

**CITIZENS PROPERTY INSURANCE CORPORATION**

**MINUTES OF THE CONSUMER SERVICES COMMITTEE MEETING**

**Thursday, March 19, 2020**

The Consumer Services Committee of Citizens Property Insurance Corporation (Citizens) convened telephonically on Thursday, March 19, 2020 at 10:00 a.m. Eastern.

**The following members of the Consumer Services Committee were present telephonically:**

Bette Brown, Chair

Greg Rokeh

Blake Capps

Phil Zelman

Barry Gilway

Christine Ashburn

Reynolds Henderson

Steve Bitar

Tasha Carter

Barbara Walker

**1. Approval of Prior Meeting's Minutes (December 5, 2019)**

**A motion was made by Phil Zelman and seconded by Blake Capps to approve the December 5, 2019 minutes. All were in favor. Motion carried.**

**2. Consumer Complaint Data Update**

**Chairman Brown:** Thank you. Let's go ahead and get started. Just a quick comment. That I am glad that we could get together even telephonically today and hoping everyone is safe and healthy.

We have Minutes for the meeting of December 5th. And I am assuming that everyone has read those and there are no changes. I would accept a motion to approve those Minutes from December 5th.

**Governor Henderson:** This is Reynolds Henderson.

**Governor Zelman:** I make a motion to approve the Minutes.

**Chairman Brown:** Is there a second?

**Governor Capps:** Madam chairman, this is Blake Capps, I will make that motion or I will second.

**Chairman Brown:** And any further discussion? Okay, that motion carries, thank you. I assume Alden Mullins is on the phone to talk about the consumer complaint data update information.

**Ms. Mullins:** Yes, I am, good morning.

**Chairman Brown:** Good morning.

**Ms. Mullins:** So, for the record I am Alden Mullins, Director of Insurance Communications. I am here to provide a brief overview of the customer correspondence team and their role in the organization.

I will also be highlighting some trends regarding the correspondence we received in 2019, and some statistics regarding complaints. I would like to take a moment to recognize Mary Mobley who is the manager of the customer correspondence team, and she is on the call today listening, and just thank her for the role and all her team plays in the organization and all the hard work they do on behalf of our policyholders.

So, if you are following along, I am going to go to slide two in the Power Point presentation. The customer correspondence team which is known internally at Citizens as the CCT was formed in 2006 and is responsible for responding to all written communications that come into the organization.

Although they do handle complaints, this is actually only one aspect of their overall role. However, there are very strict rules in the Citizens' plan of operations and Florida Statutes requiring Citizens to maintain specific methods and timelines for responding to and resolving consumer complaints. So, these particular inquiries are always a primary focus for the team.

We use a system that tracks the topic of the inquiry, who sent it, how they sent it to us, and of course, if it was a complaint. A complaint is defined as a written expression of dissatisfaction from a policyholder or their representative. And as we go through you will see that the majority of the correspondence, we receive are not complaints, and our goal was to keep it that way. We provide a thorough response on the original inquiry to keep them from escalating to a complaint.

Slide three, customer correspondence works closely with the external and legislative affairs area, Candace and Christine, to research and respond to all written inquiries --written requests that are addressed to Barry Gilway, possibly a member of our Board of Governors, and we also help to respond to requests that we receive from legislators that are made on behalf of one of their constituents.

Slide four. CCT works closely with DFS to help with all complaints that are reported directly to them. These complaints have a very strict response time that we must adhere to. So we typically respond within 14 days even though Florida Statutes allows for a 20-day response time. We handle the initial intake of civil remedy notices that are filed with DFS and CCT is also an integral part of the eStorm process.

Slide five. We assist Michael Peltier with any responses that come through the media line, and periodically we do get some questions and complaints through social media which we also help to resolve.

Slide six. This is a screen shot of our website. This is where most of our inquiries are received from. They come in via e-mail using the Contact Us option that is available on the Citizens' website.

And slide seven, we still get regular mail which we refer to as direct correspondence, and this can be anything from a formal letter to even a handwritten note that is scribbled on an invoice.

