

CITIZENS PROPERTY INSURANCE CORPORATION

**MINUTES OF THE CONSUMER SERVICES COMMITTEE MEETING
Wednesday, June 23, 2021**

The Consumer Services Committee of Citizens Property Insurance Corporation (Citizens) convened telephonically on Wednesday, June 23, 2021, 1:00 p.m. Eastern.

The following members of the Consumer Services Committee were present telephonically.

Jillian Hasner, Chair
Reynolds Henderson, Chair
Carlos Lopez-Cantera
Tasha Carter
Greg Rokeh
Phil Zelman
Christine Ashburn, *staff*
Jeremy Pope, *staff*

1. Approval of Prior Meeting's Minutes (June 23, 2021)

CHAIRMAN HASNER: Thank you, Barbara. I thought we might take a minute, since I know I'm new, but that we might take a moment to introduce, to have everyone, the committee members, introduce ourselves. So, as I said, I'm Jillian Hasner, Chair of the Consumer Services Committee. I am also President and CEO of Take Stock in Children Florida. We are a mentoring and college scholarship organization serving 15,000 economically disadvantaged at-risk students each year throughout Florida. And it's a privilege for me to serve on this committee. Tasha, I'll hand it to you.

MS. CARTER: Okay perfect. Thank you so much. My name is Tasha Carter and I serve as Florida's Insurance Consumer Advocate. I was appointed by Chief Financial Officer Jimmy Patronis in 2019 and I currently work up underneath the Department of Financial Services. Happy to be here and thank you.

GOVERNOR HENDERSON: Thank you. This is this is Reynolds Henderson. I'm on the Board of Governors with Citizens and have been since 2019. I was appointed by the Senate President, Bill Galvano, at the time. I've been on this committee, I believe, about a year, maybe a little less. And look forward, so glad to have you as chair, Chair Hasner and look forward to serving on this committee and helping in any way. I think that's very awesome, your background and experience, so I look forward to learning from you. Thank you.

CHAIRMAN HASNER: Who wants to be next? How about Governor Lopez-Cantera?

GOVERNOR LOPEZ-CANTERA: Sorry, I apologize for being late, Madam Chair. What am I supposed to do?

CHAIRMAN HASNER: Introduce yourself.

GOVERNOR LOPEZ-CANTERA: Oh, my name is Carlos Lopez-Cantera. I've been on the Board of Governors since I think 2019. I was appointed by Speaker Oliva and I'm the former Lieutenant Governor of the State of Florida.

CHAIRMAN HASNER: Thank you. Mr. Zelman?

MR. ZELMAN: I'll go next Phil Zelman. I am sitting on this committee, as a representative of PIA - Professional Insurance Agents of Florida. I have been on this committee, I know it is well over 10 years, maybe you could fill me, Greg, in as to how long, because he's been on as long as I have. I represent South Florida.

CHAIRMAN HASNER: Thank you. Mr. Rokeh?

MR. ROKEH: I'm Greg Rokeh. I'm a realtor from Orlando. I was appointed by the Florida Realtors to serve on the MAAC group, a number of years ago and through my service there, I was asked by Citizens if I would serve on this committee.

CHAIRMAN HASNER: Thank you. Have I missed anyone? Well, thank you all very much. I appreciate your attendance at today's Consumer Services Committee meeting. This is my first meeting as Chair of this committee. We are officially in hurricane season and have already had a named Tropical Storm, Claudette.

So, today's meeting is timely and we look forward to today's presentation. Again, thank you all for your participation today. If there is anything that you think I could improve upon as Chair, please be sure to let me know. On that, I move that we entertain a motion for approval of the February 17, 2021, Consumer Services Committee meeting minutes.

GOVERNOR HENDERSON: So moved. Reynolds Henderson.

MR. ZELMAN: I'll second.

CHAIRMAN HASNER: All in favor, say aye. The motion carries, thank you.

I would now like to recognize Jay Adams, Chief of Claims, to present to the committee, the 2021 Catastrophe Plan Highlights. Jay?

2. 2021 Catastrophe Plan Highlights

MR. ADAMS: Thank you, Chairwoman Hasner and committee members. For the record, my name is Jay Adams. I'm the Chief Claims Officer at Citizens. I'd like to give a brief overview of our 2021 Catastrophe Plan Highlights. Our main document is very detailed, and it is in excess of 500 plus pages. So what we've done is tried to distill down what would be most relevant for this Consumer Services Committee. If we could go to the next slide, please.

The Citizens response to the catastrophe plan is really an enterprise-wide plan. And what I mean by that is each business unit within the organization has a catastrophe coordinator and we work with those catastrophe coordinators to help develop their individual business unit catastrophe response. What that does is that helps us understand what they will need to do in order to scale up to help support the Claims response. We also use this as an opportunity to really set the tone for a customer-centric catastrophe plan, focused on the customer. Next slide, please.

As we talk about the plan administration, as I just stated, we do have business unit coordinators and we work with those coordinators throughout the planning season, to make sure that their individual business unit plans really do fulfill the needs that they have and it integrates into the master catastrophe plan. Catastrophe Operations is really responsible for all the planning, testing and coordination, and that is embedded in the Claims operation. Next slide, please.

Covid-19, what have we had to do for that? Well, we had modified our Catastrophe Response Plan to make sure that it is CDC compliant. We will continue to make any kind of additions or changes, based on what the guidelines are at the time of any response. One thing I do want to point out is – last year, back in March, we had to implement Covid protocols for our normal claims handling. So, we have been operating in this Covid model for a year and a half almost. We'll continue to leverage that same process as we roll into any catastrophes that occur during the 2021 season. Next slide, please.

