

CITIZENS PROPERTY INSURANCE CORPORATION

MINUTES OF THE CONSUMER SERVICES COMMITTEE MEETING
Wednesday, September 8, 2021

The Consumer Services Committee of Citizens Property Insurance Corporation (Citizens) convened telephonically on Wednesday, September 8, 2021 1:00 p.m. Eastern.

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

Jillian Hasner, Chair
Reynolds Henderson
Tasha Carter
Greg Rokeh
Christine Ashburn *staff*
Jeremy Pope *staff*

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

Chair Jillian Hasner: Good afternoon I'm Jillian Hasner our Chair of the Consumer Services Committee and welcome to this September meeting of the Consumer Services Committee of Citizens Property Insurance, I want to thank everyone for joining for this September meeting and I'd like to call this meeting to order and thank you, Barbara for establishing the quorum.

To get started, I want to thank you all for your attendance today's meeting as our first order of business, I would entertain a motion for approval of the June 23, 2021, Consumer Services Committee meeting minutes. Do I have a motion?

Greg Rokeh: This Greg Rokeh, I would move approval.

Chair Jillian Hasner: Second?

Tasha Carter: And this is Tasha Carter, I second.

Chair Jillian Hasner: Then all in favor say aye, think we have aye. Alright, the motion carries so thank you.

We will keep moving right along, I would like to recognize Christine Ashburn Chief of Communications, Legislative and External Affairs to present on the Consumer Services Committee Charter review and approval, Christine.

2. CSC Charter Review

Christine Ashburn: Thank you Chair Hasner, I appreciate your time today, this is a quick item as, on the one page charter for the governing this committee should be reviewed at least annually by staff and the committee and any updates to the Charter would need to be approved by the board.

As you can see before you, we are not a staff recommending any substantive changes to the Charter at this time and wanted to just bring it forward to you all for review and the agenda does say approval and we

would be happy to have you all approve it, and we will put this in tickler to come back and review again next year. If there are no changes.

Chair Jillian Hasner: Anyone have any changes to the Charter? Motion to approve the Charter?

Greg Rokeh: I would move approval of the Charter.

Chair Jillian Hasner: Second?

Tasha Carter: Tasha Carter, second.

Chair Jillian Hasner: All in favor say Aye. All right, the motion carries to approve the Consumer Services Committee Charter for another year, thank you, Christine.

Christine Ashburn: Thank you.

Chair Jillian Hasner: For that presentation next we will move this right along and I would like to recognize Jeremy Pope Vice President of Customer Experience to present an update on the Citizens Customer Experience Strategy and the famous slide so Jeremy.

3. Customer Experience Strategy

Jeremy Pope: I knew was coming. No, thank you Chair Hasner and good afternoon to you and the fellow committee members. I do not have any action items seeking approval today from the committee, but I do have a brief update for awareness around our Customer Experience Strategy, we recently finalized, so I will draw your attention to this jam pack slide that is obviously on the screen, but also included with your committee materials today.

We're really using this as a visual for our strategy, we do have a comprehensive strategic internal document that we're using that has much greater detail. In essence, this is the organization's map when it comes to Customer Experience and it's where we're headed and historically as an organization, we've been focused on customer satisfaction, which is great. Customer satisfaction typically captures satisfaction at a moment in time, if you will it's very transactional based. Customer Experiences is really a more holistic approach, it digs deeper into the customer journey and really captures any opportunity we have around people processes or even technology that our customers deal with on an ongoing basis or presented with, I should say.

We really had four primary purposes of the Customer Experience Strategy, the first one is to obviously define what Customer Experience means to Citizens and to educate employees on how they can contribute. Also, to acknowledge our existing organizational challenges and/or opportunities related to Customer Experience. One of the purposes is to help guide the organization to formally seek and utilize customer feedback ahead of designing and implementing solutions or processes. With this one we thought was critical just to ensure that we are maximizing our investments, both today and for future investments, making sure that we're designing solutions, keeping the user experience at the forefront, and just making sure that we're always digging into processes, as appropriate, but looking at it from a consumer our customers lens I should say. The last one of the primary purposes, if you will, with the strategy is to help implement a cross functional representation and discussion around Customer Experience to really help drive identified strategic objectives which we will work towards solutioning.

