Farmers Insurance Estimating Guidelines

General Claims Guidance

- If the policyholder/homeowner refuses to use the Westhill contractor, the policyholder will be required to sign the “Standard Release Form” and must be uploaded to XA with the accompanying notes.

- When restoration is not possible, demolition should be used and not the separate line-item removal.

- Contractors must have received prior authorization before completing a non-salvageable inventory.

- If Personal Protective Equipment (PPE) is used, it must be documented and used in accordance with applicable use cases. Excessive PPE will not be honored.

- Contractors must determine any applicable, required testing and advise the adjuster as to what is needed.

- No repair, restoration or replacement services are to be performed until each contractor secures an executed “Authorization for Repairs and Payment” form or “Work Authorization” form from each policyholder or someone authorized to sign on their behalf.

- Westhill provides for a period of five (5) years from the date of execution of Farmer’s policyholder’s Authorization for Payment and Repairs. Roofing repairs are warrantied for 1 year.

- Contractors cannot refer policyholders to public adjusters nor discuss policy coverages.
    - If a policyholder has questions about their coverage, refer them to their Farmers adjuster.

Hours of Operation

- Unless otherwise specified, "days" refers to “normal” business days.

- "Normal" business hours:
  - 8:00 AM - 5:00 PM, Monday through Friday at the location of the loss.
  - Any Emergency Service Fees are to be charged accordingly.

- “After Hours” hours:
  - 5:01 PM - 7:59 AM
  - Weekends
  - National holidays, which include:
    - New Year's Day, Martin Luther King, Memorial Day
    - Juneteenth, Independence Day, Labor Day
    - Thanksgiving Day, Friday after Thanksgiving, Christmas Day

Overhead & Profit

- Allowed, when supported on complex claims with prior adjuster approval.

- O&P will not be allowed on:
  - Emergency and Temporary Repairs
  - Policyholder’s personal labor
  - Personal Property items
  - Flooring only claims
  - Other items not completed or billed by the general contractor
  - Taxes (should be applied after application of O&P) or in accordance with state or local law

- Appropriate line-item charges are required.

Billing and Labor Information

- Farmers will receive a **10% discount** on all invoices where work was completed but billed more than thirty (30) days post-completion.

- Make sure to include the correct sales tax % for the area you are working, as it can vary.

- Equipment labor hours will be documented with an F9 note in XA to show calculations.

- No additional labor hours are to be added for items that are required, such as labeling photos or meeting with a policyholder.

- No travel fees/expenses (e.g. mileage) will be compensated if the territory is within the contractors active servicing territory when assigned to the claim.

- Contents Manipulation (when appropriate) will be estimated hourly (not per room) and have supporting photos.

- **Mitigation providers must provide a 6% discount for equipment based on Xactimate pricing.**
    - The codes that must be discounted include the following:

DHM	FURN	HEPAVAS
DHM>	FURN10	HEPAW
DHM>>	FURN17	HEPAWSH
DHM>>>	FURN25	HTAM
DHMAC	FURN40	HTAM>
DHMB	HEAT	HTX
DHMD	HEAT>	NAFAN
DHMD<	HEAT>>	NAFAN>
DHMD>	HEATA	NAFAN>>
DHMDT2K	HEATA>	POWD
DHMDT3K	HEATX	POWD>
DHMDT5K	HEATX>	POWDW
DHMDT9K'	HEPA	POWDW>
DRY	HEPAF	WALL
DRY-	HEPAFSH	WALLD
DRY+	HEPAVAC	WFD
DRY++	HEPAVAL	

Photo and Sketch Diagram Requirements

- Photos must be taken to support the file and the loss.
    - For salvaging situations, group items together for pictures instead of individual photos of each item to keep the process efficient.
        - Photos of food, toiletries, and cleaning products need to be taken but not inventoried.
        - If an inventory is needed, document how many hours it should take up-front.
    - Make and model numbers on any electronic items or appliances should be recorded via photo and written documentation, when available.

- When taking photos of the loss and the location, they should "tell the story" of the claim.
    - All pictures should be taken in the order rooms are encountered and taken from the top of the room down.
    - Pictures must be labeled.
    - and include a description of what the picture includes references to.
- The following types of photos are required to be added to the estimate file:
    - Front of the risk, and close-ups/contextual pictures of the source/cause of loss.
    - All affected areas and contents.
        - This includes pictures of any undamaged areas in damaged rooms/areas.
    - If used, moving trucks per load and loaded storage units/sites.
    - All openings, missing walls, doors, cabinets, vanities, tubs, tile surrounds, showers, textured ceilings/walls, ornate molding/trim, and similar items.

