste Standards for Wood Finish

Waste is included in Xactware's line item unit costs, so additional waste is not appropriate.

Mitigation

If a vendor requires assistance from a mitigation contractor, they must contact Inside Staff or VMS Staff for an appropriate referral. General contractors may not subcontract mitigation without individual authorization or written confirmation from VMS Staff.

Overhead and Profit (O&P)

Single trade estimates should generally not include O&P because Xactimate includes line item overhead for single trade work. Exceptions are occasionally appropriate, but they should be documented clearly and directly documented within notes and approval should be given by CSAA IG Staff for Vendor estimates.

On multi-trade reconstruction estimates O&P is appropriate.

CSAA IG considers mitigation to be a single trade service, and should not include O&P. Exceptions must be approved in advance by Inside Staff, VMS Staff, or Field Staff.

CSAA IG Staff will review O&P requests based on the extent of complexity and coordination oversight expected to be required by a general contractor.

Painting

When a room has encountered a partial loss, our general standard is to seal the directly damaged area and then repaint the entire wall or ceiling with one coat for matching. Utilizing two coats of paint or painting an entire room where damage was limited, should be an exception and supported by a line item note and photos.

Estimators should consider that masking and prepping a room includes protecting uninvolved trim and doors. Repainting of trim and doors should usually only be necessary when the direct damage or repair process impacts the trim or doors.

A reasonable amount of detach and reset for outlet and light switch plates, dropping of a light, and content manipulation is included in painting line item labor as outlined in Xactimate. Mask lights rather than detach and reset lights if more time is needed than allowed in paint time.

MASKLF vs. SF—be careful to use LF only when the intention is to mask all of the walls, for acoustic, or to mask kitchen cabinets. SF should be used for flooring. Consider MASKLFP to mask for painting ceilings if it will be rolled.

Remember to remove the appropriate offsets. See [Measurements and Sketch](#).

Roofing

Include the age of the roof in the opening statement of the estimate and include photographs according to [Special Roofing Photograph Requirements](#).

If an estimator is unable to walk the roof, it is appropriate to inspect from a ladder at the edge of the roof. If the ability to document a roof is compromised, an expert should be consulted to assist with documenting and evaluating the claim.

ITEL's discontinued shingle location service described in [Quality Grading and Material Testing](#) should be considered prior to replacing a repairable roof due to color or sourcing of shingle challenges. If roofing replacement is recommended due to the overall roof condition, lack of repair materials (confirmed by ITEL), or other complications, estimators should clearly describe the challenges in a line item note.

When determining to replace instead of repair, estimators should consider and comment on:

1. The size of the roof
2. Reparability and,
3. The percentage of roof that is damaged.

CSAA IG offers an endorsement for "Actual Cash Value Loss Settlement Windstorm or Hail Losses to Roof Surfacing". Estimators will be notified of this endorsement in the assignment instructions or through attachment of the customer's policy declarations page to the assignment. In the event this endorsement exists, estimators should apply non-recoverable depreciation to the shingles, tiles or other top-most roof surface material. For all other line items, estimators should apply recoverable depreciation.

Hail Damage Evaluation by Roofing Material

For asphalt and laminate shingle roofs use a guide of 8 hail bruises per square per directional slope in determining whether a slope replacement is appropriate. CSAA IG follows the Haag Engineering guidelines that confirm granule loss alone is insufficient to represent functional damage.

- Hail hits must bruise the asphalt or laminate shingle to be considered damage.
- A hail bruise is defined as a hail hit causing visible fractures on the bottom of an asphalt shingle.

On wood shingle and wood shake roofs only impact points directly causing an immediate/fresh split of the shingle or shake are considered hail damage. An impact point or dimple without a related split is not considered hail damage. It is generally much easier to remove existing wood shakes without causing additional damage to a roof than asphalt shingles, so we consider hail damage between 12 and 16 splits per square before considering replacement of a slope. Wood shingles and shakes frequently split as they age, so estimators should be attentive to differentiate age wear and hail damage in the inspection of these roofs.

Cement and clay tile roofs are generally repairable by replacing the damaged tiles. Consider lacing in newer products to avoid color and fading matching challenges.

If replacement of rolled roofing is recommended, tear the material slightly to show the product type as either rolled or modified bitumen.

For foam roofs where the foam is visibly compromised by hail impacts, we will scrape and replace damaged portion of foam layer. Estimators should include a line item note confirming that CSAA IG must be contacted to allow a re-inspection if additional damage is found during the course of repair.

Use discretion when accessing roofs that show significant signs of wear. Improperly accessing a worn roof may cause additional damage. When in doubt, Field Staff should consult their leadership team and Vendors should consult their assigned IVMS Staff.

Wind Damage

Inspect the roof for the following conditions:

- Debris lodged underneath the roofing material
- Staples or nails pulling through the shingles
- Creasing of the roofing material
- Seal strip transfer
- Zipper patterns

See the primary section of [Roofing](#) for considerations on determining reparability.

Standard Waste Factors for Roofing

Type	Waste Allowance
Flat Roof	None – Waste is included in Xactimate unit pricing
Gable Roof	10% Material Waste
Hip Roof	15% Material Waste
Clay and Cement Tile	Order number of tiles required and a reasonable allowance for breakage. Round up to the nearest bundle, or adding a bundle where it is appropriate. Document the file with your recommendation and reasoning for each case.
Tar Paper	None

Exceptions to waste factor standards should be justified with a line item note.

Common Roof Estimating Errors

Haul off is included in several roofing line item codes. Check the included operations before adding haul off.

Estimators should accurately measure dimensions of roofs where multiple surface materials exist. By example, if an asphalt hip roof transitions into a rolled patio roof, the dimensions of each material section must be accurately represented in the estimate.

Replacement measurements should include proper waste and then round up to the next bundle (1/3 square) if the waste wizard is not used.

On 3-tab roofs the materials required for ridge caps and starter rows are included in the waste allowance. If the roof has a high profile or “Z” ridge, then the ridge cap is appropriate to include as a separate line item with a supporting line item note.

With respect to dimensional roofs, the estimator should allow for a ridge cap and starter row.

Waste should only be calculated on the replacement of materials and should not be applied to the quantities of materials removed from a structure.

