

Litigation Dashboard

Claims Committee

March 10, 2022



Litigation Avoidance Strategies

- Product Language Changes Effective 8-1-19
 - Non-Weather Water \$10,000 sublimit
 - \$3,000 vendor cap included within the \$10,000
- Managed Repair re-launch effective 8-1-19
 - Free water mitigation services
 - Permanent repairs with credentialed contractors that provide a 3 year workmanship warranty
- HB 7065 AOB Reform effective 7-1-19
 - Establishes compliance standards
 - Requires Notice of Intent prior to filing suit
 - Sharing of Plaintiff Attorney Fees based on outcome

Litigation Avoidance Strategies

- SB 76 Notice of Intent to file suit effective 7-1-21
 - Requires new suits to provide insurer with NOI prior to filing suit
 - Provides insurer the ability to negotiate with Plaintiff Attorney, to conduct reinspections or to demand Appraisal to prevent litigation
- Utilization of Appraisal strategies to resolve disputes without the need for litigation
- Quality Assurance program designed specifically to evaluate effectiveness of litigation avoidance strategies
- Training for Non-Litigation Claims teams on litigation avoidance

AOB Litigation Avoidance Dashboard

| AOB Metrics | 2021 | 2022 YTD* |
|----------------------------------|--------|-----------|
| # New AOB's Received | 11,268 | 1,146 |
| # New CAT AOB's Received | 4,257 | 219 |
| % AOB with Representation | 75.6% | 62.5% |
| # AOB's with NOI | 2,627 | 73 |
| # AOB's with NOI in Litigation | 1,662 | 212 |
| # AOB NOI's with Denied Claim | 2,229 | 103 |
| # AOB NOI's with Payment Dispute | 374 | 43 |

***2022 YTD through January**

NOI Litigation Avoidance Dashboard

| NOI Metrics | 2021 | 2022 YTD* |
|------------------------|-------|-----------|
| # Received | 1,576 | 352 |
| # In-Progress | 43 | 43 |
| # Extend Coverage | 17 | 2 |
| # Reinspected | 9 | 6 |
| # Accepted Demand | 9 | |
| # Agreed on Settlement | 25 | 5 |
| # Appraisal | 112 | 14 |
| # Decline Demand | 1,356 | 282 |

*2022 YTD through January

NOI Litigation Avoidance Dashboard

| NOI Appraisal Metrics | 2021 | 2022 YTD* |
|---------------------------|------|-----------|
| # Received | 77 | |
| Settled Less Than Demand | 58 | |
| Settled More Than Demand | 11 | |
| No Pre-Suit Demand Listed | 7 | |
| Settled Same As Demand | 1 | |

| NOI Litigation Metrics | 2021 YTD | 2022 YTD* |
|-----------------------------|----------|-----------|
| # Matters Received With NOI | 584 | 10 |

*2022 YTD through January

Legal Services Contract Spend

| Year | Month | PIF | Pending Litigation | Fees* |
|------|----------|---------|--------------------|--------------|
| 2019 | Year End | 442,203 | 13,003 | \$95,981,665 |
| 2020 | Year End | 542,739 | 12,913 | \$82,299,909 |
| 2021 | Year End | 759,305 | 17,016 | \$78,838,225 |
| 2022 | | | | |

***Fees include Firm fees and expenses only. Vendor expenses have been removed.**

Legal Services Contract Compliance

| Reason | 2-3-16 To 2-2-22 | 2-3-22 To 2-2-27 |
|--|------------------|------------------|
| All Files Removed & Future Assignments Suspended | 6 | |
| Contract Self Terminated by Vendor | 23 | |
| Contract Terminated for Cause | 1 | |

| Reason | Description |
|---|--|
| All Files Removed & Future Assignments Suspended | Failure to Comply with Guidelines/Expectations |
| Contract Assigned | Contract Reassigned to New Firm |
| Contract Self Terminated by Vendor | Change in Business Model |
| | Entity Dissolved or Merged |
| | Firm Choice to Not Continue on Panel |
| | Firm Pulled Out of Florida Market |
| Contract Terminated for Cause | Discrepancy in Solicitation Process |

