

ACTION ITEM

CONTRACT ID:	Annual Recommended Rate Filings – Effective February 1, 2017
BUDGETED ITEM:	N/A
CONTRACT	N/A
PURPOSE / SCOPE:	<p>Purpose: As required by statute, Citizens has completed the annual analysis of recommended rates for 2017. The purpose of this item is to receive approval from the Board to file these recommended rates with the Florida Office of Insurance Regulation.</p> <p>Scope: The presented recommended rate changes include all policy types for manually rated personal and commercial lines of business. These recommended rate changes:</p> <ul style="list-style-type: none">• Comply with the requirement in Florida law that Citizens recommend actuarially sound rates• Are not excessive, inadequate or unfairly discriminatory, and meet the requirements of U.S. Actuarial Standards of Practice except where Florida law supersedes such standards• Comply with the statutory “glide path”• Considers the Florida Public Hurricane Model, as required by law• Include an appropriate charge to pass through the Florida Hurricane Catastrophe Fund Rapid Cash build-up <p>For personal lines, the overall statewide indicated rate change is 64.7%. After the application of the glide-path capping, the recommended rate impact is 6.8%.</p> <p>For commercial lines, the overall statewide indicated rate change is 46.8%. After the application of the glide-path capping, the recommended rate impact is 9.0%.</p>
CONTRACT TERM(S):	N/A
PROCUREMENT METHOD:	N/A
RECOMMENDATION:	<p>Citizens’ Actuarial and Underwriting Committee recommends that Citizens’ Board of Governors:</p> <ol style="list-style-type: none">a) Approve and recommend the 2017 Annual Recommended Rate Filings.b) Upon approval, the presented rate changes will be filed with the Office of Insurance Regulation.
CONTACTS:	John Rollins, Chief Risk Officer