

ACTION ITEM

1 | PAGE

Actuarial & Underwriting Committee Meeting, September 27, 2016
Board of Governors Meeting, September 28, 2016

CONTRACT ID:	Product Change: Miscellaneous Updates
BUDGETED ITEM	N/A
CONTRACT AMOUNT	N/A
PURPOSE / SCOPE	<p>FLORIDA INSURANCE GUARANTY ASSOCIATION (FIGA) COMMERCIAL AND PERSONAL LINES RECOUPMENTS Active recoupments for the 2012 commercial and personal lines Florida Insurance Guaranty Association (FIGA) assessments will expire November 30, 2016 for Commercial Lines and January 9, 2017 for Personal Lines. Additional collection activity and supporting filings are required to complete the recoupment of these assessments. The restart date for recoupment activity is tentatively scheduled for March 2017.</p> <p>RETIRING UNDERUTILIZED LINES OF BUSINESS Currently Citizens offers 21 policy types, including 7 different tenant contents policies. Several policy types are seldom used. In each case, similar coverage is available in another Citizens policy type. These products require specific effort to maintain and modify as various product and rate changes are implemented. An opportunity may exist to retire some of all of these products that have limited policy counts, allowing Citizens to eliminate administrative costs.</p> <p>UPDATE FORMAT AND STRUCTURE OF PERSONAL LINES UNDERWRITING MANUALS Over time, specific modifications to portions of the Underwriting Manuals have resulted in some inefficiencies in format and structure. Inefficiencies may confuse agents and slow down updates and revisions. Staff requests authorization to file manuals with updated format and structure, with no substantive changes.</p>
CONTRACT TERM(S)	N/A
PROCUREMENT METHOD	N/A
RECOMMENDATION	<p>Citizens' Staff recommends the Actuarial & Underwriting Committee:</p> <ol style="list-style-type: none">a) Approve the changes described above to:<ul style="list-style-type: none">• Restart FIGA recoupments• Research and take appropriate action to retire:<ul style="list-style-type: none">○ Mobile Home Tenant Dwelling – Basic Form○ Mobile Home Dwelling – Basic Form○ Dwelling Fire Tenant – Basic Form○ Mobile Home Tenant Wind-Only• Update the format and structure of the Personal Lines Underwriting Manuals; andb) Authorize staff to take any appropriate or necessary action consistent with this Action Item, including filing with the Office of Insurance Regulation, system change implementations and other supporting activities.
CONTACTS	John Rollins, Chief Risk Officer Karen Holt, Senior Director Product Development