



## Companies line up for Clearinghouse

TALLAHASSEE – Sixteen private carriers have already signed up to be part of Citizens Property Insurance Corporation’s clearinghouse program that will kick off in January 2014 to provide policyholders with more choices to insure what is often their most treasured investment.

Created by the 2013 Florida Legislature, the Property Insurance Clearinghouse is scheduled to go live January 2 with up to five private carriers available immediately to offer private-market insurance options for consumers who believe Citizens might be their only choice for property insurance.

Companies will be added to the clearinghouse in phases, with most of the state’s largest private carriers expected to be participating by the end of 2014.

“The launch of the Clearinghouse represents an exciting and much anticipated step forward in our efforts to provide policyholders with more private options while reducing our exposure,” said Citizens President/CEO and Executive Director Barry Gilway. “

Under the clearinghouse, new applicants for Citizens coverage must first allow their agents to shop their policy with private carriers. If a private company quote comes within 15 percent of the Citizens rate, the policyholder would be ineligible for Citizens coverage. Policyholders will be allowed to compare all available insurance offers.

Existing Citizens policyholders would be ineligible to renew their Citizens policy if a private carrier offers comparable coverage at an equal or lower cost. Citizens will begin routing renewal customers through the clearinghouse later in 2014.

Additional information on the [Property Insurance Clearinghouse](#) is available on the Citizens website.

November 1, 2013

### Events

**November 5 @ 1 p.m.**  
[House Insurance and Banking Subcommittee Meeting](#)

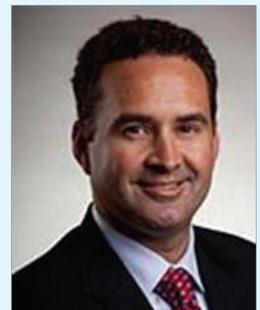
**November 5 @ 1:30 p.m.**  
[Senate Banking and Insurance Committee Meeting](#)

**November 12 @ 2 p.m. to 6 p.m.**, Office Hours with Sen. Wilton Simpson, 5612 Grand Blvd., New Port Richey.

**November 13 @ 1 p.m. to 6 p.m.**, Office Hours with Sen. Wilton Simpson, 10 West Jefferson St., Brooksville.

**December 13 @ 9 a.m.**  
[Citizens Board of Governors Meeting](#)

### Spotlight



Citizens BOG Chairman:  
**Chris Gardner**  
Orange County

Appointed to board by former House Speaker Dean Cannon: July 29, 2011  
Term Expires: July 31, 2014

[View Board members](#)

# Citizens Reviews Litigation Costs

TALLAHASSEE – [A comprehensive review](#) released in October shows Citizens legal costs have risen in recent years based in large part on increased litigation involving noncatastrophic water loss claims in South Florida.

The review found that while 33 percent of Citizens policies are in Broward and Miami Dade counties, the two counties are home to 55 percent of nonsinkhole claims and 87 percent of all litigated claims. Miami Dade is the epicenter, accounting for 67 percent of all nonsinkhole litigation.

Citizens estimates that litigation in Miami Dade County has increased policy costs by 21 percent for multi-peril policyholders residing in the county.

Water loss claims remain the single largest driver of claims, accounting for 50 percent of all claims filed so far in 2013. The percentage of water claims has increased from 38 percent in 2009.

Like all private insurers, Citizens provides coverage for accidental releases of water due to burst pipes, appliance malfunctions and other sudden events. That coverage, however, does not extend to water damage caused by long term leaks from deteriorating pipes or fixtures, whether the damage is hidden or in plain view.

Citizens is working to address the issue by exploring the use of coordinating legal counsel to oversee the handling of cases and by expanding the use of a managed repair program that has been successful in the sinkhole arena.

## Policies in Force

**1,222,166**

as of September 30, 2013,  
including policies taken out  
but still serviced

[Details](#)

## Quick Links

[Newsroom](#)

[Legislative Resources](#)

[Outreach Form](#)

[Online Sunshine](#)

[The Florida Channel](#)

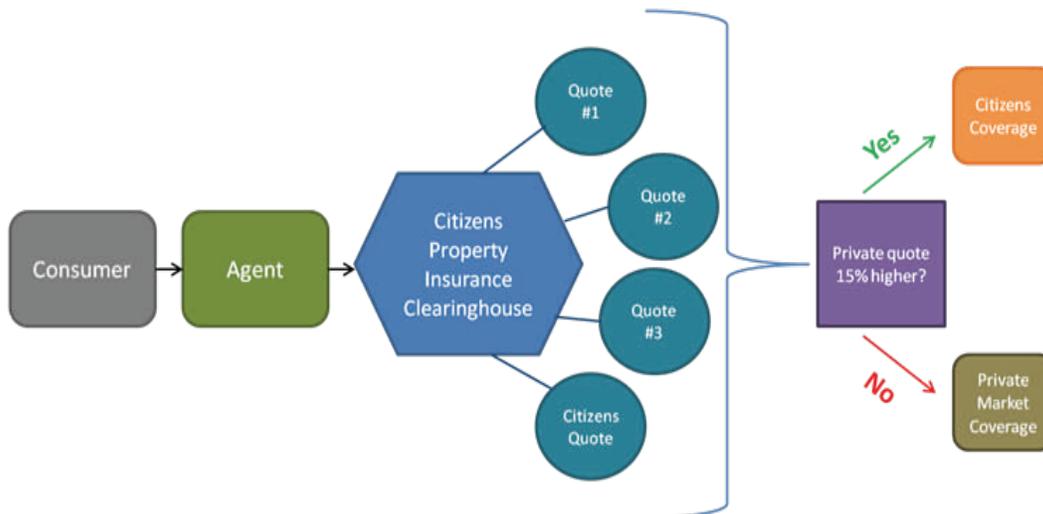
[Board of Governors Materials](#)



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## Did You Know...

### How the Clearinghouse works?



The Property Insurance Clearinghouse will match eligible policyholders with private carriers, reducing Citizens exposure and providing many policyholders with more comprehensive coverage at comparable rates.

## News Links

[Report: Miami-Dade Lawyers cause Headaches for Citizens Property Insurance](#) Miami Herald

[Citizens Property Insurance Corp. racks up \\$100 million in legal fees in two years](#) WTSP TV

[Storm Fund Strong at Season End](#) Associated Press

[CFO Atwater still seeks property rate hike explanation as insurance costs rise](#) The Florida Current

[Bills to Delay Flood Rate Hikes Garnering Mixed Reactions](#) PropertyCasualty360