The first thing that we have to do in the catastrophe plan is to start the planning process. And, as you know, catastrophe season, today, runs from June 1 to November 30. On December 1, we begin planning and working with those business unit coordinators and we work with them up until about April, when all the individual business unit plans are due. Then we spend about a month to a month and a half rolling that information into our annual catastrophe plan and that's what makes up that 500-plus page document that I

was speaking of. Next page, please.

When an event occurs, we have to determine what we're going to do for office space. And as many of you know, in today's environment many workers are working remote. Citizens is not much different from that. We have set up our Claims operation, traditionally, to be a remote workforce. Catastrophe response typically requires that to happen to be effective. So, if we were to respond to an event today, we would leverage a remote work force or our people working from home today. If necessary, and we needed to deploy some of the other vendors in our contracts – for example, Fast Track. They have off site locations, and we would implement that they would turn on their operation and respond from another state. And then we do have some appraisal desk adjusters that are currently deployed. Those folks are working out of the independent adjuster firm offices, and they could be local here in the Jacksonville office. We also will be looking for a hotel strike zone field office, and that would really be to help house Citizens staff, as necessary. We'll talk a little bit about what that looks like and who might need to go. And then we have a CSV strike zone, which is really a field office vehicle and that's really what we refer to as the Claims Service Vehicle. Can we go to the next slide, please?

This is an example of what that vehicle looks like. It is a trailer, and that trailer has a generator, has satellite capability, and that gives us voice over IP and data connections. What we do is, we will take this trailer out as a command-and-control center for our Claims or Catastrophe Operations leadership. We will move that out in the field to areas where there is no connectivity, you know, maybe we refer to as a ground zero type operation. What we can do from that is we can not only do command and control, we can leverage that trailer to bring adjusters in to train them that may be struggling with our best practices or estimating guidelines. We can also use this trailer for independent adjusters to be able to come to a parking lot where this may be sitting and just in close proximity would give them the ability to connect to our satellite connection, and that gives them the ability to upload and download their claim-specific information. A lot of times during a catastrophe event, there may or may not be any cell service or data service in certain pockets that we're responding to and we have to be able to have a methodology to get the claims to the adjusters. And then they have to have a methodology to return it to us so that we can start the claim payment process. Next slide, please.

Another response that we have is a Catastrophe Response Center. We have three of these vehicles and again, following an event, we typically move those vehicles out to the hardest hit areas. A lot of times they may be remote, often times it would be scenarios where, again, there's no power, there's no phone or data connection, and the policyholder really has no ability to report their claim. This Catastrophe Response Center is fully designed for the policyholder in mind. These vehicles are trailers as well. They are self-sufficient. They have generators, and they also have satellite technology. What we do is, we will publicize where these will be. We put up signs in the immediate area, directing folks here. And this is a place that people can come to file their actual First Notice of Loss. They can also ask questions about their policy, their coverages. We can give them insurance advice. There are claims adjusters on site. And we have the ability also to provide an advance Additional Living Expense check, if they so need. Next slide, please.

For our catastrophe planning to really be successful, it's necessary for us to annually conduct, I'll call it mission critical testing, in some of our really dependent spaces such as the First Notice of Loss Call Center. The vehicle that we just showed, the Catastrophe Response Center, we'll deploy that, we'll bring the volunteers out, let them set it up, handle some mocks exercises. And what that does is that allows the Citizens volunteers to understand what types of activities they may be performing at the centers out there in the field.

We also do bulk check printing. And the reason we do that is in a normal environment, you know, we print checks on a day-to-day basis, but in a catastrophe response that check printing need increases exponentially. And we need to make sure that the equipment on site can handle that increased volume, so that we can keep pace with writing the checks to the insureds and not create any kind of backlog in that space.

We load or stress test the system and what that does is it simulates the increased volume of adjusters and people that are pinging against our Claims Management Systems and it simulates that activity from an increased user basis, to make sure that the system can in fact hold up to the volume we anticipate.

Then we have a contract with a company called Agility. They provide portable office setups and those are

self-contained units. Those units have generators, air conditioning and they have satellite connectivity as well. So, if we needed to go to a big parking lot somewhere or there was a big field available and we needed to really set up some type of remote office and there may not be an infrastructure in place for staff, we could leverage this type of setup so that we can continue to be responsive to our catastrophe response. Next slide, please.

Part of the preparedness is testing, as we just spoke about. Here's an example of an FNOL or First Notice of Loss Call Center where we actually do CAT testing. And what we do is we simulate the Call Center getting significantly larger claim volume than they normally would, they then bring in new resources or additional resources. They train them on Citizens processes and then put them on to actually handle calls. What we do is we evaluate what that looks like. And if we identify gaps in any of their processes, then we work with them to develop action plans to strengthen their catastrophe response. That way when Citizens has a need for increased call center support, those folks are ready and really have tested whether or not their plan is going to work. Next slide. I began speaking about our coordination, one more, please.

Our catastrophe response phases – we break these down into different areas. In each area, or phase, has a slightly different meaning. So, the Preparedness Phase is what we spoke about, we start December 1, we plan through April. The idea is once we get through this process our CAT plan is developed and then we are set for the following season.

During the Monitor Phase, this would be anytime that the National Hurricane Center has put up an invest or they're watching some type of system. What we do from a catastrophe operation, is we start monitoring that with the National Hurricane Center. We send out daily communications to the CAT Coordinators. It's nothing more than an awareness phase, so that people can begin to prepare in case we need to go to the next Phase, which is Activation.