So, what we can expect from the strategy and simply put the fruits of our Labor and focus, if you will, is a

workforce that will truly understand what customer experience is and engaged to measure that understanding and the ability for employees to truly understand how they can help improve Customer Experience at Citizens', where appropriate, also a continued focus around our self-service channels for customers.

If you recall from our last meeting, I shared that we have some exciting enhancements with some of our self-service initiatives that we'll be seeing toward the end of this year, and also going into next year. We expect that work to continue and also, we expect from the strategy for us to collect feedback regarding organizational opportunities and solutions in a more, what I would say, formalized manner so finding additional engagement opportunities with our customers to reach out. Sometimes a survey is applicable and sometimes a discussion is. So, embarking more on that activity to collect as much feedback, as we can.

Also, with the strategy we have a lot of customer data. Formalizing our customer data management practices that will help improve how we measure and track customer interaction, we've got data, you know throughout various systems across the organization and potentially looking at how we can centralize that to get as much customer intelligence as possible to make even better business decisions in the future. We also plan to establish and implement Customer Experience metrics to identify such opportunities and, very importantly, and I'll close with maximizing our existing future state and future state technological investments, we think is critical new strategy will help support so.

To help make this strategy actionable and ensure that the appropriate or sure that the approach remains relevant and key results and activities will be defined for each Customer Experience Objective and we'll review them quarterly by what we're calling a Customer Experience Strategic Advisory Team, and that will include an internal group of senior leaders that are cross functional they'll have representation and involvement to help and guide the strategy along any projects that surface from the Customer Experience Strategy will follow our typical portfolio management process for the appropriate prioritization. As I mentioned today was simply just to bring awareness, to the committee, where we landed with our Customer Experience Strategy. As we work through the strategic objectives, it is possible that this committee may see future action items requesting spend authority for various solutions if we feel that the business value is there and it'll help us meet our business objectives while also either preserving or improving the customer experience, where appropriate.

Chair Hasner that that is my brief update today, I'd be happy to answer any questions if anybody has any at this time.

Chair Jillian Hasner: Any questions for Jeremy and this really wonderful slide.

Jeremy Pope: Colorful too.

Chair Jillian Hasner: You've got to try to fit more on there Jeremy.

Jeremy Pope: We have an inside joke Chair Hasner and I, but no absolutely.

Chair Jillian Hasner: I also want to recognize that Governor Henderson has joined as well, thank you.

Governor Reynolds Henderson: My apologies for the delay, I was having a hard time getting on so.

Chair Jillian Hasner: No worries. Anything for Jeremy before we move on? All right, thank you very much. All right, I'd like to recognize Carl Rockman Vice President of Agency and Market Services, to give us an

overview of Florida Market Assistance Plan (FMAP) and Depopulation.

4. FMAP and Depopulation Overview

Carl Rockman: Well, thank you Chair Hasner. I'm Carl Rockman Vice President of Agency and Market Services. I'm delighted to spend a few minutes with the committee to provide an overview of two programs that impact Florida consumers and Citizens' policyholders, the Florida Market Assistance Plan and our Depopulation Program.

Let's go to the next slide and cover the Florida Market Assistance Plan first. This program was established and authorized by the Florida Legislature in 1985, to help property owners attain coverage in the private market. There are two components to the program but we're going to focus on the online referral program today which links consumers and agents, who have registered agents who have registered for the program and consumers, who have a need to find out more about what's available in the marketplace. The program is also funded by Florida Residential Property Insurers who assessed \$450 per year to fund the Program.

