

## Consumer Services Committee Meeting Minutes

**ACTION ITEM**

**New Contract**

**Contract Amendment**

**Other \_\_\_ CSC Minutes 11.16.22 \_\_\_**

**CONSENT ITEM**

**Contract Amendment**

**Existing Contract Extension**

**Existing Contract Additional Spend**

**Previous Board Approval \_\_\_\_\_**

**Other \_\_\_\_\_**

**Action Items:** Items requiring detailed explanation to the Board. When a requested action item is a day-to-day operational item or unanimously passed through committee it may be moved forward to the board on the Consent Index.

**Move forward as Consent:** This Action item is a day-to-day operational item, unanimously passed through committee or qualifies to be moved forward on the Consent Index.

**Consent Items:** Items not requiring detailed explanation to the Board of Governors. Consent items are contract extensions, amendments or additional spending authorities for items previously approved by the Board.

<b>Item Description</b>	Consumer Services Committee Meeting Minutes November 16, 2022
<b>Purpose/Scope</b>	Review of the November 16, 2022, Consumer Services Committee Meeting Minutes to provide opportunity for corrections and historical accuracy.
<b>Contract ID</b>	N/A
<b>Budgeted Item</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Method</b>	N/A
<b>Contract Amount</b>	N/A
<b>Contract Terms</b>	N/A

## Consumer Services Committee Meeting Minutes

<b>Committee Recommendation</b>	Staff proposes that the Consumer Services Committee review, and if approved recommend the Board of Governors: <ul style="list-style-type: none"><li>a) Approve the prior meeting minutes from November 16, 2022; and</li><li>b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.</li></ul>
<b>CONTACTS</b>	Christine Ashburn, Chief – Communications, Legislative & External Affairs

## CITIZENS PROPERTY INSURANCE CORPORATION

### MINUTES OF THE CONSUMER SERVICES COMMITTEE MEETING Wednesday, November 16, 2022

The Consumer Services Committee of Citizens Property Insurance Corporation (Citizens) convened telephonically on Wednesday, November 16, 2022.

#### **The following members of the Consumer Services Committee were present telephonically:**

Jillian Hasner, Chair  
Greg Rokeh  
Phil Zelman  
Tasha Carter  
Christine Ashburn *staff*  
Jeremy Pope *staff*

#### **The following Citizens staff were present telephonically:**

Jay Adams  
Kelly Booten

#### **1. Approval of Prior Meeting's Minutes (August 31, 2022)**

**Chair Jillian Hasner:** Thank you. Hello everyone and welcome. I am Jillian Hasner, Chair of the Consumer Services Committee. I want to welcome everyone to the November Consumer Services Committee meeting of Citizens Property Insurance and thank everyone for joining. Certainly, a lot has occurred since our last Consumer Services Committee meeting. Florida has been impacted by Hurricanes Ian and Nicole. I had the opportunity to visit the Citizens' CAT response centers following Hurricane Ian in Port Charlotte and Fort Myers, and I want to take a moment to recognize the service and dedication of the entire Citizens team. While it is our hope to never have to utilize these services, it was incredibly inspiring and informative to see the operation at work. Our team helping our policyholders and Florida's citizens get such personalized help in their time of critical need. It took everyone working together from the top down and it was great to see Tasha Carter out there as the Insurance Consumer Advocate. Jeremy, Christine and so many others, as well as everyone back at headquarters making it all happen. And so I just wanted to take a moment to recognize the hard work and dedication that I know that this entire team has been putting in to help our policyholders. So, we have a lot to cover today. So again, I want to thank everyone for joining and to get this November Consumer Services meeting started as our first order of business, I move to entertain a motion for approval of the August 31st, 2022 Consumer Services Committee meeting Minutes. Is there anyone that would like to make a motion to approve?

**Phil Zelman:** This is Phil Zelman, I will make a motion, Chairman, to approve the Minutes.

**Chair Jillian Hasner:** Thank you. Do I have a second?

**Tasha Carter:** This is Tasha Carter, I second.

**Chair Jillian Hasner:** Thank you. All in favor say aye.

(Chorus of ayes.)

**Chair Jillian Hasner:** The motion carries. Thank you. And we will keep going through the agenda. The committee will receive an update on our Hurricane Ian response along with recent efforts needed to support the impact of Hurricane Nicole, and I would like to recognize Jay Adams, Chief Claims Officer, Christine Ashburn, Chief of Communications and Legislative and External Affairs, and Jeremy Pope, Vice-President of Customer Experience, and Kelly Booten, Chief Operating Officer for the presentation.