Anytime Florida is issued a warning or watch for a hurricane or tropical storm, we move into the Activation phase and we may also refer to that, as you know, there's an imminent chance of some type of landfall. When we move into that phase, what we do from a catastrophe operations perspective is we hold daily Catastrophe Coordinator calls, that has each of those business unit coordinators on as well as the ELT or the Executive Leadership Team. What we're really doing is we're validating that each business unit group is prepared. We are signaling what we in Catastrophe Operations believe may happen. We are advising them, up to date, what we think the claims volume could potentially be because those are all pieces and parts that the coordinators need to engage their pieces of their respective CAT plan.

Then we have the Landfall and that's usually the first 24 to 48 hours after there is some type of landfall event. What we do in that phase is we are really putting together the finalization pieces and parts to what our deployment needs are going to be. Prior to the landfall, we can only project what we think may happen. Once we get past landfall, we have aerial imagery and such that are available within usually 48 hours. This gives us an opportunity to look at the area, look at the damage and see if our original deployment request and such are going to be adequate. If they're deemed inadequate this gives us an opportunity to make adjustments to what we're doing.

And then Recovery, that's really the nuts and bolts of the claims handling. At this point, a lot of the rest of the operations are starting to go back to normal. At our Catastrophe Response Centers, we'll still be up and going and we likely will have them in the field for 30 to 45 days, sometimes as much as 60 days. And then, we break the Recovery Phase down into some subsets and those really are for claims purposes. We stay in a Recovery Phase for that event until we can return back to normal business operations and turn the claims handling back over to the non-catastrophe group. Next slide.

So, let's talk a little bit about some of the catastrophe response workflows. Without going into too much detail each claim has a claim owner, which we call a desk adjuster and the person that owns that claim could be a staff member, it could be somebody in the appraisal group, we could assign it to the Fast Track team, or it could be to an independent adjuster that is working remote somewhere else in the country. We then issue what's called a task, in the system split that claim and send it to a field CAT independent adjuster. That independent adjuster goes out and they scope and estimate the loss. They take some basic notes in the claim, and then they send it back to the desk adjuster. The desk adjuster then would finalize that estimate and

package of information that would be deployed out to the insured. Next slide, please.

We've developed quite a few tools here at Citizens to be responsive to a catastrophe. This tool right here, our GIS tool, is world class. I mean we are definitely industry leading and the technology we have in this space. What this tool does is, it is a GIS interpretation of Citizens Policies in Force. So, we can turn them on by type of policy: commercial, residential; by product form: HO3, HO4. Then we can layer different pieces of information over those Policies in Force.

For example, the National Hurricane Center sends out regular broadcasts of their forecast in a digital format throughout the life of the storm. We take those downloads automatically, they're uploaded to this tool. I can take that and lay it over top of our policies and then we can get an idea of how many policies might be impacted. Now there are other characteristics of the storm you have to consider: the wind speed, the category, the location, the geography and so forth. We also have surge tools that the National Hurricane Center has developed that we can layer in there as well. What that does is that gives us an idea of those policies that we need to focus on the fastest. Those are likely to have the most damage and we'll have to send our most experienced adjusters out for those because the storm surge is not a covered part of the loss. We would owe for any resulting wind damage and it's often difficult to separate the wind from the surge. So, we use this tool to get an idea of where that surge may occur and how much it might be. That helps adjust those claims.

The next tool is a resource calculator. What we do is take the information that we gained out of the GIS tool, right? So really what we're after, initially, is how many policies do we think potentially could be impacted? We take that information, and we load it into our resource calculator and this resource calculator takes all the claim business units and each business unit says for this many claimed, we would need this many more independent adjuster or contingent resources to be able to provide the same level of service. It takes the entire Claims Catastrophe Plan into effect. We also look at the category of the storm, the wind speed of the storm and the geography of the state, and we have an algorithm built around those types of things. We plug it into this tool and it will spit out and go you need this many desk adjusters, this many field adjusters, so forth and so on. That gives us the ability to go to market first for independent adjuster deployment requests. And the way, really, claims works in the marketplace immediately following a catastrophe is those folks that can get to market first and make those requests will get the better resources and potentially get all the resources they asked for. If you are two, three, four weeks deep in making your request, what ends up happening in those scenarios is a lot of the resources are already spoken for by other carriers and then you kind of get left holding the bag. Next slide.

With each catastrophe response, there's often times travel associated with it. We've worked with our Vendor Management Office to secure temporary housing contracts with two different vendors and that guarantees us housing in or near a marketplace where a storm is likely to make landfall. We need those accommodations for our Catastrophe Response Center volunteers and those are all Citizen staff folks that come from areas outside of Claims that have volunteered to go to the field to help our policyholder. It also is needed for housing any Claims employees that might need to go to the marketplace, like our catastrophe managers and such, to manage the storm on site. We have contracts with rental car companies because at the time of an event, we need to make sure that we have the right types of vehicles available, and we use that to shuttle equipment out to the disaster site. And it also shuttles the Catastrophe Response Center personnel out there and ferries them and back and forth between the hotel and that center on a daily basis. Next slide.