Siding

If matching is an issue, consider allowing additional labor hours to move undamaged pieces from less conspicuous areas to allow a repair.

Local regulations may supersede reparability standards.

Photographs

Photographs on all inspections should include:

- The front elevation of the residence, including the address, and for exterior losses, the rear and side elevations.
- Damage and cause photos, including room overviews from each corner, and varying levels of zoom to clearly understand the location, scale and details of the damage.
 - Delaminated carpet or flooring damage must include clear photographs of the materials
- Unique, unusual, or high value items should be independently photographed.
- All photos should be clearly described; the description needs to include the room name and detail the damages that the photo represents.
- If during the inspection there is any concern with the insurability of the risk, photograph the concern and all exterior views of the property to support an underwriting referral.
- Any premium or high grade items.
- Specific images supporting above and below average condition determinations.
- Any repair or replacement using a line item exceeding \$200.00.

Photos are required on all potentially non-covered damages and unrelated damages and given clear descriptions.

When the cause of the loss is a product failure, the assignment includes an instruction to document a damaged piece of personal property, or the customer specifically points out a personal property item damaged, include photographs of the item, including any make and model tag(s) and serial number.

Special Roofing Photograph Requirements

Additional photos are mandatory for all losses where the roof is damaged, including:

- Shingle and Pitch gauge measurements
- Roof material layers and any drip edge
- For hail, a roofing square (10'x10') should be tested for each directionally-facing slope
- Overview photographs showing where any markings which were photographed at a detail level are located on the risk roof
- High visibility chalk should be used to highlight any of the following:
 - Hail impacts, including close ups no greater than 18 inches away
 - Wind zipper patterns
 - Nail pops or
 - Any other damage found on the inspection which may not be fully evident during review of photos.
- For tile roofs, include clear photos of the dimensions and the back of a misplaced tile that shows the manufacturer

Depreciation

As a company policy, we will not apply physical depreciation to line items within estimates that are not normally repaired or replaced during the useful life of the overall structure.

We recognize that any application of any depreciation or determination of actual cash value represents a point of dialogue, negotiation, and agreement with customers and claimants. CSAA IG will fully disclose the considerations and method(s) used to come to our position and seek to find a reasonable agreement with an involved party.

Depreciation Exemptions

Do not apply any depreciation to any estimate line items related to:

- Framing (FRM)
- Insulation (INS)
- Drywall (DRY)
- Finish carpentry (FNC)
- Foundation
- Masking or temporary room isolation barriers
- Contents manipulation
- Minimum charges

Policy Requirements

All policies, except the California HO-3 and HO-4, currently have a \$2,500 minimum claim value before recoverable depreciation should be applied to settlements.

The California HO-3 and HO-4 policies have a \$1,000 minimum claim value before recoverable depreciation should be applied to settlements.

As a reminder, some items are subject to non-recoverable depreciation in each policy.

Additional Operating Standards

When recoverable depreciation is \$100 or less, CSAA IG does not apply depreciation to the settlement.

Depreciation returns do not include the mortgagee on the payment because their claim has been satisfied through completion of repairs. If a DRN vendor is involved in the repair, the DRN should always be included on the payment.

CSAA IG follows state-specific actual cash value (“ACV”) determination guidelines, methodologies, and software configuration to ensure accurate and appropriate evaluation outcomes for our customers.

For states that do not provide specific guidance on calculating actual cash value for partial losses, CSAA IG determines actual cash value by using the replacement cost value (“RCV”), less a deduction for the physical depreciation due to age, life expectancy, and pre-loss condition^[1] on items that are subject to repair or replacement during the general life of the structure.

When condition is applied exceeding an average depreciation rate, CSAA IG requires line item notes supporting variances of condition that decrease customer benefits paid *in addition to the photograph requirements*.

When a condition modifier^[2] remains insufficient in the estimator’s view to accurately estimate physical depreciation, further exceptions should be applied by manually adjusting the depreciation rate and documenting the reasoning for the exception within the line item notes in the estimate.

^[1] See Owen et al v. Farmers Insurance Company, Inc. (Oklahoma) and Cal. Ins. Code § 2051(b)(2).

^[2] CSAA IG utilizes Xactware estimating software to evaluate losses. Under Xactware systems using an Age, Life and Usage approach, the Usage (condition) modifier value creates an Effective Age to determine depreciation rates. “Light Use (usage)” or “Above Average (condition)” multiplies Age by 60%, removing 40% of Age to reach an Effective Age. “Normal Use (usage)” or “Average (condition)” considers the Age as the Effective Age. “Heavy Use (usage)” or “Below Average (condition)” multiplies Age by 140%, adding 40% to Age to reach an Effective Age. “New (both)” removes all Age. The calculated Effective Age is divided by the Life Expectancy to identify a depreciation rate.

State by State Actual Cash Value Methodologies

Each methodology includes a source identifier in parentheses.

State	Structural Partial Loss	Structural Total Loss	Personal Property
Arizona	RCV Less Depreciation (CSAA IG)	Broad Evidence Rule (Case Law)	RCV Less Depreciation (CSAA IG)
California	RCV Less Depreciation (Statute)	Fair Market Value (Case Law)	RCV Less Depreciation (Statute)
Colorado	RCV Less Depreciation (CSAA IG)	RCV Less Depreciation (Case Law)	Fair Market Value (Case Law) interpreted as RCV Less Depreciation (CSAA IG)
Connecticut	RCV Less Depreciation (CSAA IG)	Variable. Broad Evidence Rule, Fair Market Value, and RCV less Depreciation (Case Law)	RCV Less Depreciation (CSAA IG)
Delaware	RCV Less Depreciation (CSAA IG)	Fair Market Value (Case Law)	RCV Less Depreciation (CSAA IG)
Idaho	RCV Less Depreciation (CSAA IG)	Fair Market Value (CSAA IG)	RCV Less Depreciation (CSAA IG)
Indiana	RCV Less Depreciation (CSAA IG)	Broad Evidence Rule (Case Law)	RCV Less Depreciation (CSAA IG)
Kansas	RCV Less Depreciation (CSAA IG)	Perils: Fire, Tornado, Windstorm, Lightning: Valued Policy (Statute) Perils: All Other: Fair Market Value (CSAA IG)	RCV Less Depreciation (CSAA IG)
Kentucky	RCV Less Depreciation (Case Law)	Broad Evidence Rule (Case Law)	RCV Less Depreciation (CSAA IG)
Maryland	RCV Less Depreciation (Case Law)	Broad Evidence Rule (Case Law)	RCV Less Depreciation (CSAA IG)
Montana	RCV Less Depreciation (CSAA IG)	Valued Policy (Statute)	Scheduled PP: Valued Policy (Statute). Unscheduled PP: RCV Less Depreciation (CSAA IG)
Nevada	RCV Less Depreciation (CSAA IG)	Fair Market Value (CSAA IG)	RCV Less Depreciation (CSAA IG)

