

# Finance and Investment Committee Depopulation and Clearinghouse Update

March 24, 2020



# Depopulation Update



## Personal Lines

Month	OIR Approved <sup>1</sup>	Requested by Insurers <sup>2</sup>	Policyholder Choice Letters Mailed <sup>3</sup>	Assumed <sup>4</sup>	Assumption Rate <sup>5</sup>	Exposure Removed <sup>6</sup>
19-Feb	37,500	13,674	13,550	3,263	24%	\$488,566,887
19-Apr	15,000	0	0	0	0%	\$0
19-Jun	15,000	800	800	277	35%	\$37,216,460
19-Aug	22,500	19,612	19,612	3,411	17%	\$912,969,571
19-Oct	35,000	8,089	8,089	2,701	33%	\$623,908,584
19-Dec	19,577	766	766	308	40%	\$53,629,160
<b>Totals</b>	<b>144,577</b>	<b>42,941</b>	<b>42,817</b>	<b>9,960</b>	<b>23%</b>	<b>\$2,116,290,662</b>

## Commercial Lines

Month	OIR Approved <sup>1</sup>	Requested by Insurers <sup>2</sup>	Assumption Offers Made <sup>3</sup>	Assumed <sup>4</sup>	Assumption Rate <sup>5</sup>	Exposure Removed <sup>6</sup>
19-Jan	525	239	142	124	87%	\$64,475,930
19-Mar	0	0	0	0	0%	\$0
19-May	0	0	0	0	0%	\$0
19-Jul	0	0	0	0	0%	\$0
19-Sep	0	0	0	0	0%	\$0
19-Nov	0	0	0	0	0%	\$0
<b>Totals</b>	<b>525</b>	<b>239</b>	<b>142</b>	<b>124</b>	<b>87%</b>	<b>\$64,475,930</b>

<sup>1</sup>OIR approval is maximum number of policies permitted to be assumed by insurers. <sup>2</sup>Sum of all policies requested by insurers, including duplicate offers from multiple carriers. <sup>3</sup>Total letters mailed, one (1) per policy. Multiple offers may be contained in a single mailing. <sup>4</sup>Policies assumed by insurers on Assumption Date. <sup>5</sup>Quotient of 'Assumed' divided by 'Policyholder Choice Letters Mailed'. <sup>6</sup>Exposure Removed as of Assumption Date.

**Personal Lines**

Month	OIR Approved <sup>1</sup>	Requested by Insurers <sup>2</sup>	Policyholder Choice Letters Mailed <sup>3</sup>	Assumed <sup>4</sup>	Assumption Rate <sup>5</sup>	Exposure Removed <sup>6</sup>
20-Feb	19,577	2,995	2,965	986	33%	\$271,249,805
20-Apr	19,500					
20-Jun						
20-Aug						
20-Oct						
20-Dec						
Totals	<b>39,077</b>	<b>2,995</b>	<b>2,965</b>	<b>986</b>	<b>33%</b>	<b>\$271,249,805</b>

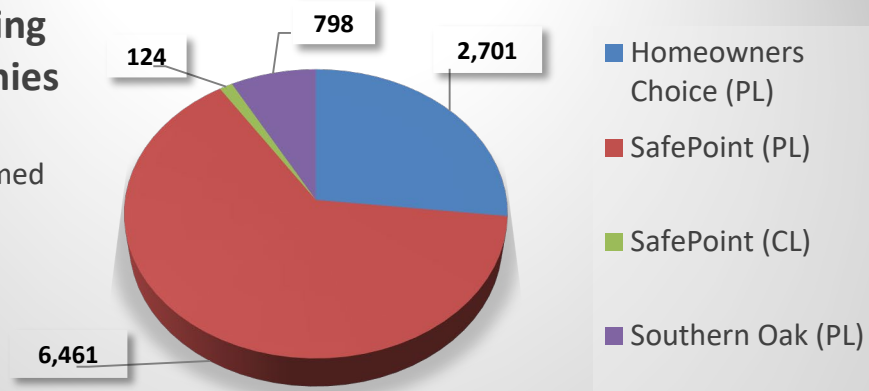
**Commercial Lines**

At this time, there are no OIR approvals for participation in 2020 Commercial Lines assumptions.