- All photos must be uploaded to XactAnalysis "Photos" tab and a photo sheet must be uploaded to the "Documents" tab in XactAnalysis.

- For roofing claims, the descriptions of the photographs should note the damaged and undamaged slopes.

- For exterior claims, photos of the front, rear, left and right side of the home are required.
    - Photos of the overall condition of the area and structure are also required.

- When completing sketches of the loss location, you'll need to follow the below sketch diagram requirements:
    - All room dimensions need to be drawn to be within +/- 3 inches of the actual room size.
    - All measurements need to be rounded to the nearest hundredth (0.01) of an inch.
    - All reference areas need to be identified, including:
        - Floors, walls, offsets, cabinets, built-in furnishings, wall tile, chimney offsets, tub and shower surrounds.
        - Walls, offsets, missing walls, doors and other openings.
        - All deductions for cabinets, vanities, tubs, tile surrounds, showers, missing walls and doors, dishwashers, garbage compactors, built-in appliances, and similar items.
        - Deductions are not to be included in adjacent surface area calculations.

- Labor Minimums
    - Line item activities must be assigned to the correct trade to support any Labor Minimums.
    - Turn off unnecessary or overlapping minimums.
    - Document any labor minimums that are allowed to remain in the estimate with an XA note.

- Bid Items
    - Lump sum / bid items are permitted, but should be evaluated and supported by an itemized breakdown of the material/labor hours before being added to an estimate.
    - If the repair activity bid can be estimated in XA, then it **must** be estimated in XA to confirm pricing is in-line.

- General Labor hours
    - General Labor hours should only be used if an XA line item for the operation performed does not exist.
    - The estimate must include a detailed line item note explaining the operations to be completed, with the listed labor hours.
    - Content manipulation must be billed **per hour**, **not per room**.
    - An F9 note or XA note log entry and photos must be provided.

- Material Estimating Requirements
    - Quality of existing materials must be noted and supported when repair or replacement is involved.
    - Detailed attention to the materials used in cabinets, trim, finishes and floor coverings is required.
    - Any material quality considered beyond “Average” must be supported with photos and a detailed explanation as to why the quality is higher than “Average”.finalf

- Matching
    - Matching provisions of policies and states vary.
    - The assigned Farmers adjuster should always provide final direction in any potential coverage scenario where matching plays a role.
    - If it is not possible to accomplish a reasonable, uniform appearance via matching existing materials, photo support and detailed documentation should be provided and the assigned Farmers adjuster should be notified immediately.

- R&R, Remove (-) then Replace (+) and Remove vs. Reset
    - All estimate line-item entries may use a single line item, “Remove (&) Replace” or R (&) R, **except** roofing, flooring and wall coverings.
        - These items must be entered as double line items, “Remove” (-) then “Replace” (+).
    - Waste should **only** be included on the “Replace” line item.

Farmers Insurance Claim Completion Document Requirements

- A copy of the final estimate that includes the “Opening Statement” and “Summary of Loss”.
- A signed “Work Authorization Form”.
- All appropriate drying records, if applicable.
- Labeled photos, including:
    - One of the front of the risk
    - Two overview photos from opposite ends of all the affected rooms **before** any mitigation work (if applicable), including attics and crawl spaces
    - Two overview photos from opposite ends of all the affected rooms **after** all mitigation work is complete (if applicable) with equipment placed
    - A close-up photo of flooring damage if demolition is required in order to support the reason for the demo (i.e. carpet stains and delamination on category 1 losses and wood floor damage)
    - A photo of the source of loss.
- A sketch diagram with all affected room dimensions within +/- 3 inches of the actual room size.
    - Reference areas should be identified, such as cabinets, built-in furnishings, tub and shower surrounds, etc., and not calculated as part of the adjacent surface areas.
- A sketch showing point of origin and flow of water (if applicable).
- A signed “Certificate of Completion” form.
- A signed “Standard Release” form (if applicable).
- The “Mold Form” for mold notification (if applicable).

Farmers Insurance: Interior Estimating Guidelines

Service Level Agreements

- Initial Outreach:
  - 24 hours of the assignment being received
  - Continue to reach out at least once every 24 hours until successful contact has been made.
- First Site Visit for Initial Estimate:
  - 2 business days after successful contact has been made.
- Initial Estimate Upload:
  - 24 hours after First Site Visit completion
- Estimate Revisions:
  - within 24 hours
- Job Start:
  - Within 60 days of estimate approval

Interior Painting

- For any interior painting work, an average amount of time/labor is included in most paint line items for prep work, masking and detaching/resetting.