State	Structural Partial Loss	Structural Total Loss	Personal Property
New Jersey	Broad Evidence Rule (Case Law)	Broad Evidence Rule (Case Law)	RCV Less Depreciation (CSAA IG)
New York	Amount Worth to Insured (Case Law)	Broad Evidence Rule (Case Law)	Broad Evidence Rule (Case Law)
Ohio	RCV Less Depreciation (Case Law)	Perils: Fire, Lightning: Valued Policy (Statute). Other Perils: Fair Market Value (CSAA IG).	Amount Worth to Insured (Case Law)
Oklahoma	RCV Less Depreciation (Case Law)	Broad Evidence Rule (Case Law)	RCV Less Depreciation (CSAA IG)
Oregon	RCV Less Depreciation (CSAA IG)	RCV Less Depreciation (CSAA IG)	RCV Less Depreciation (CSAA IG)
Pennsylvania	RCV Less Depreciation (CSAA IG)	RCV Less Depreciation (Case Law)	RCV Less Depreciation (CSAA IG)
South Dakota	RCV Less Depreciation (Case Law)	Valued Policy (Statute)	RCV Less Depreciation (CSAA IG)
Utah	RCV Less Depreciation (Case Law)	RCV Less Depreciation (Case Law)	RCV Less Depreciation (CSAA IG)
Virginia	Broad Evidence Rule (Case Law)	Broad Evidence Rule (Case Law)	RCV Less Depreciation (CSAA IG)
West Virginia	Repair Cost Owed (Statute)	Valued Policy (Statute)	Scheduled PP: Valued Policy (Statute). Unscheduled PP: RCV Less Depreciation (CSAA IG)
Wyoming	RCV Less Depreciation (CSAA IG)	Fair Market Value (CSAA IG)	RCV Less Depreciation (CSAA IG)

Basic State by State Xactimate Configuration Settings

It is critical to remember that the Xactware settings alone to not constitute proper application of depreciation under a RCV Less Depreciation methodology. Condition must be appropriately documented and considered in making a determination of depreciation or actual cash value; however, the Xactware software configuration should match the following conditions as a baseline:

State	Depreciate Material	Depreciate Non-Material (Labor)	Depreciate Removal	Depreciate Overhead & Profit	Depreciate Sales Tax
Arizona	Yes	Yes	Yes	Yes	Yes
California	Yes	No	No	No	Yes

State	Depreciate Material	Depreciate Non-Material (Labor)	Depreciate Removal	Depreciate Overhead & Profit	Depreciate Sales Tax
Colorado	Yes	Yes	Yes	Yes	Yes
Connecticut	Yes	Yes	Yes	Yes	Yes
Delaware	Yes	Yes	Yes	Yes	Yes
Idaho	Yes	Yes	Yes	Yes	Yes
Indiana	Yes	Yes	Yes	Yes	Yes
Kansas	Yes	Yes	Yes	Yes	Yes
Kentucky	Yes	No	No	Yes	Yes
Maryland	Yes	Yes	Yes	Yes	Yes
Montana	Yes	No	No	Yes	Yes
Nevada	Yes	Yes	Yes	Yes	Yes
New Jersey	Yes	Yes	Yes	Yes	Yes
New York	Yes	Yes	Yes	Yes	Yes
Ohio	Yes	Yes	Yes	Yes	Yes
Oklahoma	Yes	Yes	No	Yes	Yes
Oregon	Yes	Yes	Yes	Yes	Yes
Pennsylvania	Yes	Yes	Yes	Yes	Yes
South Dakota	Yes	Yes	Yes	Yes	Yes
Utah	Yes	Yes	Yes	Yes	Yes
Virginia	Yes	Yes	Yes	Yes	Yes
Washington DC	Yes	Yes	Yes	Yes	Yes
West Virginia	No	No	No	No	No
Wyoming	Yes	Yes	Yes	Yes	Yes

Depreciation settings change for Xactimate estimates

On assignments already received: Uncheck “Depreciate Non-Material” and “Depreciate Removal” from within the estimate. This can be found in the estimate under Claim Info, Parameters, Add Ons:

Pricing

Checkpoint Price List: MTBOSX_MAY16
 Price List: MTBOSX_MAY16
 Tax Jurisdiction: 0% None
 Price List Filter:

Activity (Default)
☒ Use price list defaults
☐ Select

Add Ons

☒ Show Tags [Default Tags](#)
☐ Distribute Market Conditions
☐ Include Advance Payments

Salvage/Restored
 Labor Burden
 Sales Tax
 Additional Charges
 Advance Payments

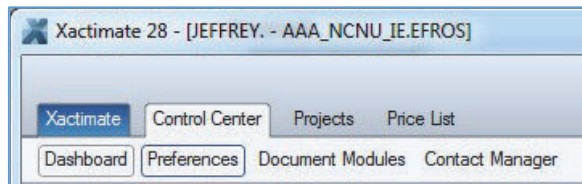
Depreciation Options

☒ Depreciate Material
☐ Depreciate Non-Material
☐ Depreciate Removal
☒ Depreciate Overhead and Profit
☒ Depreciate Sales Tax

