

2015 Annual Report
Florida Market Assistance Plan

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About FMAP

The Florida Market Assistance Plan (FMAP) is a program authorized by the Florida Legislature (627.3515, Florida Statutes) to help Florida property owners find and obtain private market insurance. The FMAP Board of Governors is comprised of the same members as the Board of Governors for Citizens Property Insurance Corporation (Citizens). FMAP is funded by Citizens and by an annual assessment of residential property insurers. FMAP operates according to statutory requirements created by the Florida Legislature and a *Plan of Operation* approved by its board and the Florida Office of Insurance Regulation (OIR).

Operations

FMAP functions primarily as a referral program that aligns consumer property coverage needs with agents and property insurers writing private market residential property insurance coverage. FMAP is operated by Citizens at its Tallahassee corporate headquarters. Customer support for inbound calls is managed by Citizens and handled by a third party vendor.

Referral Program

FMAP's free online referral program for personal residential property insurance was designed to help consumers find insurance in the private market and reduce the number of applications for Citizens coverage. FMAP consumers answer 25 questions about their property by completing a questionnaire at www.fmap.org or by calling FMAP at 800.524.9023. Property information is matched with participating agents who are licensed and appointed with insurance carriers actively writing in Florida. Agents are alerted to new leads via email and can access their results any time to provide quotes to consumers.

In 2015, FMAP received 15,905 requests from consumers seeking residential property insurance. Participating agents reported placing 1,786 customers in the private market. This conversion rate of 11.2 percent is higher than the conversion rate for 2014.

The following table provides a summary of referral program requests received from 2007 through 2015 and the estimated exposure placed in the private market:

Calendar Year	Requests Received	Offers Accepted	Requests Converted	Exposure Placed in Private Market
2007	49,598	3,971	8.0%	\$773,110,221
2008	18,966	4,113	21.7%	\$771,183,076
2009	16,171	2,768	17.1%	\$590,950,381
2010	14,024	2,332	16.6%	\$641,387,304
2011	19,485	2,119	10.9%	\$557,982,533
2012	28,902	2,006	6.9%	\$568,579,477
2013	37,007	2,781	7.5%	\$773,273,001
2014	29,984	2,981	9.9%	\$779,747,346
2015	15,905	1,786	11.2%	\$383,965,959

Table 1: Annual requests received, offers accepted, percent converted and exposure

The following table shows the number of requests and offers per county and the percentage of requests converted to the private market:

2015 - County Requests and Placements				2015 - County Requests and Placements			
County Requested	Number of Requests	Offers Made and Accepted	Percent Converted	County Requested	Number of Requests	Offers Made and Accepted	Percent Converted
Alachua	144	22	15.3%	Lee	662	67	10.1%
Baker	8	1	0.0%	Leon	126	23	18.3%
Bay	139	18	12.9%	Levy	50	5	10.0%
Bradford	20	2	10.0%	Liberty	2	-	0.0%
Brevard	495	59	11.9%	Madison	16	2	0.0%
Broward	2,092	177	8.5%	Manatee	282	28	9.9%
Calhoun	2	-	0.0%	Marion	351	71	20.2%
Charlotte	195	17	8.7%	Martin	131	13	9.9%
Citrus	175	27	15.4%	Miami-Dade	1,803	157	8.7%
Clay	79	14	17.7%	Monroe	82	3	3.7%
Collier	373	21	5.6%	Nassau	42	7	16.7%
Columbia	62	6	9.7%	Okaloosa	68	10	14.7%
Desoto	7	-	0.0%	Okeechobee	21	3	0.0%
Dixie	14	1	0.0%	Orange	572	111	19.4%
Duval	392	84	21.4%	Osceola	218	24	11.0%
Escambia	218	15	6.9%	Palm Beach	1,476	137	9.3%
Flagler	56	5	8.9%	Pasco	603	72	11.9%
Franklin	22	2	9.1%	Pinellas	986	85	8.6%
Gadsden	38	5	13.2%	Polk	377	78	20.7%
Gilchrist	21	-	0.0%	Putnam	56	7	12.5%
Glades	9	-	0.0%	St. Johns	102	8	7.8%
Gulf	23	1	4.3%	St. Lucie	223	22	9.9%
Hamilton	10	3	0.0%	Santa Rosa	95	5	5.3%
Hardee	4	2	0.0%	Sarasota	457	35	7.7%
Hendry	13	5	0.0%	Seminole	194	30	15.5%
Hernando	211	30	14.2%	Sumter	93	11	11.8%
Highlands	65	9	13.8%	Suwannee	31	5	16.1%
Hillsborough	841	95	11.3%	Taylor	16	4	25.0%
Holmes	17	2	0.0%	Union	6	-	0.0%
Indian River	110	14	12.7%	Volusia	437	60	13.7%
Jackson	24	3	12.5%	Wakulla	39	4	10.3%
Jefferson	12	-	0.0%	Walton	65	1	1.5%
Lafayette	2	-	0.0%	Washington	21	5	23.8%
Lake	309	53	17.2%	TOTAL	15,905	1,786	11.2%