Slide eight. Here is where we get into some of our statistics. This slide shows that we received 9,141 correspondence items in 2019. The first category is labeled contact record update. This was high in 2019

because we did a campaign last year to encourage policyholders to have their e-mail and cell phone numbers on file. So, because of that campaign we were actually glad to see those numbers increase this year.

And as you can see although the top five topics are listed, over half of what we responded to fall into other categories which shows the diversity of the inquiries that we receive.

Slide nine shows the channel that they come in. As you can see the majority of our responses do come in via e-mail and only 118 of the 9,141, we received were addressed to the Board of Governors, Mr. Bill Waite or a legislator.

Now slide 10 shows the number of inquiries that are related to complaints. Of all that we received, only 1,000 of them were claims related.

The inquiries, slide 11, excuse me. The inquiries related to claims, this slide shows how many were questions and then how many of them were categorized as a complaint. As you can see it is almost half and half. And there you can also see the top five reason codes for the inquiries in each category.

And slide 12. Although this information isn't specific to 2019, we did want to share some stats regarding complaints that are associated with weather events.

And so, the first is Hurricane Irma. Of the 76,905 claims filed, only 1,068 resulted in a written complaint.

And on slide 13, of the 3,912 claims filed for Hurricane Michael, we have only received 85 complaints.

And this concludes my presentation unless anyone has any questions.

**Chairman Brown:** Members, do you have any questions of Alden?

**Governor Capps:** Madam Chair, this is Blake Capps. I have one question.

**Chairman Brown:** Go ahead.

**Governor Capps:** How many people work on the correspondence team?

**Ms. Mullins:** We have nine people on that team, sir.

**Governor Capps:** Okay. That is all I have, thanks.

**Chairman Brown:** This is Chairman Brown. I have a question.

**Ms. Mullins:** Okay.

**Chairman Brown:** Do you have any indication, and this may not be fair because I am catching you off guard and I don't mean to, but -- and of course Irma and Michael would have increased the numbers of complaints because there is more contact with clients.

But how did '19 fair against '18? Do we see any increase or decrease, or do we measure that? It is just a question. In general, because as I said, I know you have got the claims that you are dealing with and those always -- it is quite, obviously there is less going on, but are we seeing any increase or decrease from '18 to '19?

**Ms. Mullins:** No. The numbers have been relatively consistent through both years. No -- no significant increase in complaints at all through 2019. And Mary corrected me, there is eight on the team, and not nine. So sorry about that.

**Chairman Brown:** Great. Any other questions?

**Governor Capps:** Madam Chair, this is Blake Capps again. I do have one more question. And I was wondering like in the typically responses to customer complaints, is there just one person who is responding, or does it go through two or three channels? Like okay, this person has prepared a draft response for this item and now somebody else is going to review it? I am just curious about what kind of oversight and teamwork goes into those types of responses?

**Ms. Mullins:** Yes. It really depends on the type of inquiry it is. If it is underwriting specific, we do have underwriting teams that we work with to help research and formulate the response.

The same with claims. There is a claims correspondence team that we do send claim specific questions over to and they help us formulate the response. So, everything routes back and both through CCT to provide the final answer. And of course, there is general things that we can respond to without having to engage other departments, if it is how to make a payment online, get lots of payment questions or how to register for my policy. Those can typically be handled without contact with other areas.

And of course, we have a Q/A program. We have a quality team that goes behind and checks all of our correspondence to make sure we have given accurate responses and our scores are typically well above our requirements. We are in the 97 to 98 percent accuracy category on a consistent basis.

**Governor Capps:** Very good, thank you.

**Ms. Mullins:** Uh-huh.

**Chairman Brown:** Any other questions of Alden Mullins? Well, great, thank you for that presentation. It is good to know you guys are on the complaints. I think you never hear the good news, you hear the bad news, but if you handle the bad news the correct way it sure does go a long way. So, thank you for that.

**Ms. Mullins:** Thank you.

### **3. Florida Public Radio Emergency Network (FPREN) Sponsorship**

**Chairman Brown:** I think we will move on to Christine Ashburn and she has some information in the booklet about what we have been doing to get the word out, and also an action item for the sponsorship for FPREN. So, I am sure you want to give us a little background on that and then we will discuss that. Christine.