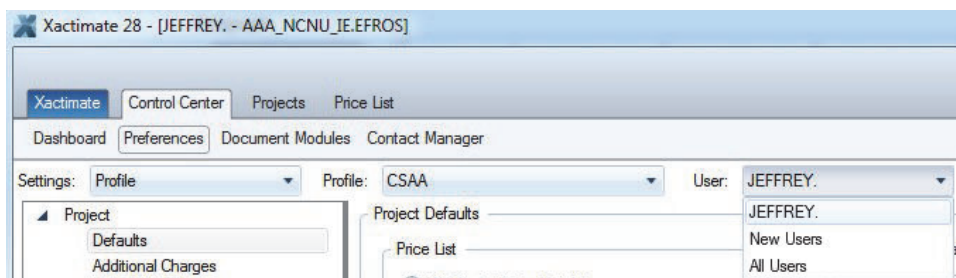
Max Depreciation: 80%
 Depreciation (Default): Recoverable
 Depreciate By: Age/Condition

To adjust all settings on future assignments:

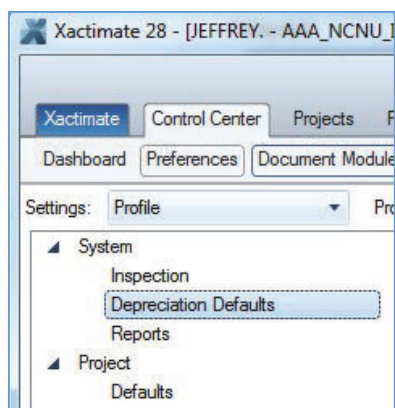
1. Choose "Preferences" under the "Control Center" tab:



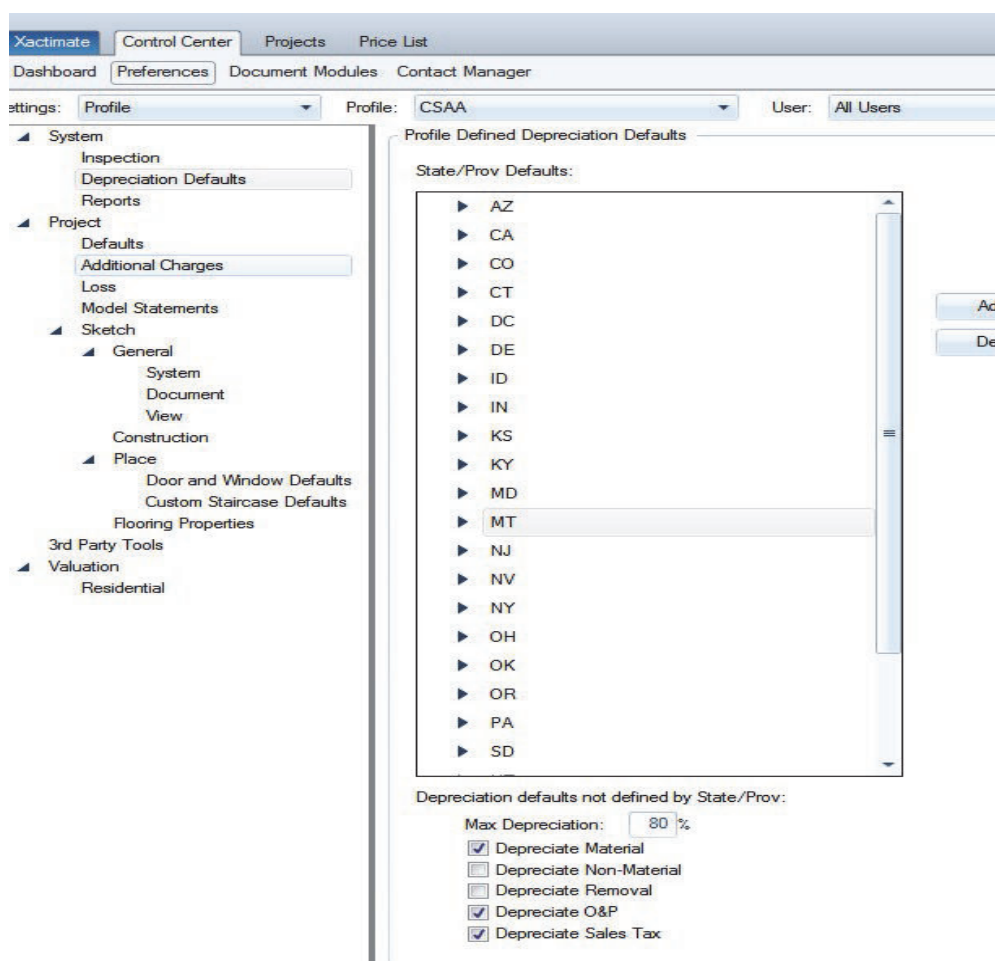
2. Change "User:" from your ID to "All Users"



3. You will see "System" options be added to the preferences tree list on the left, including "Depreciation Defaults". Select "Depreciation Defaults":



4. Expand the item and uncheck “Depreciate Non-Material” and “Depreciate Removal”:



Matching

The estimate should reflect returning the property to pre-loss condition. If there was a match prior to the loss, the following standards apply for evaluating the extent of matching material obligations by state.

Non-damaged property which will be replaced due to matching rules should be clearly described using line item notes.

In most states repairs should achieve a reasonable uniform appearance (“RUA”) with surrounding materials per affected elevation for the exterior and within each affected room, for interior, to the break in material or hung doors. RUA generally means of like quality, like color and like size, but does not require an exact match of the same material. If a reasonable match cannot be achieved, collaborate with your supervisor or IVMS Staff for authorization to extend the repair.

In a few states, if the available material is not the same product as the original or does not exactly match the quality, color, or size, estimate to replace all of the material whether damaged as a result of the loss or not. Those exceptions are described below.

State by State Considerations

State	Matching Type
Arizona	RUA (CSAA)
California	RUA
Colorado	RUA (CSAA)
Connecticut	RUA
Delaware	RUA
Idaho	RUA (CSAA)
Indiana	RUA (CSAA)
Iowa	RUA
Kansas	RUA (CSAA)
Kentucky	RUA
Maryland	RUA
Nevada	RUA (CSAA)
Montana	“reasonable match with any existing materials” ¹

State	Matching Type
New York	RUA (CSAA)
New Jersey	RUA
Ohio	All Continuous Material
Oklahoma	RUA (CSAA)
Oregon	RUA (CSAA)
Pennsylvania	RUA
South Dakota	RUA (CSAA)
Utah	RUA
Virginia	RUA
Washington DC	RUA (CSAA)
West Virginia	RUA (CSAA)
Wyoming	RUA (CSAA)

Quality Assurance

Standards Adherence

All estimates are subject to review for completeness, quality, and compliance against these estimating standards.

