

ACTION ITEM

- New Contract
- Contract Amendment
- Other – FMAP Board Meeting Minutes

CONSENT ITEM

- Contract Amendment
- Existing Contract Extension
- Existing Contract Additional Spend
- Previous Board Approval _____
- Other _____

Action Items: Items requiring detailed explanation to the Board. When a requested action item is a day to day operational item and/or unanimously passed through committee it may be moved forward to the board on the Consent Index.

- Move forward as Consent:** This Action item is a day-to-day operational item, unanimously passed through committee and qualifies to be moved forward on the Consent Index.

Consent Items: Items not requiring detailed explanation to the Board of Governors. Consent items are contract extensions, amendments or additional spending authorities for items previously approved by the Board.

Item Description	FMAP Board of Governors Meeting Minutes, July 14, 2021
Purpose/Scope	Review of the July 14, 2021 FMAP Board of Governors Meeting Minutes to provide opportunity for corrections and historical accuracy.
Contract ID	N/A
Budgeted Item	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A
Procurement Method	N/A
Contract Amount	N/A
Contract Terms	N/A
Board Recommendation	Staff recommends the Board of Governors review and approve the July 14, 2021 FMAP Board of Governors Meeting minutes.
CONTACTS	Barry Gilway, President/CEO and Executive Director Barbara Walker, Senior Executive Assistant and Board Secretary

CITIZENS PROPERTY INSURANCE CORPORATION
MINUTES OF THE
FLORIDA MARKET ASSISTANCE PLAN (FMAP) BOARD OF GOVERNORS MEETING
Wednesday, July 14, 2021

The Florida Market Assistance Plan (FMAP) Board of Governors (Board) of Citizens Property Insurance Corporation (Citizens) convened via teleconference on Wednesday, July 14, 2021, immediately following the regularly scheduled Board of Governors Meeting.

The following members of the Board were present:

Carlos Beruff, Chair	Lazaro Fields
Jillian Hasner	Reynolds Henderson
Erin Knight	Nelson Telemaco
Scott Thomas	Carlos Lopez-Cantera
Marc Dunbar	

The following Citizens staff members were present:

Barry Gilway	Jennifer Montero	Jay Adams
Kelly Booten	Joe Martins	Violet Bloom
Christine Ashburn	Jeremy Pope	Tim Cerio
Mark Kagy	Brian Donovan	Deena Harrison
Michael Peltier	Jennifer Dilmore	Barbara Walker
Bonnie Gilliland	David Woodruff	

Other attendees:

Kapil Bhatia	Raymond James
Dave Newell	FAIA
Matthew Sansbury	RBC
Nathaniel Johnson	Bank of America
Adam Schwebach	Willis Re

Call Meeting to Order

Barbara Walker: Welcome to Citizens' July 14, 2021, Florida Market Assistance Plan Board of Governors Meeting webinar hosted through the Zoom platform. This is a publicly noticed meeting in the Florida Administrative Register to convene immediately following Citizens' Board of Governors Meeting. May I proceed with roll call?

Chairman Beruff: Please

Barbara Walker: Chairman, you have a quorum.

Chairman Beruff: Thank you. You're up.

Jennifer Montero: Thank you. Behind the last tab is FMAP and we can quickly go over the Audited Financial Statements. FMAP is the Florida Market Assistance Plan and was created by Florida Legislature in 1985 to assist consumers who aren't able to procure property and casualty insurance coverage from authorized insurers in the private market. The FMAP's revenues consist of annual assessments on residential insurers and funding provided by Citizens. The assessments are \$450 per insurer. You'll see on page 4 that their revenues or assessment is \$253,350 and that is 563 participating carriers. The opinion, of course, was a qualified opinion, it says the financial statements presented fairly in all respects. The financial position of the plan is of December 31, 2020, and 2019, and changes in its net assets and its cash flows for the years that ended in conformity with accounting principles generally accepted by the United States of America. It's a real quick eight-pager on page 8 is the detail of the administrative expenses, but I will ask if there are any questions.

Chairman Beruff: Does the board have any questions? (silence)

Jennifer Montero: That completes my report.