- There are some exceptions, which need supporting documentation and include the following:
    - Masking around chair rails.
    - Covering or removing ornate crown moldings or other trim.
    - Covering or removing built-in cabinets.

- Acoustical paint:
    - For acoustical (popcorn) ceiling paint line items (called "Acoustical Ceiling Texture" in Xactimate), the cost of removing/replacing is included.
    - Do **not** include an additional line item for painting of the newly textured ceiling.
    - Sealing new drywall is required prior to applying acoustic.
    - When painting new drywall/trim, seal one coat and paint all trim one coat.
    - Sealer can be tinted to match the color of the paint.

- If stains are present, seal the stained area and paint one coat to match.

- The correct line items for this and similar scenarios are “PNT SP” for the stained area and “PNT P” for the remainder of the area less the “SP” area.
    - This process should also be applied for small drywall repairs.

- If an estimate includes “PNT SP2” for two coats of paint and one coat of primer, documentation is required to support the need for the additional coat of paint.

- The most common example of a situation where you'd need two (or more) coats of paint is for new drywall with darker colors.

- If you have any concerns about how much paint is needed, make sure to consult with your Westhill contact prior to completing the repair.

- Lastly, using plastic film floor protection (in addition to our substituting for) drop cloths may be needed to protect undamaged flooring or high traffic areas during the repair process.

- Documentation for the reason for additional floor protection is required.

- Do **not** include billing for drop cloths.

Farmers Insurance: Exterior Painting Estimating Guidelines

- For any exterior painting needs, seal then paint/stain with one coat, unless more coats are required for a proper repair.

- If additional coats are required, you'll need to document why they are needed.

Farmers Insurance: General Flooring Estimating Guidelines

- When available, the Farmers-approved flooring program should be used first. If you're not using the flooring program, you must use flooring materials with the ITEL pricing results.

- In the event ITEL is unavailable and flooring materials are used outside of ITEL pricing, contractors must discount all material costs by 15%.

Carpet and Vinyl Flooring

- Cut sheets based on the (drop and roll method) width of the roll to address the appropriate waste factor.
- "Remove and Replace" calculations must be separated to ensure waste is not calculated into the removal.
- Ensure it is cut at closable doorways.
- Adjacent undamaged rooms will not be replaced.

Natural Hardwood, Engineered Hardwood and Tile Flooring

- General Information
    - If possible, these types of flooring materials must be replaced to a natural break (doorway, flooring material transition, etc.).
        - It can be difficult to stop at doorways, unless there is a clear transition.
        - Unless absolutely necessary, avoid cutting these types of materials.
    - If cutting is required, be sure to take extra caution.
    - If it runs under a door, proper estimating may require an estimate to extend into an adjacent undamaged room.
    - If it runs under a doorway without a threshold and cannot be matched, it may result in needing to replace the affected rooms of flooring.
    - Every attempt should be made to match flooring whenever possible.

- Hardwood Flooring:
    - The type and manufacturer of some hardwood or engineered flooring often determines the reparability.
    - When estimating to sand, stain, and finish hardwood flooring, some items that need to be taken into consideration are:
        - Refinishing the floor up to a natural break.
        - Content manipulation.
        - The machinery used may mar baseboards causing them to be damaged.
            - Detach and reset undamaged baseboards and painting if needed.
            - A light post-repair cleaning may be necessary.
        - If dustless sanding is billed, do not bill for an additional cleaning allowance.

        - Some manufacturers give a warranty of 1 to 3 sandings for the lifetime of the engineered wood, so make sure to consult with your Westhill contact in regards to any opportunity for sanding.

- Tile Flooring:
    - This material is resistant to water, so a replacement should not be necessary unless the mortar bed is compromised or it is cracked from a covered peril.
    - If it is possible to repair with matching tiles, only estimate for the square footage of damaged tile.

- Laminate Flooring:
    - It can be difficult to match laminate flooring, even if the same brand/type of flooring can be obtained due to different dye lots.
    - Use the “Snap Lock Laminate” line item unless LKQ product requires a different installation method.
    - Consider a repair with leftover materials if the policyholder has enough unused extra material from the original installation.
        - Depending on how/where it was stored, it may not be usable due to warping, pest damage, bleaching, etc.
        - Be sure to inspect the material before installing.