Estimates produced by Field Staff are audited by their leadership team. Adjusters should notify the field adjusting team if a correction to their estimates is required.

Estimates produced by Vendors are subject to review, adjustment, and approval by CSAA IG Staff.

Vendors should consult with their CSAA IG Vendor Management Specialist should disputes arise.

¹ “Matching Building Materials in the Event of Damage”, Advisory Memorandum dated July 6, 2009, Montana Commissioner of Securities & Insurance

Adjusting Estimates

CSAA IG Staff are encouraged to use the XactAnalysis estimate collaboration feature to make timely minor adjustments to estimates. It is always appropriate to include line item notes supporting changes made by any person not listed as the estimator on an estimate.

When major changes to an estimate are required, the adjuster making such changes should:

1. Replace any non-CSAA IG letterhead with appropriate CSAA IG letterhead
2. Update the estimator listed on the estimate with their own information
3. Amend the opening statement to clearly differentiate the statements of the original author and their own amendments and,
4. Provide a contextual summary of the changes made from the original estimate to the insured.

Appendices

State Specific Estimate Requirements

South Dakota

As a result of agreements made with the South Dakota DOI, we must include this language on any structural repair estimate which a customer intends to cash settle on:

This estimate assumes that repairs associated with your claim will be undertaken by a professional tradesperson or licensed contractor. Any labor you perform to complete repairs yourself will be based on the number of hours that our system estimates it would have taken a tradesperson or licensed contractor to perform the repairs.

This requirement does not apply to invoices on service actually rendered by a vendor, such as completed mitigation work.

Catastrophe Service Standards and Time Requirements for Staff and Independents

1. Contact with AAA Member will be made by an assigned Estimator within **twenty-four (24) hours** of the initial assignment.
2. **Twenty-four (24) hour** contact includes one of the following: face-to-face meeting, telephone contact with requested party, or a message left with an identified responsible party (answering machine excluded).
3. **Set Reserves-** Within 24 hours of assignment, the Estimator is required to set reserves based upon damages discussed with the member during initial contact. Place reserve amount in Xactimate under the coverage/loss information tab. In XactAnalysis, the reserve amount is documented with an activity note to include a copy (CC) to the desk adjuster.
4. Inspection must be made within **six (6) days** of initial contact or with written exception noted on Estimator's report, however every effort should be made to inspect the property as quickly as possible to ensure Top Tier Claims Service.
5. Estimator's report must be uploaded electronically to CSAA IG within **two (2) days** of inspection or with written exception noted on the preliminary Adjuster's report.
6. The Estimator must return all calls and/or electronic messages to CSAA IG, insured persons, claimants, customers, and/or repair facilities within **twenty-four (24) hours**.
7. If the customer contact requirements are not met, the Estimator must contact CSAA IG for further instructions, contact information, etc.

8. If an Independent receives (verbally or written) a complaint from an CSAA IG insured or claimant about the handling of their claim, the Independent must **promptly** notify the complaint to the Inside Staff assigned to the claim. The Estimator status report must include only the facts surrounding the complaint and should not include any subjective comments.

9. Any delays in claim handling must be fully documented in the final claim summary sheet or Estimator's report.

10. The Estimator will correct, to the satisfaction of the Company designated representative, and/or QA Approved changes requested by the Independent firm manager, within **twenty-four (24) hours**.

Inspection Fees

Must be invoiced and on the Networks approved invoice form, and added as a .PDF document under documents in XactAnalysis. The Inside Staff must be notified when the invoice is uploaded and is ready for review.

CSAA Insurance Group will pay inspection fees directly to the **Preferred Network Provider** as detailed in the table below.

Estimate Fee Provide a comparison estimate when the customer already has another contractor involved, and the vendor uploads a complete inspection packet which would include, but not be limited to: <ul style="list-style-type: none"> • Cause Report • Photos to support the cause and scope of repair • Sketch • Third Party reports 	\$165.00
Ladder Assist Vendor meets with a Field Specialist and provides all the necessary equipment (Ladder, ropes, harness, etc.) for them to complete their inspection	\$125.00
Steep Roof Steep or unsafe roof conditions (e.g. slate, moss growth, or brittle shake shingles). Steep Roof Charge would be in addition to the Estimate Fee or Ladder Assist Fee.	\$75.00
Travel Time Travel Time (One way when travel is outside of a 50 mile radius)-Applies to inspections only when requested (Allowance for staff time, mileage and vehicle wear and tear) <ul style="list-style-type: none"> • The General Labor Line Item should be utilized for staff time. 	IRS Rate
Consultation (special request or defensible bid) Only provided upon request by the CSAA Adjuster in which an estimate of the amount of time needed to perform the task is supplied before the activities are completed.	T&E

- | | |
|---|--|
| <ul style="list-style-type: none"> • Defensible Bid for assistance with PA or Attorney negotiations • Expert inspections such as plumbers or roofers • CSAA assistance on loss site for cause investigation or scope of repair consultation (reparability options, damage confirmation and/or product research assistance) • Other requests as needed | |
|---|--|

Inspection fees will not be paid under the following circumstances

- **Referral assignments**-Field Specialist performed the initial inspection and has provided you with a scope, and estimate.
- **Companion assignment-Vendor** has performed mitigation services and they received the companion assignment for inspection services.
- **Valid Leads-Vendor** was asked to provide an estimate, there is not another contractor already involved and the **Vendor** loses the opportunity to sell the job.
 - Exceptions: repairs do not exceed the deductible, are less than \$1,000.00 or a consultation request.
- **Delayed estimate-Vendor** does not upload the estimate within three days of the service level agreement and is unable to provide a valid reason for a delay.
- **Compliance Refusal-Vendor** refuses to comply with process and procedure, the structural property estimating guidelines or reasonable requests from the **CSAA Homeowner's Department**.