Table 2: County percentages

Requests by Year Built

Homeowners with properties built between 1965 and 1989 made the most requests for coverage in 2015 and placed the most requests in the private market:

Requested Property (Based on Year Built) and Requests Placed in Private Market						
Year Built	Number of Requests	Percent of Requests	Number Placed in Private Market	Percent Placed in Private Market	*Amount of Coverage A Placed in Private Market	*Amount of Coverage C Placed in Private Market
2005 - 2015 (0-10 yrs old)	1,515	9.5%	184	12.1%	\$38,953,303	\$15,474,275
2000 - 2004 (11-15 yrs old)	1,221	7.7%	174	14.3%	\$31,077,352	\$12,420,933
1990 - 1999 (16-25 yrs old)	2,602	16.4%	310	11.9%	\$51,365,711	\$17,421,038
1965 - 1989 (26-50 yrs old)	7,588	47.7%	765	10.1%	\$109,288,046	\$35,518,341
< 1964 (51 yrs and older)	2,820	17.7%	344	12.2%	\$51,783,651	\$18,838,559
No Yrs Indicated**	159	1.0%	9	5.7%	\$1,372,000	\$452,750
Total Property Requested	15,905	100%	1,786	11.2%	\$283,840,063	\$100,125,896

*Coverage A + Coverage C as entered by agent when policy is bound.

**If the property is not owner-occupied or a condo, the year built is not required.

Table 3: Requests by year built

Requests by Property Type

Consumers seeking assistance in finding coverage on single-family dwellings continued to be most successful FMAP users in 2015:

Requested Property Types and Property Requests Placed in Private Market						
Property Type	Number of Requests	Percent of Requests	Number Placed in Private Market	Percent Placed in Private Market	*Amount of Coverage A Placed in Private Market	*Amount of Coverage C Placed in Private Market
Apartments	92	0.6%	6	6.5%	\$1,025,000	\$365,000
Condos/ Unit Owners	1,943	12.2%	209	10.8%	\$10,709,631	\$4,503,600
Duplex	231	1.5%	26	11.3%	\$6,496,782	\$1,260,499
Houses	9,486	59.6%	1,217	12.8%	\$239,857,025	\$85,925,927
Mobile Homes	3,426	21.5%	255	7.4%	\$14,886,250	\$4,537,804
Townhouse	727	4.6%	73	10.0%	\$10,865,375	\$3,533,066
Total Property Requested	15,905	100.0%	1,786	11.2%	\$283,840,063	\$100,125,896

*Coverage A + Coverage C as entered by agent when policy is bound.

Table 4: Requests by property type

Requests by Construction Type

In 2015, consumers whose property had masonry construction were the majority of FMAP users:

Requested Construction Types and Requests Placed in the Private Market						
Construction Type	Number of Requests	Percent of Requests	Number Placed in Private Market	Percent Placed in Private Market	*Amount of Coverage A Placed in Private Market	*Amount of Coverage C Placed in Private Market
Aluminum	2,102	13.2%	147	7.0%	\$8,322,769	\$2,671,401
Frame	3,510	22.1%	421	12.0%	\$62,894,846	\$20,606,107
Masonry	9,740	61.2%	1,149	11.8%	\$201,214,258	\$72,800,353
Veneer	553	3.5%	69	12.5%	\$11,408,190	\$4,048,035
Total	15,905	100%	1,786	11.2%	\$283,840,063	\$100,125,896

*Coverage A + Coverage C as entered by agent when policy is bound.