Farmers Insurance: ITEL Information

- For general support using ITEL, the app, or have questions about a specific workflow, ITEM has a dedicated support website that includes links to download the app on your device:
    - https://www.itelinc.com/support/for-third-party-service-providers/

- There are certain types of claims where it's required to use ITEL to take samples and send them in for testing. These include:
    - All losses involving more than 100 sq. ft. of flooring or roofing.
    - Any claim where flooring or roofing materials cannot be saved.
    - Lead testing is not currently available.

- Coverage must be verified and the removal of the testing material must be authorized by the adjuster prior to removal.

- If the damaged flooring involves carpet, both the carpet and the pad are to be submitted.

- Payment for ITEL usage and any approved work ordered for the associated repairs will be paid with mitigation estimate payments.

- If the repair involves addressing flooring, you must use flooring materials via ITEL pricing results.

- In the event ITEL is unavailable, you can use Xactimate materials pricing, but the price must be discounted by 15%.

- If furniture repairs are required, they are to be handled separately via the ITEL app.

Farmers Insurance: ITEL for Asbestos and Cabinets/Furniture

For asbestos:

- All state rules for asbestos testing and mitigation must be followed.
- Only may be performed if you are licensed on the sampling process to avoid any contamination.
- A maximum of 5 samples should be in the same envelope.
    - Drywall and drywall compound/texture are two different tests.
- Must use an overnight envelope and send the same day the testing is performed.
    - The results will arrive by the end of the following business day.
- No additional fees or labor hours are to be added.

For cabinets/furniture:

- Follow the submission process via the ITEL app, using ITEL's "Cabinet and Furniture Solutions"

Farmers Insurance: Roofing Estimating Guidelinescode

Service Level Agreements

- Initial Outreach:
    - 24 hours of the assignment being received
    - Continue to reach out at least once every 24 hours until successful contact has been made.
- First Site Visit for Initial Estimate:
    - 2 business days after successful contact has been made.
- Initial Estimate Upload:
    - 24 hours after First Site Visit completion
- Estimate Revisions:
    - within 24 hours
- Job Start:
    - Within 60 days of estimate approval

General Roofing Guidelines

- All roof damage claims will be inspected from the roof and a diagram with measurements is required.
- Roofing is to be photographed for water damage claims that could have had the water infiltration source be from roof damage.
- State and local laws apply at all times for any roofing work and/or testing.
    - The adjuster should be notified of the results as soon as feasibly possible.
- Documentation of the age and condition of the roof is required.
- Separate waste calculations so that it is not calculated into the removal.
- When repairing comp roofing in areas larger than a few shingles, estimate the area **per square**, not **per shingle**.
- Estimate “replace only” (+) of all roof vents and integrated or damaged flashing.
    - If flashing is not physically damaged by the cause of loss, you can allow for the removal and replacement of integrated flashings.
- It is typically **not** necessary to remove drip edges when replacing most roofing.
    - Estimate to “replace only” (=) when:
        - Required by local code and not currently installed.
            - Uploading documentation to XA is required that illustrates local code language has been adopted and enforced.
        - Already present and damaged by a covered peril.
        - Already present and installed over felt needing replacement on rake edges, a layer of shingles or comp over shake replacement.
        - Already present and adhered to roll roofing, mod bit, rubber and other flat products, and occasionally shingles (manually sealed).
        - Already present and deck over or perimeter deck repairs needed due to covered damages.

Wind and Hail damage

- A chalk test square on each affected slope, with 8 hits per test square being the minimum for slope repair/total roof replacement.
- Fewer hits can be acceptable for slope repair/total roof replacements, as long as you have detailed evidence and/or data that supports the request.
- Each slope with damage must be tested and photo-documented.

Roof Tear-Off

- RFGARMVN is the appropriate line item.
- Tear off includes one layer of shingles, felt, and all ancillary roof items.
- **Do not add waste** and **do not depreciate** for tear off.
- An appropriate dumpster size, based on the XA line item description, should be included in the estimate for associated haul-away.

Deckings

- In cases of comp shingles installed over wood shakes or shingles with spaced decking, add ½" OSB sheathing as a solid nailing surface for the new comp shingles.
- A photo showing a measurement of the spaced decking is required.
- For felt:
    - Estimate replace (+) felt separate from shingle replacement and use the actual roof area, without waste.

Ice and Water Shield

- Where applicable, estimate replace (+) and include ice and water shield on heated structures, in valleys and on eaves.
- Felt should be reduced by the amount of IWS being installed.
- If not present but required by code, local code documentation is required.

Multiple Roof Layers

- May be estimated for removal of each layer with supporting photos.

Ridge Cap

- Ridge cap is allowed on all shingle materials within waste calculations.
- Add Ridge Cap to all laminated/architectural/dimensional roofs.

