



## Changes to Policy Language that Impact Claim Payments and Coverage

The Florida Office of Insurance Regulation (OIR) has approved new policy language in the following policy types for new business and renewal policies effective on or after July 1, 2016:

- *Citizens Homeowners 3 – Special Form (CIT HO-3)*
- *Citizens Homeowners 6 – Unit-Owners Form (CIT HO-6)*
- *Dwelling Property 3 – Special Form (CIT DP-3)*

*The summaries of changes provided below are for informational purposes only and subject to relevant Citizens policy contract language.*

### Duties After Loss

#### Reasonable Emergency Measures

In case of a loss to covered property, the revised policy contract requires policyholders to take emergency measures for the sole purpose of protecting the property from further damage.

- Reasonable emergency measures are limited to the greater of \$3,000 or 1 percent of the Coverage A limit, unless the policyholder receives Citizens' approval in advance to exceed this amount.
- Reasonable emergency measures may include permanent repairs if necessary to prevent further damage or prevent unwanted entry to the property.
- To the degree it is reasonably possible, the damaged property must be retained for Citizens to inspect.

#### Loss Reporting

Policyholders must give prompt notice to Citizens. Except for the policy provisions regarding reasonable emergency measures, there may be no coverage for permanent repairs that begin before one of the following occurs:

- 72 hours after the loss is reported to Citizens
- Loss is inspected by Citizens
- Verbal or written approval is provided by Citizens

### Additional Coverage Changes

Coverage changes have been made to the following:

- **Coverage C – Personal Property:** Water or steam, when considered personal property (utility costs, bottled water, etc.) is not covered. If water or steam needs to be replaced as part of a covered loss, it will be covered (for example, replacement of water in a swimming pool when there is a covered loss to the swimming pool).
- **Additional Coverages:** *Reasonable Emergency Measures* is introduced.
- **Collapse** coverage has been revised to state that abrupt collapse of plumbing and other similar systems from age, deterioration or maintenance is not covered.
- **Perils Insured Against** include the following:
  - Additional details have been added to the peril of *Accidental Discharge of Water or Steam*, which states that coverage is provided for access to replace only the part or portion of the system that caused the covered loss, regardless of the condition of the entire system.
  - Revisions to support other contract changes

Amended policy documents are available through OIR's [I-File system](#) by entering the following log numbers in the search box on the *Quick Search* tab:

- **FCP 16-02737** (PR-M HO policy forms)
- **FCP 16-02738** (PR-M DP policy forms)