Payments

Upon approval of the final estimate for any services by the CSAA Homeowner's Claims Department payments will be issued as follows:

- 1) When the AAA Customer has agreed to hire the **Network Referral Program's** contractor payment will be issued to the **Network Referral Program**. The network will not issue payments to the **Vendor** if **Vendor** unless the **Vendor** has met the **Network Referral Program** requirements to issue payment. Please contact the **Network Referral Program** for further information on their requirements.
- 2) Reconstruction exceeds \$25,000.00 payment is mailed to **Vendor**, unless the customer requests that the payment be mailed to them. All named insured's, **Vendor** and all lienholders will be listed as joint payees on the check.
- 3) **Network Referral Program** will invoice us for all services on the **Vendor's** behalf. All payments will be made directly to Preferred Network Provider.
 - a) *Exception: Reconstruction exceeds \$25,000.00. Payment will be mailed to the Vendor. The Customer, Vendor and Lienholder(s) will be listed as payees on the check.*
- 4) Since the **Network Referral Program** is responsible for billing and collecting monies for services. Please contact Preferred Network Provider directly for payment update.
- 5) **Follow Up After 30 days of Non-Payment**-The **Network Referral Program** is responsible for billing and collecting monies for services. Please contact the **Network Referral Program** directly for payment update. **DO NOT CONTACT CSAA Homeowner's Department, or the CSAA Customer for payment status.**
- 6) The **Network Referral Program** will submit past due invoice reports to **CSAA Vendor Management** by the 15th of every month. **CSAA Vendor Management** will compile the reports and distribute the compiled report to **Field and Inside Staff**.

Requests for Cash Settlement in lieu of Repairs

Because the mortgage-holder's interest must be protected, cash settlements in lieu of repairs must be approved by the Owning Adjuster. In situations where the customer has exercised the cash settlement option, we will consider paying a nominal fee for the **Vendor's** estimating services.

The **Inside Staff** must approve all cash settlements before any repairs are commenced.

Repair Delays

Repair delays can be a cause of frustration for customers. Handling repair delays require setting realistic expectations for and additional communication with the customer. The customer wants to know why the repairs will be delayed, and how long it will take to get their home back in order.

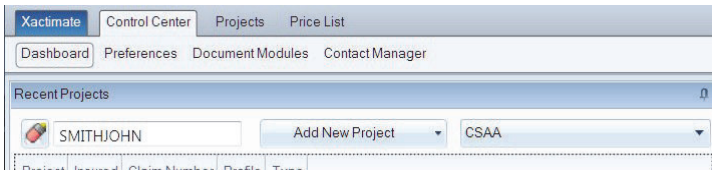
CSAA needs to be made aware of repair delays so that we can better manage any temporary housing accommodations and repair delay complaints that come in.

The following steps need to be completed by the Project Manager:

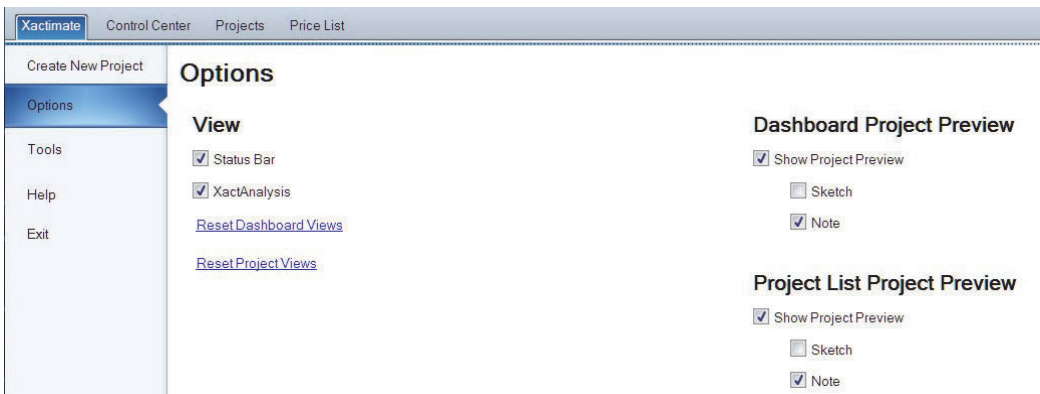
- 1) Note XactAnalysis with the following information.
 - a. Reason for repair delay (e.g. customer requested upgrades/changes to scope, availability of materials).
 - b. Projected time frame for delays in repairs
 - c. Updated estimated completion date
- 2) Job Scheduler needs to be updated
 - a. Add a copy of the updated job schedule via XactAnalysis
 - b. Provide a copy of the updated job schedule to the customer.
- 3) Regular updates need to be provided via an XactAnalysis note until all punch list items are addressed and the job is considered complete (COS signed and added to XactAnalysis).

Xactimate Software Configuration

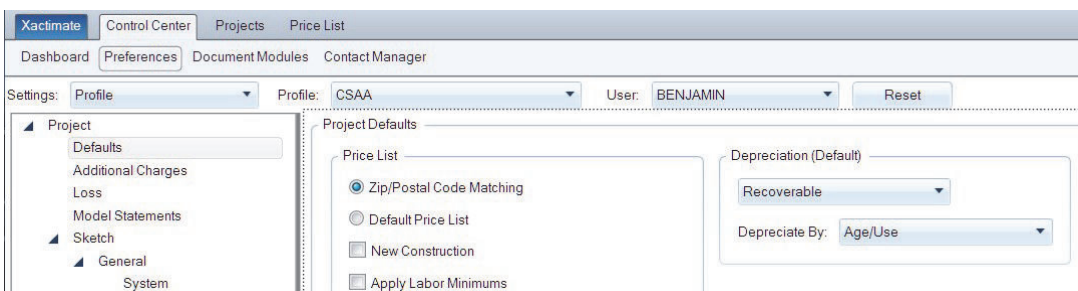
- 1) **Xactimate Version-Vendor** must utilize version 28. Do not upgrade without being direct to do so.
- 2) **Profile**-All estimates must be written under CSAA profile version 6E. If this profile is not installed on your system please contact your Xactware systems administrator for assistance. When adding a project make sure that the profile that is used is the CSAA Profile.



- 3) **Project Preview**-Xactimate options need to be set to "Show Notes" under both Dashboard and Project List Preview settings.