## **2. Hurricane Ian Overview**

**Jay Adams:** Thank you Chair Hasner and committee members. I would like to, me and the peer group that you mentioned, give you an update on the Hurricane Ian response. If we could go to the next slide, please?

Hurricane Ian made landfall in Florida Wednesday at 3:05 p.m. at Cayo Costa, Florida as a category four hurricane and the date was on September 28th.

If we could go to the next slide, please. So in order to prepare for this event Citizens did quite a few things prior to the actual landfall. So some of the first things we had to do was obviously initiate our catastrophe plan, and what that does is that puts the entire enterprise on notice that we are going into a response mode, and catastrophe response really becomes the foremost thing that the entire enterprise focuses on until we get things under control. We had to reach out to our call centers. They handle our first notices of loss. They had to have some time to scale their operations up to be able to take all of those calls. And then we also had to notice all of our independent adjusting firms and the same thing. We provide them 72-hour notice to be able to start receiving claims. So we try to get that moving as fast as possible. Citizens did go under a binding restriction on 09/25, just prior to the landfall of this event. We did some pre-storm press releases advising policyholders how to contact Citizens. And the reason we reach out to do that is we want to send a message, please contact Citizens first. We would like to get your claim prior to having third parties involved in doing the representation on your behalf. We also send e-mail communications directly to potentially impacted policyholders, and again what we are trying to do there is provide them specific and direct information that they can use to reach Citizens in the proposed damaged areas.

Next slide. So now I want to spend a few minutes and talk about what was the Hurricane Ian response and how did we do this. So, we have multiple teams deployed all the time at Citizens. One of those teams is our non catastrophe team or the MCM group. And they are handling claims for us day in and day out, they're deployed in the field, and when the storm hit, we decided to go ahead and allow them to handle catastrophe claims, as well as our daily claims. We have productivity targets and capacity targets set up for all adjusting teams. So what we did is we filled them up with catastrophe claims up to their capacity and this allowed us to start off our event making immediate contact, they were setting up inspections and settling claims. And as they continued to move through those claims we would continue to assign them new claims

to keep them up to capacity. So they were really trained resources already on the ground that we leveraged. We used desk adjuster teams and these are catastrophe-deployed desk adjusters. They're independent adjusters and they form what we call the resolution unit. And this unit handles first notice of loss. So they will reach out to the policyholder and make contact. They're going to handle getting the estimate back from the field adjuster. They're going to process the claim as far as if there is a payment, what happens. They're going to contact that policyholder, explain that settlement. They also will be responsible in the future for handling the settlements and the reopens, and they also act as our phone unit. So if they are policyholder needs to speak to someone, they can reach out to the 1800 number that routes it to the desk adjuster team and we have hundreds of folks deployed there to be able to answer those phones. We deployed a fast track team and these are also independent adjusters, and what they're doing is they're handling our low severity claims as a desk adjuster. And what that means is they're trying to resolve that claim on the phone, first contact with the insured, and the types of claims that they are receiving are maybe a few shingles off the house, maybe a tree fell on a shed. You can have a section of fence blown over. Those types of things that are very minimal in scope. We had litigation adjusters. We have about 400 of those deployed at all times. What we did with those folks is we worked them four extra hours at the end their day, and what they did is they processed claims that the desk adjusters had completed. So once they had resolved the claim, spoken to the policyholder, there is a lot of paperwork and stuff that has to happen on the back end to close that out. We transferred those claims over to the litigation adjusters and let them process that and they are the ones that also processed all the checks.

All right, next slide, please. We also have CAT field adjusters. These are also independent adjusters, and these are the folks that actually go out and do the inspections. So they will contact that policyholder, they will set up an inspection. They will go out, they will write a scope of the damages and prepare an estimate. They then send it back to that desk adjuster team, and I explained what the desk adjuster team did with that information when they received it. And then we had a few specialty teams set up, and the reason we set up the specialty teams are each one of these groups has a knitch reason for being in existence. So the first one is the Sanibel team. This was a group of independent adjusters and they're handling the Sanibel claims as a desk adjuster model. Now, Sanibel had some, certainly, unique challenges. They are a barrier island, they sustained significant storm surge and the brunt of the 150 plus mile an hour winds. So this team is a consistent approach to be able to make those adjustments, and they are using aerial imagery to identify the claims that have the most significant damage and processing those claims first. They also are leveraging some CAT field adjusters to do some inspections for areas that the aerial imagery does not provide a detailed enough view to be able to make that adjustment. Our mobile home specialty team again is independent adjusters handling claims as a desk adjuster. Unfortunately, in these significant catastrophe events, most mobile homes don't fare too well, and most of them end up being total losses. And what ends up happening for this team is, we have a responsibility to make sure that that mobile home is destroyed and taken off the property. We also have a responsibility to the Department of Motor Vehicles as these mobile homes all have a title. So we have to make sure that the title is appropriately disposed of through that group.