Table 5: Requests by construction type

Top 10 Companies Used to Place Property Requests

In 2015, Universal Property & Casualty Insurance Company placed 528 FMAP requests:

Top Companies Used to Place Properties	
Company Name	Total
Universal Property & Casualty Ins Co	528
Avatar Property & Casualty Ins Co	471
Universal Ins Co of North America	117
People's Trust	76
Hillcrest Ins Co	75
Olympus Ins Co	40
Omega Ins Co	40
United Property & Casualty Ins Co	39
Florida Peninsula Ins Co	32
Cypress Property & Casualty Ins Co	31

Table 6: Top ten active companies

Policy Form Types Placed in the Private Market

In 2015, FMAP agents used policy form HO3 for the majority of policies written into the private market.

Policy Form Type	Number of Form Types Placed in the Private Market	*Amount of Coverage A Placed in Private Market	*Amount of Coverage C Placed in Private Market	* Amount of Coverage Placed In Private Market
DP1	116	\$15,071,671	\$625,905	\$15,697,576
DP2	2	\$218,000	\$0	\$218,000
DP3	66	\$13,808,390	\$852,054	\$14,660,444
HO1	1	\$100,000	\$0	\$100,000
HO2	4	\$927,000	\$292,500	\$1,219,500
HO3	1,059	\$200,361,718	\$79,034,044	\$279,395,762
HO4	3	\$110,000	\$74,000	\$184,000
HO6	229	\$12,446,411	\$5,247,600	\$17,694,011
HO8	306	\$40,796,873	\$13,999,793	\$54,796,666
Total	1,786	\$283,840,063	\$100,125,896	\$383,965,959

*Coverage A + Coverage C as entered by agent when policy is bound.

Table 7: Policy Form Types

Active Agents

The number of FMAP agents during 2015.

Number of Active Agents	
January	875
February	873
March	894
April	519
May	520
June	538
July	492
August	497
September	515
October	480
November	479
December	479

Table 8: Number of Active Agents

Policy Data Report Program

Florida law permits FMAP to provide agents and insurers with Citizens policy data for the purpose of placing Citizens risks in the voluntary market. As a condition of receiving policy data from Citizens, agents must sign a confidentiality agreement in which they agree to keep the data confidential and to use the data only to find replacement coverage in the private market.

Participating agents can analyze the policy data and attempt to find private market insurance alternatives for Citizens policyholders. If alternatives exist, an offer is made to the policyholder. If the policyholder accepts the offer, the policy is removed from Citizens and written in the private market.

To safeguard Citizens policy data and prevent its misuse, agents must submit their marketing results to FMAP for review before FMAP will fulfill additional policy data requests. The information provided is verified and confirmed to ensure that policies were not rewritten with Citizens. If an agent successfully places Citizens policies with a voluntary market writer, future requests for Citizens policy data will be fulfilled.

If it is determined that an agent has rewritten a policy back into Citizens using FMAP's data reports, administrative action, up to and including termination of FMAP and Citizens appointments (where applicable), can be taken. The confidentiality agreement signed by participating agents explicitly states that misuse of FMAP data is grounds for termination of the agency appointment and/or the agent agreement.

FMAP Policy Data Reports Program - 2015	
	Number of Reports
Data Reports Provided to Agents	602
CLA	114
PLA	204
Coastal (Personal)	174
Coastal (Commercial)	82
Non-Renewal with Coverage A over \$800K	28

Table 9: Number of policy data reports

Number of Policies Written Out of CPIC - 2015	
Account Type	Number of Policies Written into the Private Market*
PLA	991
CLA	1
Coastal (Personal Lines)	561
Coastal (Commercial Lines)	9
Total	1562

*Number of policies as reported by agents submitted marketing results.

Table 10: Number of policies removed from Citizens

Future Outlook and Promotion of FMAP

Ultimately, the success of FMAP lies not only in the customers it satisfies but also in the amount of financial exposure FMAP is able to keep out of Citizens and place in the private insurance market. FMAP continues to review options to increase Citizens depopulation. FMAP continues to evaluate the effects of the Citizens Property Insurance Clearinghouse and potential impact on FMAP.

Financial Overview

FMAP is funded by a \$450 annual assessment on residential property insurers. If additional funds are needed, Florida law requires Citizens to supplement the assessment funds. FMAP financials are audited annually by an independent auditor and reported to the FMAP Board and Florida Office of Insurance Regulation. We anticipate that future operational costs to maintain FMAP will be similar to those incurred in previous years.