- 4) **Labor Minimum Settings**-Must not be applied [Check box empty]
- 5) **Depreciation**-Depreciation by Age/Use

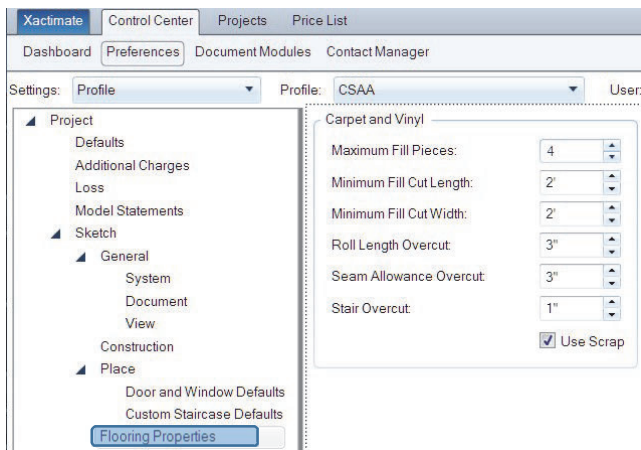


- 6) **Administrative Defaults**-Make sure the boxes next to “Catastrophe Code Required”, “Include Advance Payments”, “Pay ACV Prompt When Completing”, “Distribute Market Conditions”, “Inspection Not Performed” are empty.

- 7) **Document Preferences**-Reference Block Defaults must be applied to remove areas under and behind blocks

- 8) **Door and Window Defaults**-Wall Opening Defaults must be set to deduct windows, doors, and walls from wall calculations

- 9) **Flooring Properties**-Must be set to use scrap



Quality Assurance

We expect **Vendor** to maintain a regular quality assurance program to make sure that **Vendor's** are providing prompt and courteous service to the AAA Customers and that the finished repairs meet all regulatory and professional standards.

- 1) **Vendors** should participate in technical training to maintain their knowledge of proper and safe repair techniques.
- 2) All **Vendor** employees who deal with AAA Customers must have sufficient communication skills to explain the repair to the customer and answer the customer's questions.
- 3) If we object to any **Vendor's** employee who will have contact with AAA Customers, we may ask **Vendor** to reassign such **Vendor** employee to non-AAA Customer work.
- 4) Any **Vendor** employee who prepares estimates and statements of cause should be competent and trained in the appropriate procedures.
- 5) The repair methods must conform to industry standards. Permits must be obtained in accordance with local regulations. **Vendor** must guarantee that all material will be of good quality and free and from defects and imperfections.

In order to assist us with our audit procedures, **Vendor** must do the following:

- 1) Maintain full and complete records relating to the services provided pursuant to the **Vendor** agreements that are in place with the **Network Referral Program**, and CSAA Insurance Group's Managed Repair Network Handbook, Service Level Agreement, best practices, processes, procedure and the structural property estimating guidelines...
- 2) Allow us to inspect **Vendor** records as they pertain to repairs performed for us, including the AAA Customers' authorization to repair.
- 3) Allow us to inspect the property at any time without notice before, during or after completion of repairs.
- 4) Provide us with quality assurance reports as requested.
- 5) **Vendors** must employ qualified and experienced workers and be in full control of all workers and subcontractors. **Vendor** must pay all workers, including any subcontractors, directly and in full. **Vendor** must keep the AAA Customers' properties free of liens.
- 6) We will conduct our own surveys of AAA Customer satisfaction. We will periodically provide the results of these and other quality assurance reviews to the **Network Referral Program**.

Disaster Preparedness

It is important to routinely back-up all computer information at least monthly to prevent the loss of data in the event of a disaster. This will save valuable time if files need to be recreated.

If a disaster does occur, the local **Network Referral Program** will contact **Vendor** regarding transmittal procedures.

If the **Vendor** is unable to transmit, contact the **Inside Staff** or the **Network Referral Program** to make sure the Regional Center* system is up and receiving transmittals.

If public utilities are not working, the **Vendor** should save all old and new paperwork that may be generated during this time. If the **Vendor's** business is unable to continue operation, **Vendor** should contact the **Network Referral Program**. If the **Vendor** is unable to contact the **Network Referral Program**, please leave a message on the front door of **Vendor's** business stating where **Vendor** can be reached.

We expect the **Vendor** to consider our referrals as **Vendor's** top priority. We also expect **Vendor** to coordinate work with our assigned catastrophe teams.

Handling of Suspicious Claims

Fraudulent, manufactured, inflated, and/or exaggerated claims are a serious problem. We play an important role in the effort to reduce these abuses and their impact on all of those who are insured with us.

Remember while most claims are legitimate, some are not. If **Vendor** encounter a claim that **Vendor** suspect is fraudulent in any way, do not discuss **Vendor** suspicions with the customer. Contact the **Inside Staff or Field Staff** immediately for instructions on how to proceed.

Water Supply Line (Water Heater, Toilet, Faucet) Procedures

IMPORTANT: Water supply lines must be retained as part of the claims handling process.

- Vendor's will need to ship the line/toilet part directly to Stutman Law Firm
 - Track package for chain of custody purposes
 - Bill AAA for shipping

Law Offices of Robert A. Stutman, P.C.
Attn: Mass Tort Unit
500 Office Center Drive, Suite 301
Fort Washington, PA 19034

Important:

- Claim number needs to be attached to the evidence
- Confirmation that the evidence was shipped needs to be sent to the HO Specialist
- The HO Specialist will update the file notes with the confirmation info from DRN or IA

Information that should be obtained during the inspection:

1. How old is the line?
2. Who installed the line? (Name of person and/or business, address and phone number)
3. Name of builder or contractor if a remodel has been done (Name, address and phone number)
4. Photos of the line in place, if possible.
5. If a plumber has already been out, ask the insured for a copy of the plumbers report.

Network Referral Program Update

To: Network Referral Program Partners
From: Vendor Management Group
Date: September 25th, 2015
Re: Hardwood Floors under carpet process

Hardwood Floors under carpet

Effective date: 9/21/2015

CSAA Insurance Group's general belief is that the insured is entitled to one finished surface.