We have quality assurance built into our response and we use quality assurance across many different areas. What we're trying to do is, we want to make sure as this response unfolds that all these new folks that are engaging to help Citizens in their response, the independent adjusters, are following our best practices and, most importantly, our estimating guidelines. The better estimate we can write, the better chance we have of actually settling that claim and the policyholder not wanting to engage a third-party representative or potential litigation down the road. What these folks will do in quality assurance is as the claim estimates are starting to come back from the field, they do a review of them to make sure that they are compliant against the estimating guidelines. They will do training for desk adjuster teams, they will do training at the Fast Track facility, they will send re-inspectors out to the field and they are conducting right along with the adjusters that might be struggling to meet the estimating guidelines. As we move further into the response, maybe several weeks in, then they start looking at closed file reviews and they're looking to identify any claims adjusters who

may not be cutting it, and then we might release some of those adjusters. They also do re-inspections in the field. And when it's all said and done, we usually do a closed file review to take a look at how our overall response went and that way if we need to make adjustments in the future, we can do those types of things. Next slide, please.

So, when a catastrophe occurs, unfortunately here in Jacksonville, it seems like over the last few years most all these storms, although don't make direct landfall here in Jacksonville, they seem to impact downtown Jacksonville where our office is. And it's mission critical that we are able to communicate with our entire, really the entire enterprise, but specifically the Claims folks because they're going to engage day one as soon as this landfall has occurred. We have a mass voice messaging system that we can ping home phone, cell phone, desk phone and actually text the employee as to what's going on. We also have an emergency hotline. We email them to their corporate email accounts. We have multiple web pages that they can go to and review. And then we also communicate on Twitter and Facebook.

We also do quite a bit of communication for our policyholders. Pre-storm, we're sending emails to people that we think may be impacted using that GIS tool. When the event has made landfall, we are certainly sending out emails. We also do communications on radio. Every opportunity we get, we're trying to send the messages out to keep people up to date. And the next slide?

Really, in conclusion here is at the end of the day, we believe that we are well prepared to handle a catastrophe. We put endless hours and time into a dedicated team that does nothing but catastrophe planning and response. We work our plan, we test our plan and we're doing everything we can to be able to provide the highest level of customer service we can when the policyholder has their greatest need. And with that Chairman, that concludes my presentation. I'll be glad to take any questions.

CHAIRMAN HASNER: Excellent. Thank you, Jay. Does anyone have any questions for Jay?

MR. ZELMAN: Just a comment, this is Phil Zelman. Sitting on this committee and sitting on the MAAC for probably close to 15 years, I have watched this Claims department develop from nothing to what you're seeing today and it's unbelievable how we can serve the consumers quicker than we've ever done before. Chair, I just wanted to make that comment.

MR. ADAMS: Thank you, Phil. I appreciate it, it is a team effort. All ELT team members have a stake in it and to be honest with you, the whole corporation comes together in the time of a CAT and I believe that is success behind Citizens' response.

MR. ZELMAN: No, I couldn't disagree with it.

MR. ROKEH: Jay, this is Greg Rokeh, I've got a question. I know in the past you've used post event aerials to be proactive on your initial claims. Is that something that's still in the plan and something that you're still going to be using going forward?

MR. ADAMS: Absolutely. So, during Hurricane Michael, we have a contract with GIC, which is a subset of the National Insurance Crime Bureau. They typically have airplanes in the air within 24 hours after the event has passed and within 48 hours, we actually have aerial imagery that we can load into our GIS tool and look at claims on a loss-by-loss location. During Hurricane Michael, those claims that were deemed to potentially have significant surge exposure, we started there and assigned all those claims to our Large Loss Group. And we actually were handling and settling claims on behalf of the policyholder who had no idea that their house was gone. We turned in claims on their behalf. We contacted them, and when we contacted them, we had the settlement in hand to be able to write the checks. So, we will always leverage that aerial imagery and any technology that's available to assist.

The key to catastrophe handling is you got to get to the policyholder as quick as possible. You got to get an agreed scope, an estimate with that policyholder, and get a check in their hands, so that they immediately can begin repairs. Any delays in any of that process really causes policyholders to get upset and start questioning should I get a public adjuster, a plaintiff attorney. Then you really lose control of the claim process.

MR. ROKEH: Thank you.

CHAIRMAN HASNER: Any other questions, comments? If there are no other questions, then we will move on and I would like to recognize Jeremy Pope, Vice President of Customer Experience, to present updates on Citizens 2021 Catastrophe Preparedness on both consumer response and self-service initiatives. Jeremy?

3. 2021 Catastrophe Preparedness: Consumer Response and Self-Service Initiatives

MR. POPE: Thank you, Chairman Hasner, and good afternoon to you and the fellow committee members. For the record, my name is Jeremy Pope, Vice President of Customer Experience. I have two brief updates to share with the committee today and I'll start with the 2021 Catastrophe Preparedness Consumer Response update which is located within section three of your committee materials.

Today's update will build off of what Jay just previously shared around efforts to ensure we are prepared to respond to a catastrophe as an organization. For this committee, I would like to provide additional insight, which I feel helps to summarize our efforts to ensure we are prepared to meet the immediate needs of our consumers should a catastrophe strike this storm season.

So I'll start here on slide two of the deck provided and talk through two critical customer facing service channels that we place a significant amount of focus on to ensure Citizens has the appropriate resources and infrastructure to respond. Jay mentioned both of these service channels, and this is our Catastrophe Response Centers which we brand is the CRCs and our call centers that handle our First Notice of Loss activity for our policyholders.

Now, for background purposes, when a major event impacts the footprint of our policyholders, as Jay shared, Citizens deploys onsite policyholder support in a local area of need. We brand such support as our Catastrophe Response Centers, which are fully functioning remote offices that have generators, satellites, cell phone, Internet connectivity. Essentially, a policyholder is able to walk up verify their coverage, file their claim and can even be provided an Additional Living Expense disbursement, when appropriate. And for a lot of consumers, such funding helps them obtain the necessities such as shelter and food after a major event.