And lastly, we have large loss field adjusters, and this team is handling all the claims that have any type of structural damage and/or surge. So these are our most sophisticated adjusters. They are handling the most difficult and complex claims, and again, the idea being that all of those claims are funneled through Citizens leadership with significant oversight making sure that all those customers are being treated the same way.

Next slide, please. So I want to spend just a minute and talk about technology. In most all of the events that we have at Citizens there always seems to be a shortage of good, qualified, independent adjusters to be able to respond. There is only a finite number of those in the whole marketplace, and when you think about all the carriers and all the claims that the State of Florida sustained, those resources get spread really thin. So, we look to employ any type of technology possible to try to increase the productivity that the adjuster can handle and shorten the cycle times. And what that means is you need less resources. So what we did for this event was we have a contract with GIC and they do aerial imagery. They fly the event typically about 24-hours post-event, once the clouds move out of the way after the event has occurred, and provide that imagery to us within an additional 24 hours. As you heard me speak earlier. We are leveraging that imagery to adjust claims. And when I say in the adjustment process, we are looking for claims that, or excuse me, photos of homes where there might be just a slab left, meaning the house is completely gone. In those events then we obviously can take that imagery and do adjustments. We also can look at that imagery and determine if a roof needs replacing so that we can get money into the policyholder's hand prior to a field adjuster getting out there. And that way if a contractor is available, they can go ahead and replace that roof. We also partnered with the GIC as they came out with a new artificial intelligent system to do damage assessment. And what that means is they looked at the pre-event imagery, applied the AI technology to it and then compared it against the post-event imagery, and it put together a damage assessment as a percentage. What we did is took the claims that had the highest damage assessment, assigned those over to these specialty teams so that we could start working those claims first, because obviously those homes had the most significant damage. As we desk adjust claims we don't always get all of the information that we need from the aerial imagery. And a lot of times dimensions and things are missing. So we do leverage public websites such as the county building and real estate sites, because they will help fill in the gap. And the idea is the more claims that we can adjust at the desk level, is that it frees up our field resources to do more inspections.

Next slide, please. This is a slide that just shows what we did actually deploy for independent adjuster resources, and as you can see at the height of the storm or at the height of our response, we had 1,829 independent adjusters deployed handling Citizens' claims. Next slide, please. These are the Hurricane Ian metrics that we have been sending out to the Board of Governor Group, and these results are effective 10/24. I do have a few updates that I would like to mention that are effective as of today. So, for hurricane Ian we have received 54,728 claims. We have closed 25,206, and we have reserved and paid up to 1.122 bill dollars for these claims that you see here so far. I also wanted to give you a very brief update on Hurricane Nicole. That made landfall on 11/10 at 3:00 a.m. south of Vero Beach. It came in as a category one hurricane and it had 75-mile-per-hour winds. We received 1,423 claims, and so far our total incurred paid plus reserves is \$9,265,000 dollars for this event. And obviously this is so new those numbers will continue to increase as we move forward in time.

Next slide. So our Governor issued an emergency order. He did it under order number 22-218 and 22-219, and that eventually impacted the entire state of Florida. That gave Citizens the ability to do emergency contracts, and we had told the Board that any time we go under any of these emergency orders in full disclosure, we will tell you the contracts that we went under as emergency contracts. We did this to the five or six independent adjusting services that you see listed there. Now, the reason we did that is we were struggling to get our current contracted vendors to get all the resources to us in the timeliness that we needed them on the ground. We

had relationships with most of these folks. We had used them in prior storms or they were prior contracted with Citizens, and so as they reached out to us with resources and availability, we went ahead and deployed those. Again, that was to help with the customer service and getting claims closed as quickly as possible. I mentioned a few slides earlier that we did engage aerial imagery under the GIC contract for damage assessment. So that was just an expansion of that contract. We will be taking both of those issues to the Board in December.