2021 Litigation Dashboard

1st Party Property Residential

| ALL Lawsuits | 2019 | 2020 | 2021 | 2022 YTD |
|---|------------------|------------------|-----------------|-----------------|
| NEW | 9,379 | 7,481 | 9,945 | |
| PENDING | | | | |
| DFC Fees Paid (Pending/Closed) Pmt Made in Month | 117,449 | 99,947 | 102,902 | |
| <i>Total DFC Fees</i> | \$84,802,338.34 | \$73,655,461.01 | \$71,321,571.50 | |
| <i>Avg DFC Fees per Matter</i> | \$722.04 | \$736.95 | \$693.10 | |
| Lit Indemnity (Closed) Pmt Made in Month | 11,515 | 7,656 | 5,879 | |
| <i>Total Lit Indemnity</i> | \$211,985,126.80 | \$133,031,024.05 | \$81,258,664.89 | |
| <i>Avg Lit Indemnity per Matter</i> | \$18,409.48 | \$17,376.05 | \$13,821.85 | |
| DFC Fees Paid (Closed) Life of Matter - Reported in Month Closed | 11,319 | 7,471 | 4,265 | |
| <i>Total DFC Fees</i> | \$78,059,075.19 | \$64,141,719.61 | \$40,869,365.65 | |
| <i>Avg DFC Fees per Matter</i> | \$6,896.29 | \$8,585.43 | \$9,582.50 | |
| CAT Lawsuits | | | | |
| | 2019 | 2020 | 2021 | 2022 YTD |
| NEW | 4,533 | 3,823 | 5,030 | |
| PENDING | | | | |
| DFC Fees Paid (Pending/Closed) Pmt Made in Month | 52,481 | 45,109 | 51,403 | |
| <i>Total DFC Fees</i> | \$37,192,973.09 | \$33,984,255.60 | \$36,903,655.50 | |
| <i>Avg DFC Fees per Matter</i> | \$708.69 | \$753.38 | \$3,286.25 | |
| Lit Indemnity (Closed) Pmt Made in Month | 5,360 | 3,320 | 2,445 | |
| <i>Total Lit Indemnity</i> | \$128,965,703.72 | \$80,008,960.39 | \$44,493,686.39 | |
| <i>Avg Lit Indemnity per Matter</i> | \$24,060.77 | \$24,099.08 | \$18,197.83 | |
| DFC Fees Paid (Closed) Life of Matter - Reported in Month Closed | 5,229 | 3,182 | 1,776 | |
| <i>Total DFC Fees</i> | \$26,678,715.49 | \$23,496,510.80 | \$16,396,974.30 | |
| <i>Avg DFC Fees per Matter</i> | \$5,102.07 | \$7,384.20 | \$9,232.53 | |
| NWW Lawsuits | | | | |
| | 2019 | 2020 | 2021 | 2022 YTD |
| NEW | 4,196 | 2,864 | 3,463 | |
| PENDING | | | | |
| DFC Fees Paid (Pending/Closed) Pmt Made in Month | 51,148 | 43,902 | 38,482 | |
| <i>Total DFC Fees</i> | \$35,595,265.45 | \$31,035,259.70 | \$24,791,689.60 | |
| <i>Avg DFC Fees per Matter</i> | \$695.93 | \$706.92 | \$2,838.58 | |
| Lit Indemnity (Closed) Pmt Made in Month | 5,002 | 3,540 | 2,690 | |
| <i>Total Lit Indemnity</i> | \$51,429,643.91 | \$38,521,300.58 | \$27,387,407.63 | |
| <i>Avg Lit Indemnity per Matter</i> | \$10,281.82 | \$10,881.72 | \$10,181.19 | |
| DFC Fees Paid (Closed) Life of Matter - Reported in Month Closed | 4,969 | 3,511 | 1,985 | |
| <i>Total DFC Fees</i> | \$34,368,434.05 | \$29,199,556.50 | \$18,208,653.25 | |
| <i>Avg DFC Fees per Matter</i> | \$6,916.57 | \$8,316.59 | \$9,173.13 | |

2021 Litigation Dashboard

1st Party Property Residential Definitions

| | |
|---|---|
| NEW | Count of New Lawsuits Served within Specified Time Period |
| PENDING | Count of Open Lawsuits as of a Specified Date (usually the last day of a month) |
| DFC Fees Paid (Pending/Closed) Pmt Made in Month | Count of Matters where Defense Fees Only (Excluding Expenses) were Paid within a Specified Time Period for any Matter Status (Open or Closed) |
| <i>Total DFC Fees</i> | Total \$ Paid in Specified Time Period |
| <i>Avg DFC Fees per Matter</i> | The sum of Legal Spend Total Fees divided by the distinct count of matters that a payment was made in each Reporting Period, excluding zero dollar payments. |
| Lit Indemnity (Closed) Pmt Made in Month | Count of Matters where Indemnity Payments were Made within a Specified Time Period for Closed Matters ONLY |
| <i>Total Lit Indemnity</i> | Total \$ Paid (Indemnity ONLY) in Specified Time Period |
| <i>Avg Lit Indemnity per Matter</i> | The sum of Indemnity Spend divided by the distinct count of matters that a payment was made in each Reporting Period. |
| DFC Fees Paid (Closed) Life of Matter - Reported in Month Closed | Count of Matters where Defense Fees Only (Excluding Expenses) Paid within a Specified Time Period for Matters in Closed Status and no longer assigned to the Closing Team |
| <i>Total DFC Fees</i> | Total \$ Paid (Defense Fees ONLY) in Specified Time Period |
| <i>Avg DFC Fees per Matter</i> | The sum of Legal Spend Total Fees divided by the distinct count of matters that a payment was made in each Reporting Period, excluding zero dollar payments. |



Questions?