

Inspections Program Update

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Holistic Inspection Program: 2022–2025 Plan

- In August 2021 Board of Governors approved Citizens’ staff to significantly expand the use of property inspections.
- Staff created a comprehensive 4-year inspection plan (Holistic Inspection Program - HIP) and began ordering inspections in January 2022 for personal lines policies.
- The plan is expected to achieve these critical business results:
 - Reduce loss frequency
 - Improve premium accuracy
 - Validate risk information to aid carriers contemplating the removal of policies from Citizens
- Staff is leveraging existing and emerging resources and technologies to gain efficiencies in the inspection process which benefits the company, agents and policyholders:
 - Accelerating the use of predictive modeling for all inspections (new and renewal).
 - Exploring virtual inspection options leveraging aerial imagery and 3rd party data.
 - Using technology to reduce or eliminate current manual workflow steps related to inspections.

Holistic Inspection Program: 2022–2025 Plan

Holistic Inspection Matrix					
Year	% of NB	NB Inspection Volume	% of PIF	PIF Inspection Volume	Total Volume
2022	13.30%	67,267	6.89%	74,627	141,893
2023	20.58%	127,167	10.50%	156,047	283,214
2024	41.07%	243,932	12.88%	172,821	416,753
2025	62.47%	366,974	20.21%	245,268	612,242
4-Year Total :					1,454,102

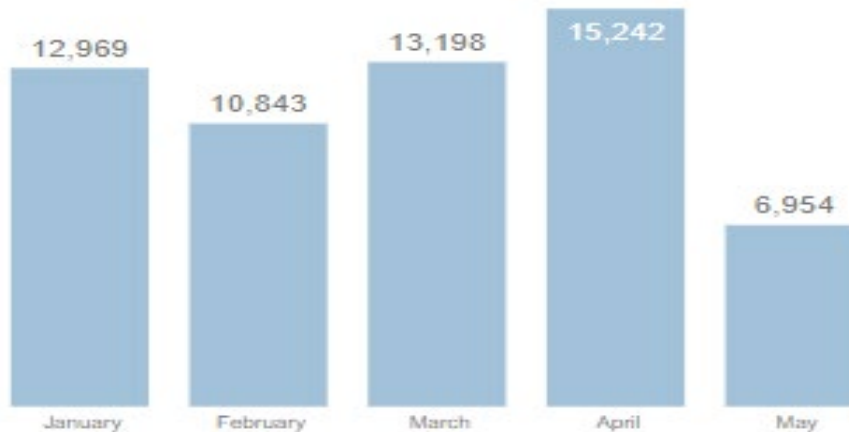
Holistic Inspection Program: 2022 Results

Inspection Dashboard

As of 5/19/22

Inspections Ordered	59,206
Completed Inspections Reviewed	39,967
Straight to File	6,563
Pending Open Orders	12,676

Completed Inspections Reviewed YTD, by Month



Holistic Inspection Program: Ordering Communication

When an Inspection Order is Placed by Citizens to the Inspection Vendor:

- Citizens internal system, Policy Center®, sends an activity/message to the Agent advising to inform the insured:
 - An inspection has been ordered
 - The type of inspection ordered, and property access needed
 - The inspection firm name and number phone number

- An email is sent from Citizens to both the Agent and Insured advising in part:
 - A routine inspection of their property has been ordered
 - Detail on the types of inspections ordered
 - Awareness that the inspection firm will contact them and will share detail on the type of inspection ordered for their property

When the Inspection Firm is attempting to schedule the Interior/Exterior Inspection, the following cadence is observed:

- Day 1: Policyholder Text Message
- Day 2: Policyholder Call
- Day 3: Contact Agent for assistance
 - If agent is unable to assist, we will still allow 48 hrs. and close out if no contact from Policyholder
 - If the agent advises they will reach out to the Policyholder, we hold for 48 hrs. & re-contact
- Day 4: No contact
- Day 5: No contact & Agent was unable to assist – Close out End of Day
- Day 6: No contact & Agent attempted to assist to no avail - Advise the agent we did not receive a call and close out EOD

Holistic Inspection Program: Customer Experience Tracking

Personal Lines UW Inspections Mailbox							
Month	Logistical	System Issue	Vendor Error	UW Issue	Total	UW Reviewed Inspections	Percentage
January	5	1	7	2	15	6,408	0.23%
February	15	2	18	9	44	9,810	0.45%
March	45	10	28	15	98	9,345	1.05%
April	52	3	19	15	89	12,226	0.73%
YTD	127	16	72	41	246	37,789	0.65%

Customer Correspondence							
Month	Logistical	System Issue	Vendor Error	UW Issue	Total	UW Reviewed Inspections	Percentage
January	3	0	1	0	4	6,408	0.06%
February	7	0	2	1	10	9,810	0.10%
March	10	0	3	8	21	9,345	0.22%
April	20	0	4	4	28	12,226	0.23%
YTD	40	0	10	13	63	37,789	0.17%

Voice of the Customer (VOC)			
Month	Total	UW Reviewed Inspections	Percentage
January	9	6,408	0.14%
February	34	9,810	0.35%
March	23	9,345	0.25%
April	17	12,226	0.14%
YTD	83	37,789	0.22%