

## Securing Coverage for FedNat, Maison and Monarch Policyholders

May 27, 2022

The Florida Office of Insurance Regulation (OIR) has issued a [consent order](#) for the following companies to cancel approximately 68,000 personal lines policies effective June 29, 2022:

- [FedNat Insurance Company](#)
- [Maison Insurance](#)
- [Monarch National Insurance Company](#)

### Notes:

- The above referenced companies issued cancellation notices to their affected policyholders May 16, 2022.
- The companies will mail unearned premium refunds to affected policyholders by July 1, 2022.

You have time to secure replacement coverage for these customers in the private market. If you are unable to secure coverage in the private market, Citizens may provide coverage for these customers for one year, effective on June 29, 2022; however, coverage is not automatic. All risks are subject to Citizens' eligibility rules.

### Get Appointed with Citizens

If your agency is not appointed with Citizens, please follow the [How to Join Citizens](#) instructions to initiate an application.

If your agency is appointed with Citizens but your FedNat/Monarch/Maison business is connected to an agent that is not appointed with Citizens, the agency principal will need to request that Citizens appoint the agent via myAgency. Please refer to the [myAgency User Guide](#) for instructions.

In either case, agency principals can request an expedited appointment by sending an email to [agent.outreach@citizensfla.com](mailto:agent.outreach@citizensfla.com) by June 10, which will defer your required education for 30 days.

### Expedited New-Business Submission Process

For policies in which there has been no indication of private market interest, Citizens-appointed agents have an expedited new-business application process for their FedNat, Maison and Monarch customers that temporarily relaxes some of our eligibility rules, including submission to the Property Insurance Clearinghouse and some required document procedures. Agents must follow this process for these risks; if not, the risk will be subject to standard new-business requirements.

*Note:* This expedited submission process only applies to agents who have customers affected by this consent order.

Citizens will import policy information and initiate quick quotes in PolicyCenter®. Beginning on or after June 8, 2022, PolicyCenter will send a notification activity to the Citizens-appointed agent of record for review of the quick quote for coverage effective June 29, 2022. Once quick quotes are available, agents can change the application effective date if they wish to bind the application earlier.

Agents can access the quick quote via their PolicyCenter *Desktop* by selecting the **Bulk Intake Quick Quote for review** activity. You also can search for the activity using the customer's name or property address:

1. Select the **Search** tab.
2. Select **Accounts** on the drop-down list.
3. Enter the customer's first and last name and address in the applicable fields and select **Search**.
4. Select the appropriate account.
5. Select **Bulk intake Quick Quote for review** under *Current Activities*.

Citizen's coverage may not be identical to the coverage options offered by the prior carrier's policy. Agents should review the quick quote with their customer to verify the policy type and coverage, dwelling construction, and other property characteristics for accuracy and make necessary changes prior to binding the application.

The quick quote must be converted to an application and bound by July 13.

*Note:* Applications submitted after July 13 must be submitted via the standard new-business process.

As a reminder:

Citizens has statutory maximums on coverage limits: Any risk in any county (except Miami-Dade or Monroe counties) that has a dwelling replacement cost of \$700,000 or more, or a single condominium unit that has a combined dwelling and content replacement cost of \$700,000 or more, is not eligible for coverage with Citizens. In Miami-Dade and Monroe counties, any risk that has a dwelling replacement cost of \$1,000,000 or more, or a single condominium unit that has a combined dwelling and content replacement cost of \$1,000,000 or more, is not eligible for coverage with Citizens. If a risk exceeds these thresholds, a Citizens quick quote will not be generated.

If a customer does not desire Citizens coverage, no further action is required. Agents can view the activity and select **Complete** to remove it from their *Desktop*, or PolicyCenter will complete and remove the activity automatically when it becomes 60 days old.

Citizens will provide additional information about free agent webinars to discuss this process. Look for details to be announced soon about agent webinars to be held June 8 at 2 p.m. and June 9 at 11 a.m.

#### **Deferral for Required Documents for New-Business Submissions**

Agents should submit required documents for all new-business submissions, including proof of repair for any fully repaired damage.

Agents can defer required documents for new-business submissions for:

- 4-point inspection form
- Roof condition documentation
- Current *Uniform Mitigation Verification Inspection Form* (OIR-B1-1802)

Wind Loss Mitigation: Agents should apply the discount based on the current form available. If the current form is expired, it may be provided as a required document. A new form will be required within 90 days to retain the discount.

Submit the [Document Deferral Form for Fed Nat, Maison and Monarch Insurance Companies](#) in lieu of these required documents in PolicyCenter.

After the new-business policy is issued, agents must submit all required documents no later than 90 days after the Citizens policy effective date to avoid nonrenewal.

### **Payment for Direct Bill Policies**

All quick quotes default to Direct Bill. Agents can change the payor or select a pay plan before binding the application.

For direct-bill policies, payment must be applied within 21 days of the binder effective date, or the binder will be rescinded. Initial down payment can be submitted online via PolicyCenter or the [One-Time Payment](#) tool on Citizens' website.

Once the policy is issued, policyholders can complete their myPolicy registration [here](#) to access policy documents and information and make payments.

*Note:* Lienholder-billed policies should be paid by the mortgage company. Citizens will not bill the mortgage company. Agents and/or policyholders are strongly encouraged to submit the Cash Transmittal, included with the printed application to the mortgage company.

### **Risks with Existing Damage/Open Claims**

Risks with existing damage will be individually underwritten, and there is no guarantee of coverage.

When open claims and/or existing damage is present, a submission for approval to bind should include the following documentation:

- Photos of the existing damage.
- Document(s) reflecting when the repairs will be completed.

*Notes:*

- Personal Lines Underwriters may request an existing damage written disclaimer from the applicant.
- Loss History reports will automatically be pulled on all submissions. Agents should carefully review any previous losses that may require proof of repair.

### **Resources**

- Personal Lines Bulletin: [Reminder: Automated Loss-History Data in PolicyCenter](#) dated November 17, 2021

For more details, log in to the Agents website and select:

- **Training → Citizens Essentials** for online webinar recordings to help you navigate the new-business submission process and service your customers.
- **Training → Personal Job Aids** to access:
  - [New-Business Submission Guide](#)
  - [Uploading and Linking Documents](#)
  - *Required Document Guides* (by policy form on the right-hand side)
  - *Coming soon: Expedited Submission Guide for Agents*
- **FAQs** on the top menu. Enter *Fednat, Maison, Monarch* or *+document +deferral* in the *Search* field.

If you have any questions or concerns, contact Citizens' Customer Care Center weekdays, 8 a.m. - 5:30 p.m. ET, 888.685.1555.

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Appointed agents can submit questions to Citizens by replying to this email or logging in to the *Agents* website and choosing the *Contact Us* link on the top of the page. Citizens will respond within five business days. Agents also can contact the Customer Care Center at 888.685.1555.

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