Next slide, please. So we also have some claims service vehicles. Chair Hasner mentioned the customer service vehicles. These are similar in nature. We do not brand these. These are not for public reaching. These are really for our claims group. These are commander control vehicles. We send them out, we can move them around as necessary, and we use these to educate and train independent field adjusters. We do it to make sure that those field adjusters are competent and have the ability to really handle the claims that we are providing for them, and it also creates a hot spot. And what I mean by that is in most of these events power is out and so is the cellular service. So these independent adjusters don't have any way to receive and return the claims that we are actually sending out to them. So we can create a hot spot or an internet site that they can come into the parking lot. They do not have to go inside these trailers, and they can connect and upload and download their information right there on the spot. And with that, I believe I am going to hand it over to Christine and she is going to go through some of the communication activities that we have done.

**Christine Ashburn:** Thank you, Jay. Chair Hasner.

**Chair Jillian Hasner:** Jay, just really quick. It was extremely impressive the entire claims operation. I know you were back at headquarters, but just commend you for a great job and it was something to really see out there. Thank you.

**Jay Adams:** Yes, I appreciate the recognition, but Chair Hasner and committee members, it really is a team effort. We do have a great claims team, staff team that provides great leadership and oversight, but we can't do it without the entire enterprise. So everybody chips in and you are going to hear from some of my other peers, some of the things that they were specifically working on to help make this a successful response as well. But thank you.

**Chair Jillian Hasner:** Thanks. Christine.

**Christine Ashburn:** Thank you, Chair Hasner. Next slide, please. So as Jay briefly mentioned during his update, one of the key things we work on with my team is pre-storm communications. Reminding folks and agents how to contact us, what to do to be prepared, things like that. You know, before they leave their homes, and I will tell you in every storm we get notes back from our customers saying, thank you for thinking of us, it is unbelievable, and just as an FYI, what we try to do and what we have done in the past several years is we focus on all of the counties where the Governor has declared a state of emergency. As we all know as Floridians these storms have a mind of their own and with all of the great technology, they often make turns just like Hurricane Ian did. So we found the best thing for us to do is really just focus on those counties that have been pre-declared in the emergency declaration, and oftentimes we will see a set of counties names and then a subsequent set of counties added as the storm comes closer to landfall in Florida. So as we have done in the past, we did do a pre-storm e-mail which goes also to our employees, internal information to our employees. Our agents, of course, get copies of whatever we are sending. Of course, the focus is home prep tips. Let them know

about binding suspension and information to help agents prepare for the claim. And then we also do an internal website article urging employees to prepare, because all we all know we are a Florida based company. So we have employees all over the state of Florida who are often impacted by these events as well.

Next slide, please. Again, another piece of it, Candace Bunker, our Cabinet and Legislative Affairs Director keeps all of the legislative delegations and appointing officers apprised of everything we are doing, on where we are going to be when we know we are going to be there, how to contact us, how to contact either Candace or myself. We also share with all of the appointing officers all of the Board updates that the Board receives from Jay so that everyone has got the same information up to date and ready to go. We also are able very quickly, and I do have an action related to this, to customize our pre-storm book, social media, traditional media and then our sponsorship with FPREN related to, you know, removing some of the other messaging points that we have out there on an ongoing basis about Citizens is ready, but to ensure that people are hearing all over the radio how to call us. How to file a claim online. So that is something we can leverage very quickly to change and adapt messaging as the storm is preparing to make landfall.

Next slide, please. Again, social media content, continuous social media coverage several days prior. We use trusted sources, we share trusted sources with whether it is from the state or other trusted sources about preparation or weather updates. Website graphics, we always create a storm page. We have storm information obviously on our website year round, especially during the season, but we adapt that for the incoming storm by name to ensure that we are getting the most up to date information, and then once landfall occurs we can very easily update content on those pages.

Next page, please. So post-storm. This becomes even more critical. Now that the storm has hit and we have an idea from Jay's team very quickly those major impacted counties, not just on the coast, but inland. As you all know, this storm came in and came out in the Daytona, you know, St. Johns County area and we had damage. We saw damage throughout the state as it came in, went across and went out. We worked closely with Jay's team to ensure we know which counties they would like us to target. We do a post-storm e-mail to agents and policyholders in those counties. We also then focus on the counties where we are going to be setting up our catastrophe response centers with Jeremy's team and Jay's team help, and we focus on those areas to specifically let those customers know where we are going to be and what the hours are so they know how to find us. New for this storm we were actually able for the first time to leverage text messaging to advise the customers in Lee and Charlotte counties where the CRCs would be, because as we know after a storm to Jay's point, internet can be shotty, service is on their cells, but a lot of time SMS texting is one of the most common, it can still come through especially in iMessage, so that is a positive. We obviously talked about recovery information. We tell them when the binding suspension has been lifted. How to report fraud, how to file claims. All of that stuff can be woven into our messaging, and then we also very quickly, we can very quickly adapt our radio messaging through our contracts.