Let's take a look at the next slide and talk about what the customer journey is in the Florida Market Assistance Plan. It all starts with a consumer who has a need for property insurance and they engage our website FMAP.org or call and Jeremy's team takes that call. The customer either gives the call representative or enters on the website basic information on their home, basic information that would allow us to contact them. It's about 20 questions that the consumer puts in the system that helps the agent identify what risk characteristics are associated with this home and, more importantly, the customer provides a need by date. Some customers are shopping, some customers are closing on a home, very important that that need by date be provided.

That information is put into FMAP.org and it creates a lead. The lead is sent to agents that participate in the Program. Agents establish what type of lead they want: age of home, where the home is, the need by date. The agents will determine that based on criteria that they set. Consumer lead match to agents, those agents subscribe to Florida Market Assistance Plan (FMAP) because they select again the lead criteria based on those 20 questions.

Multiple agents can interact with this consumer and I'll talk about that in just a minute, but that lead is sent to any agent that matches that criterion. Those agents contact that customer, present the available markets that those agents have, hopefully provide a private solution for those customers. The customer is ultimately contact and hopefully finds a solution, they seek.

Agents that participate in the program also report back to us. They report back on the number of customers that are placed in the private market as a result of the program. Now, at the direction of our Florida Market Assistance Plan (FMAP) Board of Governors and they've asked us to take a fresh look at the program and I'm going to cover some highlights of that in just a minute.

But more importantly, I want to acknowledge some great work that Jeremy's team did. As we began that journey of improving the program, we reached out to customers that had actually used Florida Market Assistance Plan (FMAP) and their feedback is provided in the blue box below. This is what they told us, overall very positive feedback on the Program. Consumers feel, though they're contacted by too many agents and I'll talk about what we might do there from an enhancement standpoint. The frustrations expressed around answering questions more than once, I'll talk about that and some improvements we want to make in that process, and most consumers were using Florida Market Assistance Plan (FMAP) to compare current premiums, not necessarily to shop for a new policy.

We are finding out that more customers are using Florida Market Assistance Plan (FMAP) to just compare the current process, the current premium, they have to see what's available in the marketplace. That's certainly appropriate, but maybe it goes beyond the original scope of Florida Market Assistance Plan (FMAP), where a customer needed insurance potentially for a new purchase or because they didn't have insurance at the current time.

Let's talk about the road ahead and what we're going to be doing to react not only to that customer intelligence, but also to the direction from our Florida Market Assistance Plan (FMAP) Board of Governors. That will be on the next slide please. Here's some things we're going to do at the direction of Florida Market Assistance Plan (FMAP) Board of Governors, they have asked us to increase the visibility of that FMAP.org, and this will be a long journey. But with the support of Christine's team, we will be connecting with the realtor group, mortgage brokers, the Office of Insurance Regulation, to make sure they're aware of FMAP.org in its newer state that we're moving to and, hopefully, promote the site as a solution for customers that they're working with.

We also want to work with social media, public radio messaging, and Google search optimization. These are all mid to long term plans to increase the visibility of FMAP.org once we make some necessary interim improvements to the program. Next, we do have the approval and support of the Florida Market Assistance Plan (FMAP) Board of Governors to have agents with 10 plus appointments participate in the program. Currently an agent only needs one property appointment to participate in Florida Market Assistance Plan (FMAP) and I think we'd all agree an agent with just one appointment isn't necessarily serving the consumer well by providing that breadth of opportunity that the market can provide. We're going to be limiting appointments to Florida Market Assistance Plan (FMAP) to agents with 10 or more moving forward, we think that'll do a better job of working with the customer to provide more options.

We also are going to look to recruit companies that the Florida Market Assistance Plan (FMAP) platform does allow a company to connect to Florida Market Assistance Plan (FMAP). Currently, there are no companies doing that it's all an agent driven referral program so far, but we are going to reach out to see if any carriers are interested in a direct connection.

And then obviously the last piece is the biggest piece we're most pleased with, we did hear the consumer talk about can you make it easier. We are looking right now, as part of our Florida Market Assistance Plan (FMAP) 1.5 initiative, looking at potentially pre filling some of the information, bringing that in from available sources makes it easier on the consumer, makes it great for the agent, because the data is accurate, raised with integrity so we're very excited about making the customer experience and Florida Market Assistance Plan (FMAP) a little bit more optimized using technology to our advantage and, ultimately, providing a much better experience so.