Starter Shingles

- Starter shingles are included with the waste factors on each roof.

Roof Waste Factors

- 10% waste from gable roof replacements
- 10% waste factor when replacing one slope.
- Additional documentation is needed for waste in addition to these guidelines.

Steep and High

- Estimates for removal steep charge (7/12 pitch or above) and removal High charge (2 story and above) must be based on actual roof area without any waste.
- The replacement quantity for steep and high charges must include the same waste amount as the roof shingle replacement.
- Photos of the pitch gauge must be provided if a steep charge is included.

Temporary Repairs and Tarps

- In the event there are roofing temporary repairs and/or tarping needed, reach out to your Westhill contact for guidance.
- O&P will not be allowed without prior adjuster approval.

Tarping

- Fees are all inclusive/no base service charges apply.
- Tarping should not be sent under water mitigation.
    - If you get a water mitigation assignment and it is a roof leak and/or a tarp is needed, immediately stop, and call for approval.
- The size of the affected area influences the pricing, which is detailed below:
    - Under 150 square feet → $150.00
    - 151 sf – 250 sf → $325.00
    - 251 sf – 400 sf → $425.00
    - 401 sf – 600 sf → $525.00
    - 601 sf – 800 sf → $625.00
    - 801 sf – 1000 sf → $800.00
    - 1001 sf - 1500 sf → $950.00
    - 1501 sf – 2000 sf → $1,400.00
- If there is more than 2000 square feet of affected area, prior authorization from the adjuster is **required** to proceed with any tarping.
    - 2001 sf – 2500 sf → $1,800.00
    - 2501 sf – 3000 sf → $2,000.00
    - Greater than 3001 sf → must provide an estimate prior to installation
- Documentation Requirements:
    - Photos:
        - Photo of risk
        - Overview of roof
        - Overview of affected slope
        - Close up of damage(s)
        - Photo of tarp after install
- Detaching and Resetting of tarps
    - If a policyholder has placed a tarp and it needs to be removed for inspection, a detatch/reset tarp fee of $100 is allowed.
    - If you are unable to reset the tarp due to the condition of the tarp, you can replace the tarp **AS LONG AS** there is covered damage.

- Otherwise, reinstall the tarp the best you can and charge the detatch/replace tarp fee.

Farmers Insurance: Exterior Estimating Guidelines

Service Level Agreements

- Initial Outreach:
  - 24 hours of the assignment being received
  - Continue to reach out at least once every 24 hours until successful contact has been made.
- First Site Visit for Initial Estimate:
  - 2 business days after successful contact has been made.
- Initial Estimate Upload:
  - 24 hours after First Site Visit completion
- Estimate Revisions:
  - within 24 hours
- Job Start:
  - Within 60 days of estimate approval

Tree Removal

- Removal of trees from a covered structure is subject to policy limits.
- This function is isolated to **removal** of the tree(s) from the covered structure and dropping it/them on the ground.
- If there is no tree debris removal coverage on the policy, Farmers Insurance will **only** pay for the reasonable cost to take the tree/limb off the covered structure, **not to remove the tree debris from the premises**.
  - The homeowner will be responsible for removal from the premises if not afforded by the policy.
- Tree removal invoices should be separated between the cost to remove the tree/limb off the covered structure and the cost to cut up/haul off the tree debris from the premises.
- Tree removal and/or tree debris removal must be supported by an invoice if the assigned contractor didn't complete the work.

Siding - Vinyl/Aluminum/Hardboard

- If it is reasonable to believe the original siding is available, estimate repairs based on direct physical damage.
- If it is reasonable to believe the original siding is not available, use the ITEL app to follow the guidelines on submitting a sample of the material.
    - The sample must be at least 8” in width and contain the full profile/pattern including the nailing hem.
    - Write the policyholder’s name and claim number on the back of the sample.
    - Take the sample from an out-of-sight location from the damaged elevation.
    - Cover the opening where the sample was taken with duct tape to temporarily seal the opening.
- If windows and doors are within the area needing repair, the dimensions of those areas need to be deducted from the total siding area in need of repair/replacement.
- Make sure to include all “Remove and Reset” operations and any required siding accessories as needed.
- Aluminum siding can be recycled, so no additional cost for debris removal should be included; note this on the estimate as a line item note.
- If multiple elevations are affected, confirm that siding from one elevation can’t be farmed and reset on another damaged elevation.
    - Use detach and reset for this function.
    - Proceed with remove and replace of the elevation from which the usable siding was salvaged.
- For hardboard siding, spot repair for direct physical damage only, unless a full elevation replacement is required.