**Ms. Ashburn:** Certainly. Good morning, Chair Brown and committee members. Yes, for those of you who are newer to this committee and the Board, we have partnered with the Florida Public Emergency Response Network which is the public radio networks in Florida over the last several year to be their title sponsor to help promote and give them the resources they need to cascade very quickly during storms and other times, information.

And what we get in return for that is consistent radio involvement and messaging across the public radio network in Florida. This sponsorship has been exceptionally beneficial to us. We actually get way more value dollar wise than what we have spent, and we will have before you an action item to continue that partnership.

But I cannot tell you how invaluable. You can't put a number of what we were able to do after Hurricane Michael and Hurricane Irma. Having this sponsorship and this connection in place and this contract in place allows us to change messaging throughout the year relatively easily whether it is AOB or other things, Call citizens First, getting our claims number out there, getting our locations out there when we have CRCs, catastrophe response centers.

So we message throughout the year, but after the hurricane having this in place allows us to very quickly let people know what is going on in the areas where they have been impacted, where we are going to be, how to get a claim filed, to target our messaging following a storm and really cut through red tape.

So this -- the different thing we are doing this year is we actually have before you an action item today that would allow us to be the Florida statewide sponsor for 2020 through 2023 which allows us to lock in the rates that they have now for the next three years as we have seen rates continue to grow every year not substantially, but reasonably.

So, this would allow us to lock in the fees for the next three years. This is public radio. This is actually a program that is emergency response number. It was actually supported and helped put together by the Legislature. So, this is all I think very positive. This is a budgeted item.

Funding for the first year of sponsorship is included in the 2020 annual operating budget and we would budget for the subsequent years in our subsequent budget years. The total contract amount for the sponsorship is \$613,824, but the actual total value over the three-year period for what media coverage we get is over \$1.5 million in actual value if we were to go buy this media space from TV, Internet and radio over the same time.

So the action item requested that Citizens' Board approve and this committee today, staff to authorize into a sponsorship agreement for content via radio, television, digital and social media within the Florida public media, Florida Public Radio Emergency Network sponsorship on this network.

And just as a note, they are purely informational. So, we can't do a call to action and we do not advertise in that way. Citizens' sponsored spots on these channels help to inform customers and stakeholders of current programs and educational information initiatives of Citizens that is Call citizens First. As I noted during hurricane season, sponsorship assets are leveraged to promote preparedness efforts, broadcast claims, reporting information and notify customers of our catastrophe response center and insurance village locations.

Participating in this sponsorship allows Citizens to reach a great number of customers and stakeholders through the media, excuse me, through these media outlets that they already monitor.

And just to give you some statistics about the value of what this really gives for us. Florida public media reaches nearly 1.5 million listeners weekly. Radio promos will run drive time and selected times during the daily schedule. Specific messaging will air during hurricane season to promote the preparedness and inform listeners about CRC locations if needed.

The radio spots will have 34 million impressions, which means people have heard this spot and have an estimated value of about \$604,000. The TV promos reach an estimated 203 million total viewers and have a \$323,000 value. An integrated web tile on F print storm safety page and featured link on the home page will generate an estimated 1.7 million views monthly. Approximately 52 million views over the three-year agreement.

Co-sponsorship of F print storm safety events is valued at \$15,000 for the three-year agreement. And as I mentioned the total value of the package as described is a value of \$1.556 million for the three-year term with a cost of \$613,824. And if there are no questions, I am happy to read the recommendation.

I should note the procurement method as it has been in the past is sole source and we did do the required 72-hour intent to award notice to ensure there were no other vendors out there that could provide these services. If you have any questions.

**Chairman Brown:** Members, do you have questions?

**Governor Henderson:** This is Reynolds Henderson. I have one question. Just related to the Internet and is this -- do they do any Facebook or any of these social media networks? Will they be working those when we need to, because so many people get their information on Facebook or Instagram, et cetera, Twitter? Again, is it going to blanket those as part of this contract? I am very much in favor of this contract either way. I am just curious.

**Ms. Mullins:** Yes. They do have a social media presence, and yes. As you know, we have a social media presence, but they absolutely are our social media and the significant digital presence that obviously would be ramped up when there are storms or other events occurring. So yes.