I'll take a pause here Chair Hasner, for any questions that the committee might have on Florida Market Assistance Plan (FMAP) before I move on to Depopulation.

Chair Jillian Hasner: Any questions?

Tasha Carter: Yes, Chair Hasner, I have a question.

Chair Jillian Hasner: Go ahead.

Tasha Carter: Okay, thank you, Carl for sharing this excellent overview, I just have one additional question

regarding the plan to recruit companies to participate. Can you kind of talk through a little bit about how that interaction or engagement would take place between companies and consumers?

Carl Rockman: Well, if a carrier wants to participate, it would be a carrier relationship with that consumer. Again, majority of products in Florida are distributed through agents and that's been the dominant distribution platform. But if a carrier chose to participate, they would essentially be able to receive that lead and market their products exclusively to that customer. Right now, we don't have a direct carrier wanting to participate in the space, but we wouldn't rule it out and the platform does allow that to occur, but right now the agents have been great participants in the space and we sort of want to encourage agent participation at greater levels, once the program approves.

Tasha Carter: Thank you.

Chair Jillian Hasner: Any other questions?

Governor Reynolds Henderson: I have one question Madam Chair; this is Reynolds Henderson.

Chair Jillian Hasner: Go ahead Governor Henderson.

Governor Reynolds Henderson: So, Christine's group is going to be doing the marketing for this correct.

Carl Rockman: That is correct.

Governor Reynolds Henderson: Okay, is there a budget for that? That's been said or say you're just trying to work through some of this come up with the budget?

Carl Rockman: I will defer to Christine for that great question.

Christine Ashburn: Governor Henderson, I apologize you broke up at the tail end of that question.

Governor Reynolds Henderson: Sorry, I was just asking if there's a marketing budget that's been set for this yet or is that something you will come to the Board for later?

Christine Ashburn: That's correct, we are actually planning to bring some more information on marketing capabilities with our current vendors to the Exposure Reduction Committee in Miami just before the next board meeting in response to the question raised by you and others are just ideas. Candidly though really the full scale marketing efforts are going to be much better served with dollar spend once we're at a more future state that I know Carl is going to walk us through a little bit here.

Just based on some of the feedback we've gotten from the survey that Carl reference and the current state of Florida Market Assistance Plan (FMAP) versus where it's headed. But yes, we haven't we have a vendor on contract. We also have a partnership with the Public Radio Emergency Network in Florida (FPREN), and that was both of those have come before the board and have dollar spend on them that could be utilized to promote Florida Market Assistance Plan (FMAP) and it's our private vendor is a full service agency.

Governor Reynolds Henderson: Okay, thank you.

Chair Jillian Hasner: Any other questions or anything?

Carl Rockman: That concludes my presentation. I'd like to move into the Depopulation presentation, if I could, so thank you for that.

Okay I'd like to update the committee on a very, very important program that touches consumers and Citizens' policyholders, and that is our Depopulation program. I'm going to cover the customer journey and a little bit of upcoming activity in this space.

The next slide though will lay out again the customer journey and I'd like to point out that the customer journey begins with a carrier. A carrier that has been approved by the Office of Insurance Regulation to participate in an assumption, very important that without a willing carrier we can't do a Depopulation or assumption. The office of Insurance Regulation does a great job here. When companies, present the opportunity the Office of Insurance Regulation (OIR) will vet them look at their capacity and the Office of Insurance Regulation (OIR) will ultimately approve an amount, a number of policies that they can assume from Citizens. There are caps and curves put in from the regulator that's appropriate but it all starts with a carrier wanting to come forward and desiring to move the business.