Windows

- If the frame of the window is damaged, estimate the replacement based on like kind and quality.

- Photos of the damaged window frame, the brand, and the product number (if available) are required.

- If only the glass pane is damaged, re-glazing should be considered first.

- If re-clad and beading replacement is possible, they should be considered prior to requesting window replacement.

- If none of these options are feasible, a detailed explanation with supporting photos is required to be submitted.

Farmers Insurance: Mitigation Estimating Guidelines

Service Level Agreements

- Initial Outreach:
  - 60 minutes of the assignment being received.
- On-site arrival for emergency services:
  - 4 hours
- Initial Estimate Upload:
  - 24 hours after First Site Visit completion.
- Estimate Revisions:
  - within 24 hours.
- Job Start:
  - Within 2 days of estimate approval.
- Job Completion
  - Typically within 10 days after the estimate has been approved.

Water Mitigation

- If the water category and class are not received, the mitigation assignment will not be reviewed.
  - Estimates without category and class will not be accepted outside of Xactimate.

- All water mitigation claims require the “24-Hour Water Mitigation Scope Report” to be copied and pasted into the notes in XactAnalysis.

- For service assignments for moisture readings, sketch(es), and/or photograph(s) where no other services are provided and/or no other work is completed, the contractor is entitled to a flat-fee of $300.
  - A detailed scope of what was completed is required to be documented in XactAnalysis prior to this flat-fee payment consideration.
  - O&P cannot be charged for any abatement jobs or testing.
  - Axial fans are not to be billed for water mitigation losses.

- Contractors are not to use generators or other means of an electricity source when the policyholder's home has electricity available.
  - Any exception must be approved and supported by the adjuster.
  - The approval should include a calculation of the wattage required for the amount of equipment and the amount the home has.

- Contractors must provide a 6% discount for all drying equipment, based on Xactimate pricing.

- <u>Cabinetry</u>
  - Contractors are not to remove cabinets until coverage has been confirmed, when possible.

- Cabinets may need to be stored on site if they need to be removed for mitigation.
- If coverage has been confirmed and cabinets need replacing, a referral will be sent via the ITEL app
    - This needs to be done prior to discarding any damaged cabinetry.

Fire/Smoke Mitigation

- Estimates are invoiced in 4 phases:
    - Phase 1: Emergency services, and content pack-out with first month storage
    - Phase 2: Structural cleaning
    - Phase 3: Content disposal and cleaning/restoration with storage to date minus first month storage
    - Phase 4: Pack in and remaining storage
    - Note: Phases 1, 2 and 3 must be paid **prior** to return of contents to the policyholder.

- Required information for claim completion
    - Final estimate
    - Signed “Work Authorization”
    - Signed “Direction to Pay”
    - Signed “Certificate of Completion”
    - Photos
        - Front of structure
        - Source of loss
        - Each affected area
        - Affected contents
        - Loaded storage units/sites
    - Sketches
        - All room dimensions to be within +/- 3 inches of actual room size.
        - Reference areas should be identified, such as cabinets, built-in furnishings, tub and shower surrounds, etc.…), and not calculated as part of the adjacent surface areas.

Farmers Insurance: Pack Out/In EstimatingGuidelines

Step 1: Labor and Materials

- Cleaning and tag line items are **excluded**.
- Evaluate, pack & inventory line items including boxes, packing tape/paper, and labor.
- Supervisor hours (CPS LABS) should **not** exceed four hours per full day for a whole house pack out while onsite.
- Supervisor is expected to be a working supervisor.
- Permission is not needed to add supervisor hours.
- Box size/type is dependent upon the items to be packed.
    - Additional packing materials should be supported, if needed.
- Examples of boxes that include labor in the line item:
    - Pots and Pans (CPS BXPPE)
    - Bric-a-Brac (CPS BXBME)
    - Medium Box (CPS BXMME)
- Estimate for specialty boxes as needed (wardrobe boxes, picture boxes, etc.)
    - Packing labor is NOT included in the line item.
    - Labor will be calculated as follows:
        - Six is typical for wardrobe boxes and mattresses.
        - Other specialty boxes and furniture should be packed or prepped at a rate of 7-10 per hour.
- Formula to determine box count using Miscellaneous Medium Size Boxes: (CPS BXMME)
    - (**Total Number of Items in Room**) *divided by* (**Number of Items Per Box**) = **Total Number of Boxes** (rounded up)
    - Example: Living Room has **34** items to be boxed in medium miscellaneous boxes, which can each hold **18** items:
        - 34/18 = 1.8 boxes (rounded up to 2) = 2 total boxes needed
- Miscellaneous materials
    - Bubble Wrap (CPS BWRAP)
        - Use 1 linear foot per side, per item
    - Provide Stretch Film/Wrap (roll) (CPS WRAP)
        - Use for soft and hard furniture (may need to wrap several times)
    - Blankets (CPS PAD) - use for hard furniture
        - Labor to disassemble furniture and large items should include a list of items andbe a stand-alone line item.
- Estimate formatting:
    - Group like-boxes and specialty items/furniture together
    - List labor for specialty/furniture
    - List additional materials
    - List any loading Labor hours
    - List Equipment
    - List any Storage Fees