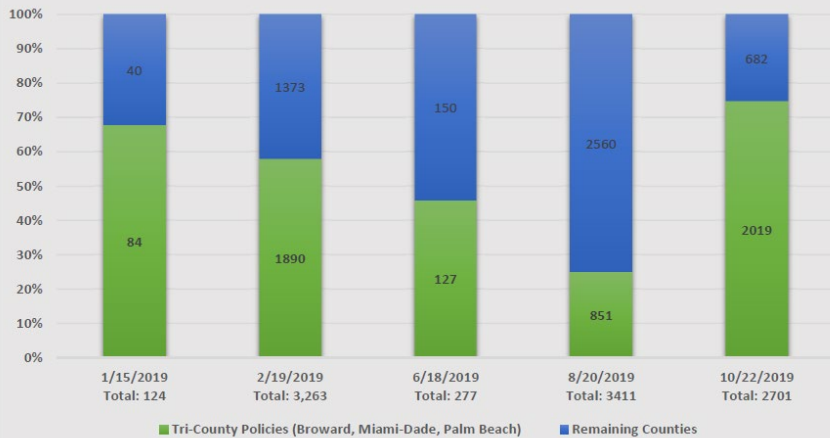
<sup>1</sup>OIR approval is maximum number of policies permitted to be assumed by insurers. <sup>2</sup>Sum of all policies requested by insurers, including duplicate offers from multiple carriers. <sup>3</sup>Total of all Offer/Opt-out Letters mailed to Policyholders. <sup>4</sup>Policies assumed by insurers on Assumption Date. <sup>5</sup>Quotient of 'Assumed' divided by 'Assumption Offers Made'. <sup>6</sup> Exposure Removed as of Assumption Date.