Chairman Beruff: Next.

Kelly Booten: Good morning, today I have with me Carl Rockman, Vice President of Agency and Market Services. Market Services includes Depopulation, Clearinghouse and FMAP. The first slide in here gives you a background of FMAP. Jennifer gave you an overview of what FMAP is, but more with the logistics of it...we wanted to go through with you today. This is in a quest to make it better and to come up with some creative ideas. We would like your input and approval to proceed with a few items. And we also want to talk through some strategic thoughts we have on FMAP. It's kind of like a matchmaking service where consumers that can't and don't have an agent come to FMAP, put in some information on what they need for insurance and then agents register, and insurance companies can also directly register and put in the types of policy traits that they'll take and there's a match made and then the agents reach out to the consumer to provide an offer of coverage. If they do that, then those consumers are not eligible to come to Citizens for one year. It's an online referral program. If you go to FMAP.org and we (Citizens) behind the scenes keep that up to date. It's in need of some changes which we are going to go over here in a minute and also, we have some ideas on how to merge it a little bit more with the way that the Clearinghouse works. There's also a call center that comes in through Jeremy's [Pope] group that takes calls to provide the same service over the phone and for types of coverage that we don't have online and readily available. Any questions on what FMAP is before we move to the next slide? (silence)

So, I'll turn it over to Carl to do the walkthrough.

Carl Rockman: Thank you, Kelly. For the record, this is Carl Rockman, Vice President of Agency and Market Services. On page 3 of your presentation, this will take you to the 2020 results of FMAP, how many consumers use the portal and more importantly, what success did the private market have in placing those consumers. Based on the last conversation with this board, there was a call to action to drive more requests and drive more success into this program for the benefit of the

marketplace. So, we'd like to show you what our plans are. Page 4, though, really level sets the process. I think it's important that everyone understand what goes on today before we show you the proposed improvements. It all starts with the consumer who needs insurance and FMAP is set up to facilitate that process. Today the consumer goes to our web portal, FMAP.org, and they type in characteristics of their home. They manually type in the information. That lead is then matched with a network of agents, 287 of them, that have chosen to participate in FMAP. That lead then goes to those agencies; and those agencies then contact the consumer. It seems simple until you watch it all evolve. Multiple agents can contact multiple customers. That's not always the most optimal experience for the consumer. We also have a fairly low barrier to entry at the agent level. An agent with one appointment can participate. An agent with one or two appointments probably can't serve that consumer very well, so we are proposing the change to the program for you very shortly. What you see on page 4, the red boxes, that's where the improvement is and that's what we want to show you on the next few slides. Because we think that there's an opportunity with your support to make the necessary improvements. Page 5 will outline the improvements we seek. We think that it's important that we increase the visibility of the program. That was the direction of this board, 'What can you do to promote this service more effectively?'. And with the support of Christine Ashburn and her great team, we are developing a marketing program that will target realtors, target mortgage brokers, and target the Office of Insurance Regulation who may have a need to present this service to consumers. A very comprehensive program to get the word out that this free service is for the benefit of the consumer. We also have the ability to implement social media and public radio messaging and Google search optimization, and that's a catch all term for being more visible to promote this service. Now we don't want to do that necessarily in competition with the market, but we do think there is a visibility opportunity for those consumers that are looking for a neutral service to support their needs for the marketplace. The next thing is to enhance the consumer-agent experience. If a consumer is going to interact with a service, we'd like the data to be prefilled. It's more accurate. It's better for the agent and better for the consumer. Right now, the consumer is typing. Let's be honest, in today's age, why not just put the data in. Now we believe we have the opportunity and area moving in that direction.

Chairman Beruff: At the end of the day, all you need is a tax ID number for the property, and it should self-populate.

Carl Rockman: Exactly, and we've heard that feedback from consumers and even agents on the other end and have said, "What can you do to improve the lead quality?"

Chairman Beruff: Or even the street address will populate everything.