Step 2: Move Out

- Use content manipulation charge (per hour) (CON LAB or CPS LAB) at the rate of 7-10 pieces of furniture and boxes per hour.
- Labor is for moving the items from the house to moving trucks or onsite storage.

Step 3: Storage and Transportation

- Off-site storage line items:
    - If contents will be moved into a storage facility and unpacked, use an average of 20 items per hour on the estimate, using (CON LAB).
    - Moving truck and equipment (per day) (CPS TR)
        - 17'- 20' truck is typical (4-5 rooms)
        - 17' moving truck converts to 120 square feet of storage space
- Off-site storage space and insurance per month (CPS STORH)
    - Estimate per square foot
    - Climate controlled for most off-site pack outs
    - Furniture/unboxed items:
        - Calculate the square footage of each item (length times width, in feet)
        - Add the square footage of each item together
        - Divide that total number by the square footage of the storage room, then multiply the result by 100 to determine the percentage of the area filled with furniture.
- On-site pack out line items to consider:
    - Cargo van and equipment (per day) (CPS TRCV)
        - This line item includes daily equipment charge, mileage charge (up to 50 miles/day), taxes, insurance and loading equipment (hand truck).
        - Only use when required to transport materials to and from the job site.
    - Jobsite cargo/storage container per month (CPS STOPC)
    - Delivery of cargo container to and from loss site (CPS STOPCD)
- Additional info for determining storage space:
    - Medium boxes use 4 square feet of floor space
    - Boxes can be stacked 3 high (do **not** stack picture boxes)
    - # boxes/3 = # box stacks
    - (# box stacks + # picture boxes) multiplied by 4 square feet = box square footage

Step 4: Move Back

- Move all specialty and regular boxed items and furniture/unboxed items from the warehouse to the moving truck with an average of 20 per hour using (CON LAB or CPS LAB)
- Moving the boxes from the loaded truck back into the house has an unpacking rate of approximately 7-10 boxes per hour, with an average of 8.
- Unboxed items and/or furniture are unloaded and placed at 4-6 per hour.
- Time/labor needed for reassembling furniture should be estimated separately and include a list of items.
- Remove all contents from boxes and reset all contents to their original location
    - Allow to restage 5-7 boxes/furniture per hour.
    - Note that if less boxes are returned, then it should take less time to move and unpack contents.
- Supervisor hours (CPS LABS) should **not** exceed four hours per full day for a whole house pack out while onsite.
    - Supervisor is expected to be a working supervisor.
    - Permission is not needed to add supervisor hours.
- Moving Truck and Equipment (per day) (CPS TR) if returning items from off-site storage
- Cargo Van and Equipment (per day) (CPS TRCV) if returning items from on-site storage
- The empty boxes and materials can be put back in the moving truck or cargo van for disposal by the restoration company.

Step 5: Cleaning

- Smaller boxed items should be estimated per box with Xactimate line items (i.e. knick knacks, decorative items, etc.)
- Use Xactimate codes to clean per box.
    - Boxes pack up should equal boxes cleaned.
- Level of cleaning should be agreed upon prior to cleaning the items.
    - For example, light or medium for soot, etc.
- Laundry should have proper support.
    - On average, large loads of laundry weigh about 11 pounds and extra-large loads about 21 pounds.
- Dry Cleaning should be approved with the adjuster and customer prior to cleaning to ensure there is a need to clean all items.
- Larger furniture items should be cleaned and estimated for individually.
- The use of general cleaning labor hours for cleaning should **not** be used if there is a specific line item for the item to be cleaned.
    - When using general labor hours, what was cleaned should be documented.
    - Category CGN BXMM – Clean misc. items – per medium box
- Labor and materials to unpack medium boxes, clean items and repack for storage should be estimated per box.
- Number of boxes to clean will sometimes be less than number of boxes to evaluate, pack and inventory.
- Xactimate categories: (estimated per item)
    - CDC – Contents – Clean Garments and Soft Goods
    - CEL – Contents - Clean Electric Items
    - CGN – Contents – Clean General Items
    - CHF – Contents – Clean Hard Furniture
    - CLM – Contents – Clean Lamps or Vases
    - CUP – Contents – Clean Upholstery
    - CWH – Contents – Clean Wall Hangings
- Items requiring specialty cleaning or restoration services must be entered as a bid, with the subcontractor's supporting bid/invoice uploaded as a document in XactAnalysis
    - Examples:
        - A gunsmith, artwork, taxidermy, etc.
        - This includes all work for which the franchise will be submitting a sub-contractor invoice.