- **The hardwood floor under the carpet CAN be repaired**
 - If the hardwood floor was serviceable prior to the loss (could be brought back to a useful life if sanded and refinished)
 - We replace the damaged boards, sand and seal the area of damage to the hardwood and replace the carpet.
 - Alternatively – we may replace the damaged boards, sand and refinish the hardwood floor and do not replace the carpet.
 - If the hardwood floor under the carpet cannot be repaired due to a combination of damage from this loss and unrelated damage, we will consider the floor an abandoned floor - repair, sand and seal that part of the floor damaged by our loss and replace the carpet. In this instance we would not offer to sand and refinish the entire floor.
- **The hardwood floor under the carpet CANNOT be repaired**
 - If the hardwood floor under the carpet cannot be repaired due to the damage from this loss
 - We allow the insured to choose the finished surface. They can replace the floor with either carpet or hardwood.
 - If the insured chooses carpet as their finished surface and we need to level the floor, a typical subfloor product will be used.
 - If the hardwood floor under the carpet cannot be repaired due to a combination of damage from this loss and unrelated damage, we will consider the floor an abandoned floor, tear out and replace with the carpet and pad. If the floor had to be raised to provide a pre-loss height we would do so with a typical sub-floor product.
- If the carpet lays on top of the hardwood floor, but is not permanently installed with a tack strip or glue, replace the hardwood floor to a full finish. The loss of the carpet will be settled as personal property.

These are guidelines, full documentation is necessary for any actions taken.

All actions must be approved by the adjuster before discussion with the insured about repair options.

Any questions regarding this process should be directed to the Vendor Management Department.

Vendor Management Department
HomeownerVendorManagement@csaa.com

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To: Network Referral Program Partners

From: Vendor Management Group

Date: August 31, 2015

Re: ***Kentucky and South Dakota Structural Estimating Changes, Homeowners Estimating Guidelines Update, and 3 Tab 20 Year Composition Shingles Clarification***

Kentucky

Due to recent case law in Kentucky¹, effective immediately, we will no longer allow any labor to be depreciated on property structural repairs in the state of Kentucky. In Xactimate 28 this should be reflected by removing the check boxes on settings “Depreciate Non-Material” and “Depreciate Removal” for all Kentucky loss estimates.

South Dakota

We also have reached an agreement with the DOI in South Dakota which requires additional language be included on estimates written for customers in the state. That required language is:

This estimate assumes that repairs associated with your claim will be undertaken by a professional tradesperson or licensed contractor. Any labor you perform to complete repairs yourself will be based on the number of hours that our system estimates it would have taken a tradesperson or licensed contractor to perform the repairs.

This language should be added to any South Dakota repair estimate, including those received from external sources. External estimates may need to be revised using the Collaboration feature in Xactimate to include the language.

This requirement does not extend to invoices on services actually rendered by vendors to customers, such as mitigation invoices.

Estimating guidelines

The changes made are:

1. Included the above Kentucky (p. 23) and South Dakota (p. 27) requirements
2. Clarified that the framing depreciation exemption does not extend to lumber used for all other purposes – an example of material which should be depreciable is lumber used to repair an exterior deck (p. 18)
3. Exempted Interior Plaster category items from depreciation to align with the intent of exempting the Drywall category (p. 18)
4. Added confirmation of the maximum depreciation cap being 80% and how exceptions should be handled (p. 18)

The updated guidelines are attached and will be available to employees on Passport shortly. Vendor management and CAT teams should communicate these changes to our key partners for immediate program implementation.

3 tab 20 year shingles

We have received a few inquiries recently about 20 year 3-tab shingles. These shingles remain available on the market. Accordingly homes with losses on 20 year 3-tab shingles should be written as a like-kind replacement. Reports that we have a policy to blanket upgrade these shingles are not accurate. Write the repair with like-kind replacement.

In some areas customers may not enact repairs with a 20 year shingle because of their limited wind and hail resistance rating and local code requirements. In those cases we should be provided a change request by a building inspector. Based on such a change request, we will execute a Code Upgrade reimbursement for incurred expenses as described in “Coverages and Building Code Upgrades” within the Estimating Guidelines.

Thank you,

Vendor Management Department
HomeownerVendorManagement@csaa.com

Workflows

Workflow on referral assignments when no scoping changes are needed.

- 1) Referral Assignment Submitted to Network through XactAnalysis†
- 2) **Vendor** receives assignment. Prints Field Staff estimate. Completes walk through. Verifies scope of work is accurate.
- 3) **Vendor** agrees with Field Staff estimate. No changes are needed. **Vendor** will upload the estimate via XactAnalysis.
- 4) **Vendor** adds a note into XactAnalysis that indicates that they agree with the Field Staff estimate and starts the job.
- 5) Customer must sign the WA/ATR, contract for services and select materials before **Vendor** can order materials and schedule repairs.

Workflow on referral assignments when scoping changes are needed.

- 1) Referral Assignment Submitted by the FHS to Network through XactAnalysis.
- 2) **Vendor** receives assignment. Prints FHS estimate. Completes walk through. Verifies scope of work
- 3) **Vendor** determines that scoping changes are needed. Calls the FHS ASAP to notify them of scoping changes that need to be discussed.
- 4) **Vendor** emails a copy of their estimate to Field Staff. Adds XA note that states the estimate was emailed to the assigned field specialist.
- 5) When the Field Staff and **Vendor** have come to an agreed scope the contractor uploads the complete estimate, and inspection packet via XactAnalysis
- 6) Field Staff marks the estimate as "Client Approved" and issues remaining amount owed.

Re-inspections: There may be times where the circumstances change (e.g. mold, asbestos, mitigation started after initial inspection, etc.) or the scoping changes are significant enough that a reinspection by the field specialist is necessary. It is extremely important for the estimator or project manager to contact the Field Staff as soon as they are aware of these issues to minimize any delays in getting the job started for the customer.

Inspection Packet: May include, but not be limited to: Photo's that support scoping changes, change requests made by city inspector, third party reports.

Notes: Any approval notes, requests for adjustments to the estimate, amount of the estimate that was agreed to must be entered in the contractor's assignment in XactAnalysis.

Escalations

- 1) Contact the assignee (Field Specialist, Estimator) to discuss scoping changes
- 2) Should the assignee be unresponsive and:
 - a. a third attempt is made involve the assignee's supervisor
 - b. a fourth attempt is made the Network Referral Program
 - c. a fifth attempt need to be made involve send a notification to HomeownerVendorManagement@csaa.com

All attempts need to be documented in XactAnalysis. Escalation to supervision, NRP, and VMS will not be accepted if notes do not reflect that the prior steps were completed.