We do have a total of three Field Service Vehicles that we own. This gives us the ability to set up three different CRC sites at once, and as Jay shared, that we move those across the local area when needed, depending on the event. Depending on the overall need as well, the size of the event, we typically staff each site with 12 to 25 employees. These are employees that are across the entire company that sign up for deployment. In addition to our three Field Service Vehicles, we also have the ability to deploy smaller setups. These are known as our pop-up sites and this type of setup is really geared for areas where we still need some type of consumer outreach after an event, but it may not be appropriate to set up our typical CRC footprint. It may be too massive, or we may not have a high concentration of policyholders in a specific area. So, these smaller setups are staffed with as little as two employees and essentially, they offer the same level of service as a fully functioning CRC.

Here on slide three, you'll see what we have set is a modified footprint, as of today. And this is because we know the state is opening up and we're coming out of this pandemic, to some degree. But we're still keeping a modified footprint and essentially what that does, and you can see the schematic is just spaces our tables out and chairs amongst our policyholders and our staff. If we were to revert back, and we know the guidelines continue to change, back to what we would call our normal state, there would be some additional tables and chairs, that would be available for policyholders. So, policyholders walk up, they check in. We have a little waiting area there, if you will, and then they literally sit with somebody to file a claim, potentially. Or if they have an existing claim, we have adjusters on site and they're able to meet with those adjusters if there's anything complex, or if they have questions about their claim or whatever it may be. Again, what's the biggest thing, I think the biggest benefit here is that we're able to cut a check on site, if we need to. And if the policyholder prefers to have an ALE check, if they're eligible, to help them obtain some of those necessities I spoke about.

We do have 24-hour security at these sites, that's both for our staff and also for the policyholders. In addition to cutting checks, policyholders also, what we kicked off last year, is the ability to activate an electronic funds

transfer if they prefer that route to obtain their funds. Obviously, we have cleaning and sanitizing protocols that are in place that we essentially plan to keep that going even post pandemic, if you will, but this just gives you a visual of what the sites look like out in the field.

I'll transition now to slide four. You'll find additional background around our call center support that Jay mentioned. While Citizens does have an internal call center, we do outsource a large amount of our First Notice of Loss calls during a catastrophe. As you can imagine, outsourcing helps us obtain and ramp up massive amounts of resources and staffing to support anticipated First Notice of Loss call volumes. We have secured contract with vendors, who provide support and service to our policyholders 24 hours a day, seven days a week, 365 days a year. With these vendors, we do have an annual unannounced mock stress testing. In fact, we just tested our primary vendor in May, where we generate artificial call volume and we basically assess their ability to bring in resources and also their technology that they use to ensure that we have no issue should it be a real event.

We also, these vendors help us with outbound calling campaigns, and you know we partner with Jay's team. And what will happen, a lot of times, when we have an event that impacts the state, we will proactively reach out to our policyholders that are within the cone of the storm, if you will, where we know damages occurred within a particular area just to check up on them. And while we're checking up on them, reminding them that we're here and if they need to file a claim, we'll do so right then and there on the call. So we really try to provide that proactive support to the policyholders where we can.

We do, just from a coverage perspective, our primary vendor we have on contract at this moment, we've secured up to 30,000 calls per day. We also have six additional contingent vendors. But two of those vendors, will give us an additional 15,000 guaranteed, so we essentially have 45,000 calls per day. That is guaranteed from a vendor perspective when it comes to support.

I'll transition over to slide five. And this just gives you, just our historical response and what some of the activity has been. You can see, back in 2017 with Hurricane Irma, you know thinking about the CRC activity, the dates that we had CRCs open, are listed there. We had a total of five locations that were opened at some point, and we serviced almost 1,800 policyholders that showed up to one of the sites. We filed over 800 First Notice of Loss, so filed the claims right there on the on the spot. And we also, we get a big audience a lot of times for folks that are not our policyholders, which is absolutely okay, but a lot of times citizens of the state show up and they're asking where the insurance village is located, sometimes, or they're asking about the American Red Cross. A lot of times we're able to point them to the appropriate resources in the area by any means.

Just so you know, in the CRC sites, we usually have water we're handing out to policyholders, even non policyholders, to be honest with you. We have charging stations that are set up for their cell phone coverage for policyholders if they need to charge their phone, so we try to make it as comfortable as possible with the setup that we have out there by ensuring that they know that we're here for them in a time of need.

Back in 2017, for Hurricane Irma, we wrote over \$1 million in ALE checks that were dispersed on site and with the call center activity we had over 99,000 calls received. We trained over 865 customer service representatives, and that was between five different vendors and that included 11 sites throughout the country. Anytime we ramp up call centers in that manner, we always have Citizens' personnel on the ground to assist the training and also just the communication, because, as you can imagine, during a response protocols and workflows are constantly changing. Because every storm is unique to some degree, so we always have that strong communication on site and the resources on site for these vendors, to set them up for success.

We also, as I mentioned those outbound calling campaigns for Irma, we conducted over 40,000 outbound calls just checking up on policyholders because they did not file a claim as of yet and we knew that there was devastation within the area. We received, I remember back then, a lot of positive feedback and that's something that we have built into our planning from a best practices perspective.