Step 6: General Items and Best Practices

- Overhead and profit will need prior approval by the adjuster.
- No subcontracting unless approved by the adjuster.
- Inventory of items should be uploaded into XactAnalysis and provided to the customer.
- An estimated cost for pack out should be provided prior to commencing, when possible.
- Approval by the adjuster must be obtained when possible.
- On site storage is preferred when possible. If not, documentation should support the decision.
- Mileage within the covered zip code should not be billed. Any exceptions to this should be approved based on the location of the storage facility and loss location.
- After hours charges must be supported.
- A separate Service for pack out is required.

Farmers Insurance: Asbestos Cleaning Estimating Guidelines

- Follow federal (inclusive of EPA), state, county, and city regulations and requirements.
    - If there are no established regulations, follow base OSHA/EPA rule of thumb with construction of homes prior to 1980.
    - We will allow testing of homes constructed up to 1990, or if there are concerns with a specific installed affected material.

- Coverage should be confirmed or the area stabilized until coverage has been confirmed prior to testing.
    - If coverage has not been confirmed, permission should be requested from the adjuster before testing.

- Daily equipment monitoring is not required. No charges for fans will be accepted while the property is being abated.

- Samples should only be for affected surfaces.
    - If it is not damaged, do not sample.

- Samples should not be duplicated unless there is a specific requirement.
    - For example, the ceiling in multiple rooms should not have a sample per room if the rooms were constructed at the same time from the same material.
    - Any remodel/updates would affect this rule but should be documented.
    - State, county, and city regulations may alter this.

- The testing invoice is **not** subject to Overhead and Profit (O&P) and should not be included in the water mitigation estimate, if applicable.
    - Testing costs should be separately submitted with the detail included to support the invoice.
    - The exception to this is self-testing by the franchise/vendor.
    - **Farmers does not pay O&P on testing or mitigation.**

- Self-testing is allowed when the franchise/vendor is licensed, accredited, or trained in proper sampling.

- Results must be uploaded in the mitigation assignment and emailed.

- FEE ASBTS Xactimate code should be used.
    - Includes: Laboratory analysis fee and contractor labor to take and send sample to local testing lab.
    - Excludes: Asbestos removal/remediation.
    - Note: Labor per sample is based on a limited number of samples.

- For instances where several samples are taken, the labor yield may need to be reviewed/adjusted to reflect potential efficiencies when collecting and processing multiple samples at the same time.
- Factors such as expedited laboratory test fees (i.e., requiring faster than normal laboratory turnaround time) etc. may affect the price of the asbestos test fee.
- Use FEE ASBT or FEE ASBTS if needed, but not both.

Farmers Insurance: Non-Salvageable Contents Estimating Guidelines

- Reach out to Westhill/Farmers adjuster to agree upon a method to handle this.
    - Communication with the policyholder is key and there should be no surprises.
- Direction should be documented in the file to ensure understanding of what is salvageable vs non-salvageable.
- The adjuster may prefer the policyholder to create their own list of what contents are salvageable vs. non-salvageable.
- All high-end designer items should be saved for potential salvage and may need special attention.
- Group like items together where the value is relatively the same – ballcaps, socks, t-shirts, towels, kitchen utensils, etc.
    - This includes grouping non-salvageable items together for ease of processing.
- Photos must be taken to support the file and the loss.
    - When possible, group items together for pictures instead of individual photos of each item to keep the process efficient.
    - Make and model numbers on any electronic items or appliances should be recorded via photo and written documentation, when available.
    - Photos of food, toiletries, and cleaning products need to be taken but not inventoried.
        - If an inventory is needed, document how many hours it should take up-front.
- Item values should not be provided.
- Hours should be justifiable and make sense for the situation.
    - i.e., 2 workers x 2 days = 32 hours.
- Voice dictation is acceptable for documentation purposes.
- Measurements can help on bulky furniture being discarded.