## 2019 Participating Takeout Companies

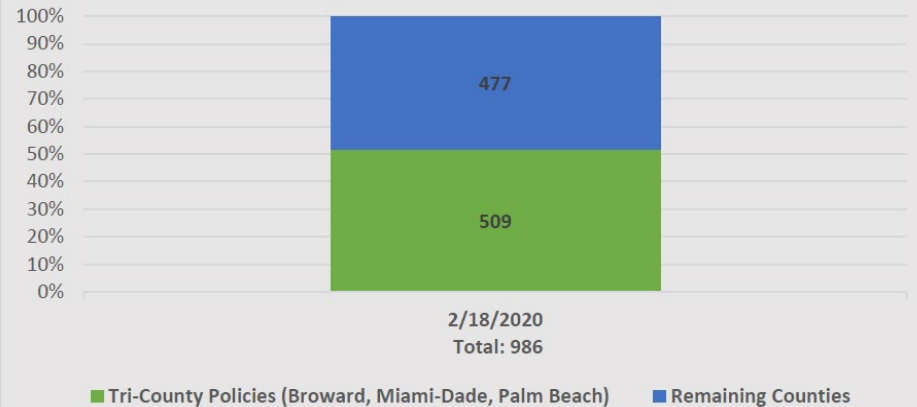
10,084 policies assumed



### Tri-County Policies Assumed - 2019



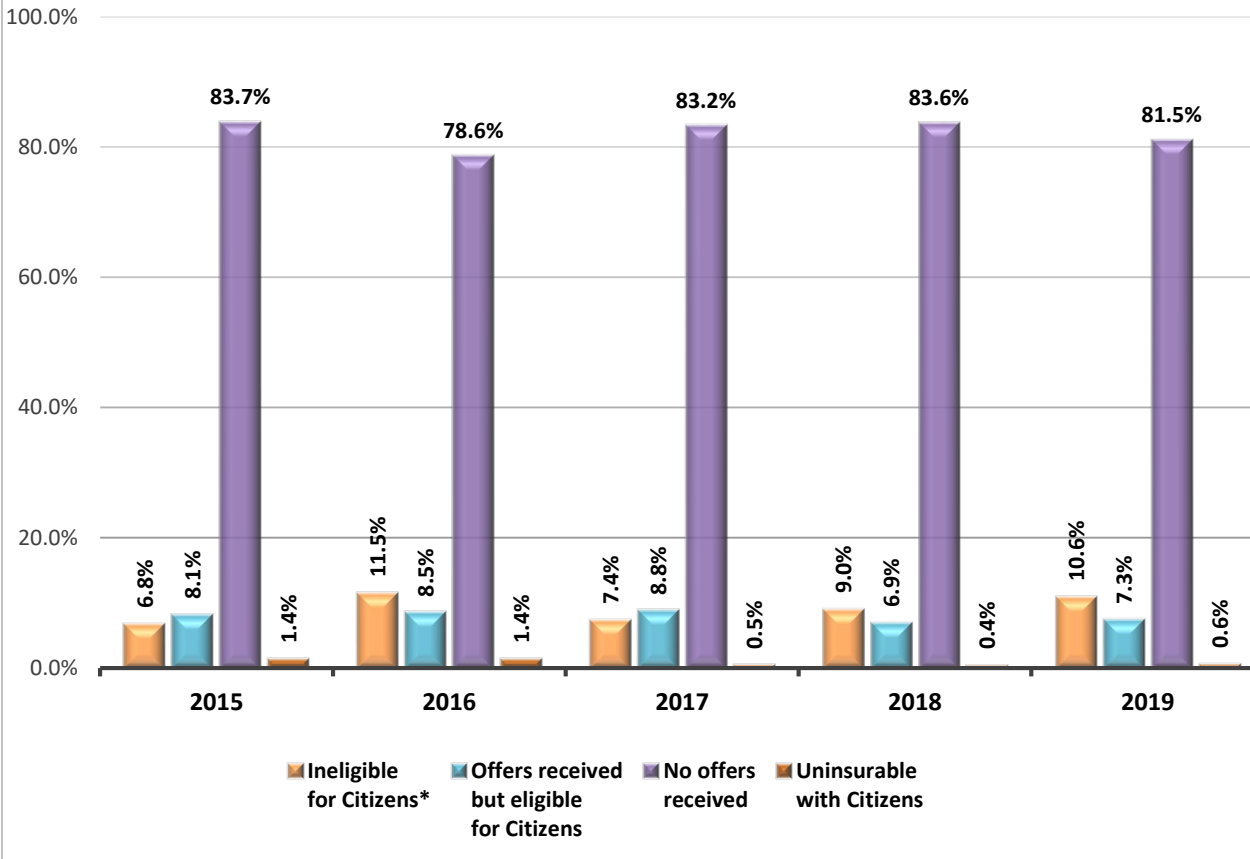
### Tri-County Policies Assumed - 2020



# Clearinghouse Update



## New Business Results (All Lines)



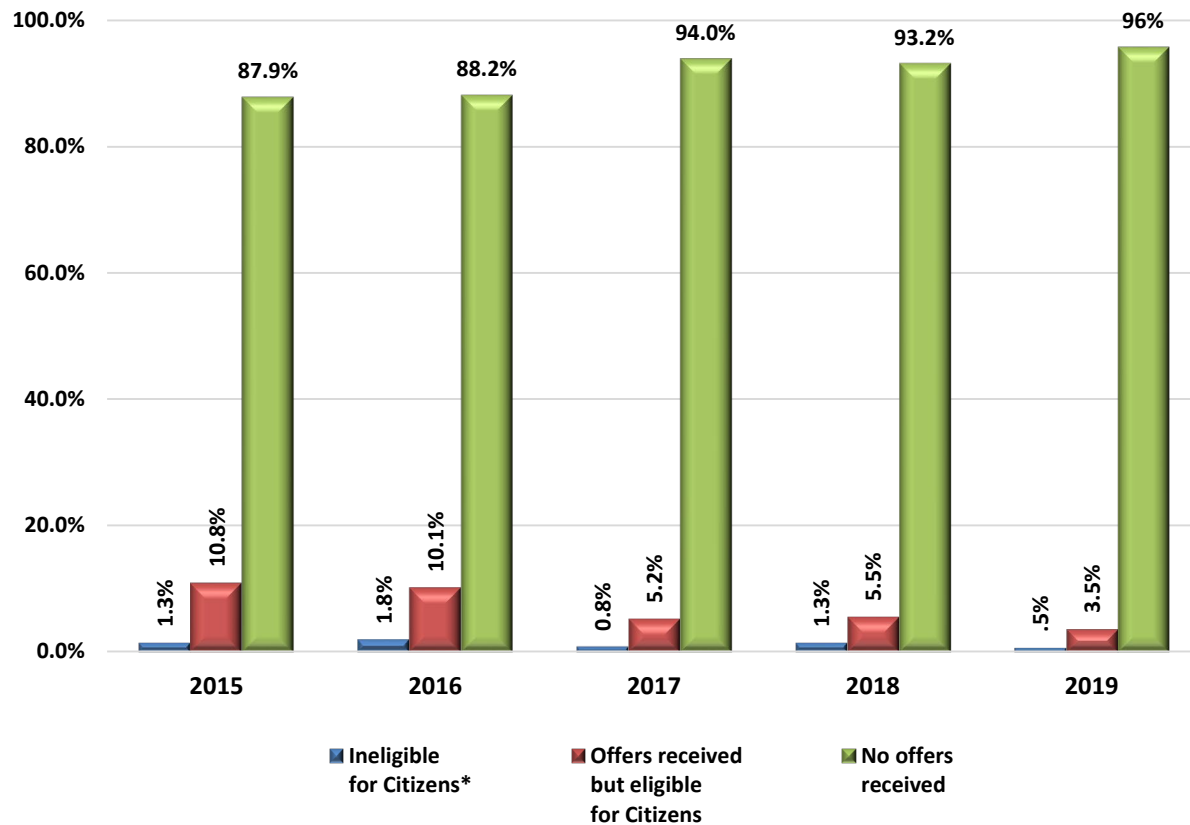
## Number of risks averted (all lines) :

- 2015 – 10,970
- 2016 – 20,710
- 2017 – 13,262
- 2018 – 20,700
- 2019 – 20,994

## Amount of Coverage A averted:

- 2015 – \$3.1B
- 2016 – \$5.3B
- 2017 – \$3.3B
- 2018 – \$5.2B
- 2019 – \$5.7B

## Renewal Results (All Lines)



## Risk Removed (All Lines)

Amount of Coverage A removed:

- 2015 – \$637M
  - 2016 – \$529M
  - 2017 – \$305.6M
  - 2018 – \$651.3M
  - 2019 – \$221.5M
- 14,804 policies have been non-renewed by Citizens as a result of offers made at renewal through the Clearinghouse.

\*Ineligible means a comparable offer of coverage was received through the Clearinghouse that had a premium that was equal to or less than the Citizens renewal premium.



## 2019

### New Business

- 20,994 risks deemed ineligible for Citizens representing \$5.7B in Coverage A averted

### Renewal Business

- 1,273 risks deemed ineligible for Citizens representing \$221.5M in Coverage A averted

### Total

- 22,267 risks deemed ineligible for Citizens representing \$6B in Coverage A averted

- Mobile Home policy forms being added to the Clearinghouse.
- New Business going live March 23.
- Renewals going live April 19, impacting renewals effective starting June 24.