Once that's established and once that carrier has selected the individual policyholders from the Citizens book. They turn that information over to Citizens and we take total ownership of the communication process. The first box represents the first step after the selections are made by the carrier. Citizens mails the policyholder a policyholder choice offer letter package and form, which includes all available offers. In some circumstances there could be two or three companies participating. It could be that a customer selected by two or three carriers it doesn't happen that often but the process allows for that to happen. In this example let's assume there's one carrier participating, one offer made. In that package, the consumer is informed of two very, very important things. The coverage comparison and the policy comparison. Citizens coverage versus the carrier coverage and while generally the coverages are equal, there are distinctions and differences in coverage that are very important for the consumer to understand.

Our coverage worksheet is designed to show the main coverages that the policy provides, what a Citizen do and what does the offering carrier do. The second most important piece is premium. The estimated premium for the Citizens renewal and the carrier offer renewal is presented to the consumer, this is also a very important touch point for our consumers. The policy provided of the coverage and the premium. that's the value proposition so both of those are presented in that package.

The next step, the policyholder reviews the information from each company and they determine if they would like to accept the offer or remain with Citizens. Also want to mention in both these steps the agent is engaged. The agent is notified when the offer is sent. It's very common for the policyholder to reach out to their agent or for their agent to connect with them and talk through the options and the benefits of that assuming company. The agent is often thought of as a trusted advisor in the space, and we really recognize and compliment the efforts of our agents to engage in the process and make sure the consumer makes an informed choice.

Once the consumers choice is settled, Citizens or the assuming company. The policyholder will submit their choice either online at Citizensfla.com, or they can represent that choice to their agent and the agent can make the selection for them right in our Policy Center system. It's very important that the customer choice be registered with Citizens by the deadline provided. Okay, there is a deadline to these. There's an assumption time period that's very, very important, the fourth box will represent the next step.

At a certain point of time, the assumption occurs. We close the choice period and the customer's choice is registered to either stay with Citizens or to move to the other company. It's very important if the customer

doesn't acknowledge a choice, they are assumed. They do not remain with Citizens. They are non-renewed from Citizens and assumed by that company.

That's why it's absolutely critical, my team, Jeremy's team, our Communications, everybody at Citizens' is absolutely committed to raising consumer and agent awareness when these assumptions happen. Because we want consumers to make the choice. We really want them to make an informed choice and for the most part they do. But it's very important for the committee to understand the customer experience here that if a choice isn't made, the assumption is that they want to move to the other company.

Lastly, at the conclusion of the assumption Citizens again sends confirmation letters to customers saying you were successfully assumed or confirming their stance to remain with Citizens. Us combining that process at Citizens and managing has only been in place since 2017. This was a change to the Depopulation program and we were very, very pleased with those changes and being able to consolidate and coordinate all of the communication balls with us versus individual carriers.

That's the customer journey. The last slide will really reflect how many customers are going through the journey over time. There's a lot of ways to represent Depopulation, but I like this slide for this committee, because it shows you one thing, it shows you how many policyholders went through an assumption. Now what's not represented here, Citizens policies in force. You're looking at those lines going up and down, why do they go up and down? They're in direct correlation with Citizens policies in force. When we have a lot of policies, there's a lot of assumption demand when we're at all time lows there's nothing to assume.

So, you can see the Citizens policies in force are direct correlation with the demand, but for this committee, I think it's important to acknowledge how many customers are going through this. And how important it is to provide a platform and a program that's a win for the consumer, a win for the agent. Rings with integrity and we think we've done that, particularly with the changes we made in 2017 where there's one source of communication for the Program. One touch point for the consumer and ultimately we think we can scale this to much bigger levels and we've had to since 2017. We anticipate that because, as the market shifts and more demand comes in for Citizens products, we are anticipating when markets change and carrier demand is there and they're in better shape. We're anticipating here is coming forward wanting to assume a lot of the great business that we've had and take over the last 18 months to stabilize market.

Also, the box down below, number participating the population carriers that's in the history of the Program. We've had carriers that have participated, 43 over the length of the program and you can see the enormous amount of customers that have come out of the program over a period of time, so we want to represent that well.