Carl Rockman: Absolutely. So, that's the direction we're going down with your support. The third thing is increase agent effectiveness. Now this goes back to my prior conversation around having an agent that has market viability as part of the program. We believe there should be a minimum standard of ten appointments. You must have at least 10 property appointments to be a participating agent. That's not a very high standard, but it's certainly higher than one, and we believe it requires your approval to move in that direction because we could be excluding some agents from participation. We're seeking your formal support in an action item very shortly. Next to last, increase the value of the proposition. We only have approximately 200 agents

participating. We think with these changes, prefill the data, more exclusivity, we think we can attract the better-quality agent into the program. And we think by raising the value of proposition, exclusive leads, prefill, that will help us have a better network of agents and we're also recognizing and opportunity. We have 29 counties in Florida that don't have an agent in this program; what an opportunity for us to get out to those counties and recruit the right agents into the program so if that consumer hits the FMAP website, they have at least a local agent that can support their needs. And lastly, companies can participate; we currently don't have any companies participating in FMAP. We think that's another opportunity. Are there any questions on the direction or the strategy moving forward?

Chairman Beruff: So, I'd like to...for the new board members...What I propose, which Barry and I don't agree on...We pay about a 7% commission, so if you look at one of the things that this company is operationally deficient. We lose money. So do most other companies, but you can't stay in business losing money operationally forever. You need to either break even or be a little on the positive side and then you make money on the...otherwise you're depleting your reserves, the ability to put fund reserves, especially now that we are building a book of business that's significant. So, one of the...I think it was Governor Reynolds Henderson who recommended beefing this up so we could get to the consumer, and we could start deferring policies directly to the agents and let them make their money there, but it doesn't...we don't want the policy growth, so we want to try to figure out a way to give the leads. And that's what this program hasn't had a significant push behind it, so, we advocated for more marketing dollars. Obviously, with social media being what it is and how incredible we...ten years ago, 95% of our money went one way, now 95% goes into digital market in my company, so I suspect that we need to do the same thing here, whether it be Facebook or Google, Amazon...and start moving that. That's what you're hearing today...is how they fixed the program, how to ramp it up, simplify it for the consumer and start putting together a bunch to market to social media. So, with that I'll let Governor Henderson, who is also familiar with the topic make his comments.

Governor Henderson: Thank you, Mr. Chair. I was just going to say this is great; I'm so glad to see it. Thank you. Is this a one-stop shop? I mean, is it going to be kind of like it gets you into the system and gives you...it's not going to be an extra layer, where people feel like..."well I have to do one thing, then I have to do another thing..."

Kelly Booten: Well, this front end...this is a way to keep people from coming to Citizens.

Governor Henderson: Correct, but I mean when you take that hand...do they still feel like they have to do a whole layer here, because I'm just trying to say, if we could eliminate layers as much as is humanly possible. When the hand moves over here that they feel like they've done what they needed to do to get into the system.

Carl Rockman: That's why it's so necessary to have a great agent at the other end of this. And we think with the right agent component, the data transfer opportunity, the consumer would type in their information, or actually request their information. It's going to make for a more seamless process for the consumer shopping a well, so we really think even this early version will add necessary improvements to their experience. They shouldn't feel like it's multiple steps to get through or to at least obtain a quote on their home.

Governor Henderson: Excellent. That's great and it would be great if somebody files a claim that had something like this, too. So, we have the same type of system in place.

Carl Rockman: Those types of enablements we have...

Kelly Booten: Well, yes. We have a customer portal for our existing customers that is distinct from this...

Governor Henderson: Yes, I know it's distinct, I'm just saying it would be nice to have this system, I know it's different, but it seems that the way you've updated it...it's good. I'm just thinking in the same mind set for Claims would be good, too. That what I'm trying to say.

Kelly Booten: Understood. While we're at this juncture, before we move into the more strategic items looking forward, can I go ahead and read the recommendation for board approval on this appointment item?

Chairman Beruff: Please

Kelly Booten: Staff proposes that the FMAP Board of Governors approve the restrictions requiring that new agents requesting access to FMAP have at least ten appointments, other than Citizens, with insurers authorized to write property insurance in Florida; and authorize staff to take any appropriate or necessary action consistent with this Action Item. Reynolds Henderson made the motion and Jillian Hasner seconded the motion. All were in favor. Motion carries.