**Governor Henderson:** Okay, great. Thank you.

**Chairman Brown:** Any other questions of Christine while we have her to discuss this now? Now, I do have a quick one before we call a motion on it to recommend to the Board. How many years have we been doing this?

**Ms. Ashburn:** I believe we are 2019 was our third year. I can double check. Yes, at least three years. I think that is Mike Hares who runs this project contract for just wrote me and said three years. So, this would take us into what we would then complete six years doing this. I can't underestimate how valuable this has been to us.

**Chairman Brown:** Well, I hear it, I listen to WLRM, I hear it frequently, especially during the season. So yes, we are very visible on those public radio channels at least. Okay.

**Ms. Ashburn:** Yes. And Madam Chair, if I could make one note. If it is okay with you before I read the recommendation. Just one typo noted on the contract term on the action item.

The contract term is stated as March 15th. It's actually March 25th which would be pending approval of the Board. So, I apologize for that typo and we will correct that to March 25th for the action item in the Board book.

**Chairman Brown:** Okay, great.

**Governor Capps:** Madam Chair, this is Blake. Can I ask one more question?

**Chairman Brown:** Sure.

**Governor Capps:** Yes, Christine, these radio spots are given out during the hurricane season. And say there is a hurricane season where we don't have any hurricanes. Is the frequency of the spots different in that scenario than in a scenario where we actually have a hurricane?

The frequency and the messaging of course, I am sure would be different, but just curious as to, are the spots ramped up a lot during an actual event?

**Ms. Ashburn:** Yes. That is a great question. The answer to that is yes. So, we have a year-round sponsorship that obviously would be focused, our messaging would be focused on the season. So, we are guaranteed spots and coverage throughout the year, but as there is a storm in the box, the reporting of tropical updates and such that we sponsor does increase our spots.

So, we get a benefit of having additional coverage when there are storms, but we are guaranteed coverage under this contract whether or not there is a hurricane. So, it would increase when you do have storms, but we have got good coverage and we are guaranteed coverage whether or not there is a storm. So yes, it does increase, but we are covered regardless.

**Governor Capps:** Very good, thank you.

**Ms. Ashburn:** You are welcome.

**Chairman Brown:** Super. So, would you go ahead and read the recommendation, Christine, please?

**Ms. Ashburn:** Yes. Citizens' staff recommends that the Board of Governors approve the recommended award and resulting sponsorship to Florida public media. Authorize staff to take any appropriate or necessary actions consistent with this action item and approve a three-year Florida statewide title sponsorship not to exceed \$613,824. And that is the recommendation, Madam Chair.

**Chairman Brown:** And we would be approving -- recommending to the Board the approval, correct?

**Ms. Ashburn:** To the Board, that is correct, yes, ma'am.

**Chairman Brown:** May I have a motion?

**Governor Capps:** Madam Chair, this is Blake Capps, I will move approval.

**Chairman Brown:** Is there a second?

**Governor Henderson:** Second, Reynolds Henderson.

**Chairman Brown:** Any objection? Okay, then we passed the motion to recommend to the Board to approve this action item.

**Ms. Ashburn:** Thank you for your support.

**Chairman Brown:** Sure. And Christine, I know there is also a single source contract page in the book. Do you want to talk about that, and also some of our advertising and public media information?

**Ms. Ashburn:** Sure. So, this notice is just to show you like I mentioned that the item we had was single sourced. That this is what we posted.

And then really the presentation in the back is really just to give you all additional detail of what we are really getting for this and what this sponsorship really means to us.

So, unless there are any questions on the detail, I think the highlights are covered in the talking points I shared with you all prior to the vote.

**Chairman Brown:** Thank you, Christine.

**Ms. Ashburn:** You are welcome.

**Chairman Brown:** Is there any new business to come before this committee? If not, I will entertain a motion to adjourn.

**Governor Henderson:** Madam Chair, it is Reynolds Henderson, I move that we adjourn.

**Mr. Zelman:** This is Phil Zelman, I will second that motion.

**Chairman Brown:** Thank you all. Be safe and we will talk to everybody at the Board meeting next week.

**Governor Henderson:** Thank you all, thank you folks.

#### **4. New Business**

**A motion was made by Reynolds Henderson and seconded by Phil Zelman to adjourn. All were in favor. Motion carried.**