In 2018, Hurricane Michael, not as big of an event but still devastating to our policyholders. We had four CRC locations that were open, only 266 policyholders showed up at the sites for assistance. We filed over a little bit

over a hundred claims on site, and then we cut close to \$350,000 in ALE checks on site. Call center activity not nearly as high as what Irma was, but we did receive over, almost 13,000 calls tied to this event. We only had to train 147 customer service representatives and we did also activate an outbound calling campaign where we conducted 31,000 calls to check up on policyholders.

I'll move to slide six and just a recap again, wanted to provide some additional insight as to some of the preparations we've executed to respond to our consumers but, again, we have over 101 employees fully trained already for this year and willing to be deployed to support, whether it be the CRC or our call center response efforts. With our primary vendor we have, they've committed over 30,000 calls per day, which is equivalent to 948 customer service representatives and that's 24-hour support should we need it, to take those calls by phone.

We also conducted a mock CRC. So, back in April in the parking lot here in Jacksonville some of those volunteers showed up and we set up the entire shop just to ensure that everybody knows how to set up all the tents, how to set up all the tables and then most importantly, the customer protocols that we have in place to make it an efficient and safe process for everybody that's involved. And then I mentioned already our annual stress testing we conducted that in the middle of May with our primary call center vendor. And we also last week, conducted a test with a contingent vendor just to make sure, and we have plans for additional unannounced testing throughout the summer, just to ensure that our vendors are prepared should we need them. Because essentially we give them, usually, they have to ramp up within 72 hours, so we are, as you can imagine, working around the clock when these storms are out there and anytime there's any type of threat that is on the Florida coast we're working, we're in contact with these vendors, as appropriate.

I'll transition over to slide seven and I'll wrap up. Would just like to make mention to the Committee on the various efforts that all these activities, efforts, deliverables that you heard today, you can imagine, when a catastrophe strikes the Citizens team is working around the clock, literally, and all hours of the day, extended days, even through the holiday sometimes. It takes a significant effort to execute these logistics as an organization and what I shared to you today takes cross-functional support throughout almost every part of the organization to execute so we can provide the best customer experience as possible under the circumstances for our policyholders.

Every time we have a weather event that impacts the state, it really gives us an opportunity for us to be reminded of our purpose as an organization and I can't thank our staff enough, not only for being willing to be deployed and to serve, but also ensuring we put our best foot forward to our policyholders when they need us the most.

I also would like to add, next week Jay, Christine and I are meeting with Greg Thomas with the DFS to really talk through our organizational planning for this year's storm season. We've had great dialogue in the past and continue a strong partnership with the DFS as we work very closely together when a weather event impacts the state. And I would be remiss if I also didn't mention our partnership with Tasha Carter, Florida's Insurance Consumer Advocate, as we continue to appreciate, not only the partnership, but for her reaching out to us periodically for various consumer needs throughout the year, so we definitely appreciate that as well.

Chairman Hasner, before I conclude this update, I would like to provide an open invitation to any of the committee members in the future to drop by in one of our CRCs, if we deploy and I hope we don't have to deploy one of the CRCs this year, but if we do there's an open invitation. I do believe the Committee would find our presence out in the field to be rather impressive and extremely accessible for our policyholders.

So, with that, Chairman Hasner, this concludes my update and I can answer any questions the committee may have, and then transition onto the next update.

CHAIRMAN HASNER: Thank you. Any questions on this before he goes on to the self-service initiatives?

GOVERNOR HENDERSON: Madam Chair, I have a question. This is Reynolds Henderson.

CHAIRMAN HASNER: Go ahead.

GOVERNOR HENDERSON: So, Jeremy, thank you for that. My question is surrounding this live chat pilot and the portals. What's the education process to educate people and train them how to use these? Because the ones we've had to date have not been utilized. You know, there's a low, low percentage of utilization so I just wanted to see what your plan was?

MR. POPE: Governor Henderson, thank you for that question. If you know what I plan on, I can address that in the next update because that's around the self-service initiatives. I'd be happy to talk about what we have on deck to deploy from a functionality perspective and then also, I know Christine is going to be talking about some of the marketing, if you will, that we have planned as well.

GOVERNOR HENDERSON: Okay, thank you.

CHAIRMAN HASNER: Then why don't we proceed, and we'll see if you're able to answer his question in this next part of the presentation.

MR. POPE: Absolutely.

CHAIRMAN HASNER: Does that work for you, Governor Henderson?

GOVERNOR HENDERSON: Sounds great. Thank you.

CHAIRMAN HASNER: Great.

MR. POPE: Thank you, I'll go ahead and reference the second update within section three, which is an update on our self-service initiatives for our consumers. I will start, and as Governor Henderson mentioned it, on slide three and actually, this is just a cover slide here, but I'm going to review our live chat pilot, I'll review our mortgage portal, our customer portal and then also some work we're doing in our IVR, which is the automated phone system for our customers.

And so, here on slide, three reviews that live chat pilot. We just deployed this this past Thursday, and this is the first time that we've ever deployed this technology as an organization externally, and we really are doing this as a pilot to really try to understand what consumers needs may be around live chat and also to validate the acceptance of this servicing tool, if you will, or servicing channel I should say. It is a very limited scope, and this particular pilot is located within a couple sections on our website, but it's geared to help consumers through the myPolicy registration, so if they have any need for assistance, it is there and its live support and can walk them through step-by-step. It will also assist them with website navigation should they have any questions finding anything on our website, that's why we have the pilot open.