Kelly Booten: And then the next set is more strategic thinking where we start to get into some of what you're saying with combining capabilities as much as we possibly can. The opportunity we have here is to get a little bit more sophisticated with the technology out there on eligibility and premium to get as much in front of the consumer as possible about whether they're eligible at Citizens or the rate is appropriate. We're proposing a new interface that we want to go out to the market with that basically merges what we're doing with Clearinghouse. There's an opportunity here because the Clearinghouse contract will be up in a few years and has...we want to get ideas on how we could get more markets to more agents and more consumers, kind of along the lines of additional appointments...the more appointments that an agent has, the more availability that's out there, the more quotes they get in front of them. Aggregate a lot of that and front-end it into this, but we need to do a solicitation in order to, number one, validate that our ideas will work, see what vendor technology is out there and then, proposal there would be to come back with a business case once we get through that process.

Chairman Beruff: That's fine, Ms. Booten, I'd like...if you don't have it already...as we move forward, I'd like to see a chart year over year as to how many contacts are going to this digital website before the last couple of years and as we implement the new strategy. Because I want to see a significant jump and the only way, I can see it, is if someone show me a graph that says the ball's moving in the right...because if it's not effective, we need to know it immediately, it should be effective the moment you start marketing it correctly. You should see a jump in people coming

to the site and if not, you can tweak it because it can be done momentarily on the social media marketing sites. Do we already have a marketing company that we work with for digital marketing?

Kelly Booten: We'll let Christine...she's prepared to speak to that.

Chairman Beruff: Because we definitely want to make sure that if we don't, we do that process very thoroughly that specializes in consumer advocacy.

Christine Ashburn: We actually, Mr. Chairman, have an in-house person that handles our social media. We are very active in social media. Mostly consumer education, but also for recruiting purposes. So, yes also do have a communications contract with a firm that can provide marketing and strategy services for...mostly we use it for storm-related events, but the contract was written for non-crisis communications, activities and consulting.

Chairman Beruff: I'd like to see what their depth and background is before the next meeting, because we started that process and did it internally and then we had a local person and now we have a company out of Philadelphia and the results are measurable in matrix and the reports they put together for us are really in depth and I just want to make sure we get that quality of...

Christine Ashburn: As you can imagine, we are not a traditional company, so marketing is not what we are normally doing, so most of our marketing is around education, storm prep, things like that...but absolutely. The firm we have on contract is actually out of Miami and they do multiple languages and they're wonderful. We've utilized them numerous times; they are a vendor we have contracted through a process we bid out last year and they won the bid. They can absolutely help us in the digital arena.

Chairman Beruff: I'd like to see some of the things they are involved in...

Christine Ashburn: Certainly, no problem.

Chairman Beruff: Anybody else have any comments?

Governor Dunbar: Christine, do we invest in search so that if someone goes in looking, it drives to FMAP database? Are we spending money so that they are not calling Citizens first?

Christine Ashburn: We have not in the past, but as the marketing plan, google optimization and things like that are absolutely part of it. Unfortunately, the statutory name is Florida Market Assistance Plan, it's not the most glamorous term, so we definitely want to find ways to make it...

Chairman Beruff: Statutorily that's what we have to name ourselves?

Christine Ashburn: Yes.

Chairman Beruff: Can we do an a.k.a., tagline or something? (laughter)

Christine Ashburn: As you all know now, it really is us matching folks with agents that have markets, so it is misleading.

Chairman Beruff: So, what is the action item that you need to...?

Kelly Booten: We don't need an action item on this, we'll do a solicitation and then come back when we know what we want to spend with the business case and all that, then we'll be back.

Chairman Beruff: I see Mrs. Walker waving at me that I forgot something.

Barbara Walker: We need to approve the minutes. The FMAP minutes from the last meeting.

Chairman Beruff: Is there a motion to approve FMAP minutes? We have a motion and a second. All in favor? Motion Carries.

Meeting adjourned.