So, from an update standpoint, we do have a Depopulation happening right now. Our great friends at Florida Pen are doing an assumption this month, in the month of September that will close the first week of October. They have been approved for 6000 policies. We're very pleased to reactivate the program, customer communication, agent communication already sent. It is in flight and we'll be happy to report the results of that Depopulation once it closes in October at an upcoming committee meeting.

With that Chair Hasner, I'll go ahead and pause for any questions or comments from the committee.

Chair Jillian Hasner: Any questions?

Governor Reynolds Henderson: One question, and this is Reynolds.

Chair Jillian Hasner: Yes, Governor Henderson, go ahead.

Governor Reynolds Henderson: Okay, so Carl we're sending out these letters that say either notify us online at this site or notify your retail agent, correct?

Carl Rockman: Yes.

Governor Reynolds Henderson: Are we letting agents know at this same time so that they can reach out? Some people aren't tech savvy. I just kind of want to over notice instead of under notice.

Carl Rockman: The agents are absolutely notified at the same time the consumer is notified by mail with that package. We electronically notify the agent and give them a list of all impacted customers, we put an activity in the policy administration system for the agents and then our field management team will be reaching out to agents, with significant volumes, to make sure that they're engaged.

I will tell you that agents have been through this before are very cognizant of the need to contact the consumer, particularly maybe that season set of send a little techno and though you know who those customers can be. We've got to get them special care and handling and our agents do a really, really good job of doing that. But it is dependent on the customer opening that mail package and an engaged agents to really make the connection. But we think we do a real thorough job of raising awareness with our agency force, we really depend on them to engage the customer and help them make an informed choice.

Governor Reynolds Henderson: Excellent Thank you.

Carl Rockman: You're welcome.

Chair Jillian Hasner: Any other questions? All right, thank you, Carl for that presentation. And for all the great presentations today, so thank you. Any other comments questions related to this committee or any new business to bring up before the committee?

Tasha Carter: Madam chair, I have one follow up question for Jeremy Pope, if I may?

Chair Jillian Hasner: Okay, go ahead.

Tasha Carter: Jeremy are you able to share an update with us on the status of the live chat pilot and how that's been going, since it was deployed in June?

Jeremy Pope: Yes, thank you for asking. So, about mid June is when we deployed that pilot, we have had since then close to 500 interactions or chats with consumers. We're not advertising that. It's really we have what we're considering a minimal viable product. We didn't really spend any money to get that up and running. We're testing the waters, if you will, as an organization to figure out. What is the demand with consumers, and what types of servicing questions are coming through?

The pilot is mainly geared to helping folks register with the current portal that we have today and they've registered over, I believe it's close to 120 consumers they've actually assisted getting registered through the portal, since the inception of the pilot but we're also capturing additional information.

In regard to other types of servicing consumers may potentially want and that way we can look at it from a long term approach and figure out what's most feasible for us and also an ideal, you know cost to serve

where we can reduce our servicing cost and meet the consumer perspective to build some type of business case for the long haul. So, what we would say is it's effective. We're actually looking at expanding the hours at this time by another hour, because we have pulled some data from some Google analytics that we have access to that is suggesting that we expand the pilot at this point. And look forward to capturing any additional information as we go.

What we expected, with the pilot initially is to keep it a relatively like a six month pilot. But we're going to watch that also to see if we need to make any expansions in the pilot if it's applicable and again it's not necessarily costing us anything to keep it up and running, we have staff that are cross train on various functions that are servicing those live chats throughout the day so that's the activity we've seen so far with it.

Tasha Carter: Okay, thank you.

Chair Jillian Hasner: Any other questions? Okay well if there is no other business, then I would entertain a motion to adjourn.

Governor Reynolds Henderson: So, moved.

Tasha Carter: Second.

Chair Jillian Hasner: Thank you. Alright, we are adjourned and I want to thank you for being here, your participation here in today's meeting. I look forward to our next Consumer Services Committee meeting on December 8th at 1pm. Thank you again for attending and please join us again in December. Thanks everyone have a great day.