Something that this will do, so a consumer is on our website, they have to click on the Live Chat option to open up the service channel, if you will, but if they are attempting to log or register, I should say through the myPolicy application, which is our customer portal and there's two failed attempts, this will automatically, the Live Chat will pop up to try to assist the consumer. This technology was really little to no investment. We were able to use the existing tools we had today and we're testing this as a pilot, obviously, to support the self-service initiatives, but we really want to get a feel for what are some other servicing needs that consumers may want, because we may potentially expand this. We're using the data that we get from this pilot to assist us in determining a long-term strategy, and what our servicing options may be. So, there's a lot of data that we're collecting.

I am pleased to say it was deployed successfully on Thursday. We have limited hours between 9:00 a.m. and 4:30 p.m. right now, when we're offering it as a pilot and there have been multiple, it's not a huge amount, we have over 15 registrations with policyholders that have proactively sought out the Live Chat assistance. That was telling to us and again, we'll continue to collect the data. What we hope to do is to show that, if deemed appropriate, that we will have a long-term strategy that we would present back to this Committee as well, and how we would deploy this on a more grand scale, if you will, across the organization and potentially expand the audience to serve. We would be looking also to see if this would be able to assist agents as well.

This says a couple of things, a successful, obviously, a lower cost to serve, and it also can help us just with

the capacity, as you know, I know we will continue here in the board meeting, the upcoming board meeting, about our growth. This helps us also be able to free up some capacity with some of the staff that are supporting this channel.

I'm going to pause there and I know Governor Henderson, so I wanted to make sure, to see if you have any additional questions on the Live Chat pilot that we've deployed and before I move on to the next update.

GOVERNOR HENDERSON: No, I guess, I would just like to hear updates, you know, as we have Board meetings, updates on the usage and you know, how things are working out with that. I would just love to hear how that goes.

MR. POPE: Absolutely, we definitely will. We'll provide updates in addition to this Live Chat pilot, but also some of the updates that I'll provide in a moment on the on the portal. There are some enhancements that are coming to the portal, we can provide those updates as well.

I'll move to slide four and just review the mortgage portal, that we are currently on deck to deploy around August 11. There is a slight chance that might be delayed by a few weeks with the vendors timeline but as of right now August 11 looks like the date that this will be deployed. This committee provided support for this solution in our December Committee meeting. This essentially will enable financial institutions, rather than call us directly to obtain the policy information, evidence of insurance and submitting lienholder change requests, they will be able to go to a portal and conduct those. There'll be no human interaction whatsoever. It's a win-win. It's more efficient for us as an organization. It's also more efficient for the various mortgage companies. The vendor that we selected already has 71% of the financial institutions that we already deal with and they're going to work with us to get the remaining 29% on board so they understand how to obtain the portal.

Our goal, within six months, is to basically eliminate the calls that come into the organization from these financial institutions and rely just on this portal alone. The carrier that, or the vendor I should say, that we selected is used by 20 national carriers and is also used by six Florida domestic carriers. So, we feel really good about this and again, this is on deck, as of right now, by August 11. This will help reduce call volume, freeing up capacity in-house for the growth that we're experiencing. Any questions around the mortgage self-service portal?

Okay, I will transition to slide five, and this is our CustomerEngage project, which is our customer portal. Today's portal has basically a policyholder can register, they can get their policy and billing details, they can make a payment, they can file a claim and they can also get some high-level claims details. We have maxed out, essentially, any additional functionality or advancements. We have to upgrade our platform, so that platform is being upgraded. It's targeted to be completed in November of this year. What that will enable us to do is to expand with additional functionality.

For the first phase of this project, it will be the same functionality we have today, but one exciting feature, and I believe this will help, and to Governor Henderson's point, will really help with adoption rates, because we are looking to auto register at the point of sale, these accounts. As a policyholder goes in to bind coverage, we want to proactively get them set up. Today, as a consumer comes on the books, we basically, they have to sign up. They come to us, or we have a lot of literature that goes out to them, but we put that responsibility on them, if you will, what we're trying to do is make it as simplistic as possible for sign up for the portal. So, we're looking for an auto registration process that our IT group has explored, and we also met with a Florida domestic company that has the same solution and we were able to obtain some best practices and what they're doing today. Again, that we feel is going to help proactively sign our consumers up with the portal.

Keep in mind that we also have on our website as well, even if they are registered, when it comes to payments, payments alone do not require registration on our on our website at all. They can make a one-time guest payment and we process around 30,000 of those a month. We're also going to look at ways for folks that are processing those payments to see if we have an opportunity to sell and market that portal as well, to try to get as many folks registered for the portal as possible.

Now our Phase Two portion of this project is scheduled to the March timeline is what we're looking at as of right now. This is where there is functionality that our consumers have been asking for specifically around the

document delivery preferences, being able to send them electronic documents, and for them to be able to download policy documents through the portal. That is the biggest piece of feedback we have received from consumers based on our portal today, so we are excited that that will be part of the Phase Two. That is scheduled to go live in March of next year.

We'll also have the opportunity for policyholders to upload claim documents and send notes to their adjuster. In addition to opting in and out of text messaging, SMS text messaging. The more and more functionality that we're putting in this portal, we really feel that the utilization of this portal will get higher and in combination with the auto registration policy, we really feel like we're poised well for higher adoption rates than what we've seen. Right now, we have 26% of our policies are registered with the existing platform. When we met with one of the Florida domestics and we were just curious from a benchmarking perspective, and we know that these portals are, you know, it's not like a banking application where consumers are using them all the time. But we were just curious to what some other carriers look like, and they shared with us 16%, but they just also worked on their auto registration components.

