

Executive Summary

Board of Governors Meeting, March 23, 2022

Litigation Dashboard

Jay Adams will give an update at the March 23, 2022, Board of Governors meeting.

Litigation Dashboard

Board of Governors

March 23, 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				
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				
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?