We're going to continue to benchmark as much as we can, but I really do think with the additional functionality and features with this portal, it's going to drive more traffic. And how we advertise today, if you will, and market. I won't steal any of Christine's thunder, but she's going to go over a policyholder newsletter and she can also speak to the various communications that we send on a continuous basis to consumers. But we also have them on our IVR with a call into our call center or call center staff is also educating consumers. We're also, especially with these enhancements of the Phase Two project, will be partnering with Carl Rockman under Kelly Booten's leadership with the agency workforce to make sure they're aware, so they can also partner with us to basically advertise the portal as much as possible.

I want to pause there before I go over the last update and see if there were any additional questions on this at all. And Governor Henderson, also specifically, I wanted to ask you if you had any additional questions on the portal piece or the marketing.

GOVERNOR HENDERSON: No, thank you. This sounds great. I'm about to have to get off the call. I may call you or Christine later and you can get more updates but thank you for this. It is great, I just love to see, our claims being made on the portal and people be comfortable with that portal. So that when claims are made, it goes straight in, get paid out faster, we reduce the amount of losses, that's the goal.

MR. POPE: Fair enough, fair enough. Okay, thank you, Governor Henderson. I'll move to slide six and I'll close – see if there any additional questions and turn it back over.

The last thing and this is just the maintenance, pay-by-phone enhancements. Essentially, we're making that experience today, consumers can make a payment over the automated service. We receive about 5,000 payments a month. It's a little clunky today, we've got two different IVRs. We're essentially going to streamline that and make it more simplistic and put less effort on the consumer, so they won't have to put in their policy number twice or put in their zip code twice. That'll be more efficient and right now we're to be determined. It might go in, as early as July or August, but we're waiting to get a confirmation date from the vendor. Again, we'll provide any relevant update to this committee as needed in the future, and all these projects.

So, with that, Governor Hasner, I'd like to see if there's any questions.

CHAIRMAN HASNER: Any questions? Thank you.

MS. CARTER: Chairman, I have an additional question to ask, please.

CHAIRMAN HASNER: Yes, Tasha. Go ahead.

MS. CARTER: Thank you. Thank you, Jeremy, so much for this presentation and for sharing all of this great information. I really do think that the self-service resources that you've described are great tools to increase customer engagement and also improve policyholder communication, so I think this is excellent, and this is definitely a step in the right direction for your policyholders. Just have a couple of follow up questions for you, on the upgrade from claims portal to CustomerEngage, the expansion of Phase One, is that going to be

implemented at the same time as Phase Two? November of this year?

MR. POPE: No, Phase One will be existing functionality with the auto registration that will go live in November and then Phase Two will be March.

MS. CARTER: Okay. Then the ability to upload notes to the adjuster and upload claim documents, will that information be transmitted in real time? Or is there going to be a delay between the upload on the policyholder side and the receipt at the information by the adjuster?

MR. POPE: As far as we know, we would be looking for everything to be real time, as quickly as possible, so we don't see any delays with that whatsoever and that would take away really what we're trying to accomplish – especially the communication back and forth, that's essentially why we're trying. So real time would be the goal with that for sure. We don't have any, no delays are in sight right at this time.

MS. CARTER: Okay, excellent, thank you.

CHAIRMAN HASNER: Any other questions for Jeremy? If not, then we will move on to Christine. I like to recognize Christine Ashburn, she is Chief of Communications, Legislative and External Affairs, to give us an overview on the Citizens Policyholder Newsletter. Christine?

4. Citizens Policyholder Newsletter Overview

MS. ASHBURN: Thank you, Chair Hasner. Good afternoon committee members, I will make this quick, I know we're short on time. Just wanted to share with you that we have launched a quarterly Policyholder Newsletter that is digital. Our first issue went out with the start of hurricane season and you're seeing a screenshot of the graphics. I will be sharing with all of the board members in this committee the layout of that interactive digital newsletter. It's a great opportunity for us to promote self-service, to educate on calling Citizens first and many other initiatives, like Managed Repair and any initiatives that we have in the future to ensure our customers are aware of what we're doing. Just one more channel, as Jeremy mentioned, we have welcome emails, we do postcards, when needed, we have a bevy of brochures, some of which are mailed at the time of policy issuance and renewal, but we're excited about this new newsletter as another vehicle.

Customers can unsubscribe, just like you have with any other newsletters you see from your carriers or other companies you interact with, and we're excited about this new communications channel. We are able to track analytics for opening and we'll be able to track, in the future, what articles have the most readership and where we see the most clicks, so we can tailor our messaging to the needs of our customers in the future. We're excited about this. I will make sure that all of you get a copy. And, in the future, we will be adding the Board of Governors and the members of this committee and anyone else who's interested to the distribution list if you would like to receive these. So, we just wanted to share that with you and I'm happy to answer any questions.

CHAIRMAN HASNER: Does anyone have any questions for Christine? There are no questions. I want to thank Christine for that update. I also want to thank Jay and Jeremy for their updates. And I would also like to thank the talented and professional staff and team for onboarding me and preparing me for today, as Chair of this Committee and, as a member of the board, so a special thanks to everyone. If there are no, there aren't any other questions or comments related, or are there any other questions or comments related to this committee? If not, then I would entertain a motion to adjourn.

MS. CARTER: Tasha Carter. So moved.

MR. ZELMAN: And I'll second, this is Phil Zelman.

CHAIRMAN HASNER: Then we are adjourned, and I want to thank everyone for being here to participate in today's meeting and I look forward to our next Consumer Services Committee meeting on September 8th at 1:00 p.m. Again, thank you for attending and please join us again in September. Thanks everyone and have a great day.

MS. CARTER: Thank you.

(Whereupon the meeting was adjourned.)

FINAL