Next slide, please. So again, post-storm communications, making sure that we are advising the legislative community that have been hit of where we are going to be, but in addition to that, we do hold office hours and partnership with local legislators. We did pop-up CRCs at sites coordinated with state and local officials. We actually, if you will see the picture here, Craig Sakraida, who is on one of Jay's top leaders, joins Candace Bunker at Senator Passidomo's



office following the event in Naples, since we really didn't have any large CRC presence, and she is co-located in the same building with Representative Bob Rommel, so that was great. We were able to get them information. Get a social media and other media out. She sent a newsletter article out to her contact list so that her constituents knew where to come to get help from us one-on-one, and I think those are always well-received, and really allow us with Jeremy and Jay's help to go into areas where we may have a smaller presence needed and not a full CRC, but still be on the ground and get people one-on-one help. Obviously we do post-storm press releases about our locations. We were very quickly able to change our commercial radio spots with the FPREN contract to actually advise the CRC locations in the appropriate areas which started following on October 10th, very quickly we were able, and then we also we did commercial radio, excuse me, FPREN was sooner, but the commercial radio, so we have a contract for those non-public radio networks that the local commercial stations to go on air, and those do take a little longer, but what you can imagine we find is through our vendor is finding out who is still on the air and getting in contact with say a local Fort Myers station. That took a little, that does and can and should understandably take a little bit longer when you are talking to a station that is at ground zero of the worst damage. And then as we move further away from the event we start to look at fraud awareness as repairs begin. Every storm brings a new bad actor to the forefront. In this one it was, we saw, Jay's team advised us very quickly that we started to hear from customers that drone vendors were going door to door and saying things like, you are going to need your own aerial imagery and if you don't pay me, all of this money your company is not going to be able to adjust your loss and trying to scare our customers into buying aerial imagery that candidly they just don't need, because as Jay shares, we do that on our own to get our own data and our own photos and our own imagery to adjust losses. So that was a new one this year. Again, every storm brings up a new, a new avenue for bad acting. So it's great to have that partnership with Jay and his team on the ground so that we can educate our folks on the fly of new and emerging issues.

Next slide, please. Again, post-storm communications, continual updates on hurricane recovery resources, making sure that folks knew when the CRCs were closing, how they could still contact us. Really pushing hard this time on myPolicy and trying to drive folks both pre and post-event to make sure they are signed up for myPolicy where they can file a claim and see things as the claim moves on. So I think that was productive, and it helps Jeremy out with call center volume and those things. So we were pleased to see some positive numbers in the My Policy space for this event compared to previous events where we didn't have as much functionality there. So next slide. And I think this is Jeremy. Chair Hasner, that concludes my report if anyone has any questions.

**Chair Jillian Hasner:** Any questions for Christine?

**Tasha Carter:** I do have one follow up question, Christine.

**Christine Ashburn:** Certainly.

**Tasha Carter:** You know, do policyholders have to opt in, in order to receive the text messages?

**Christine Ashburn:** So that is a great question. We, because they are not a call to action and it is not marketing, we have worked with legal. So for emergency purposes we have not required an opt in because they can opt out though, but it is just to let them know a CRC location or our

claims phone number or myPolicy, not marketing them in any way, shape or form, which I know there are some federal standards around the marketing side, but these are not considered marketing because it is an emergency purpose to let them know where to go for help.

**Chair Jillian Hasner:** Okay, thank you.

**Christine Ashburn:** Thank you.

**Chair Jillian Hasner:** Any other questions? Great, thanks, Christine.

**Christine Ashburn:** Thank you.

**Jeremy Pope:** All right, thank you, Chair Hasner, and also to the fellow committee members. I am going to go over just a brief add on to what Jay and Christine covered and get into more of an operational update as far as our continued consumer response. And on slide 17 this essentially highlights the three customer facing service channels that play a critical role following a storm to meet the needs of our policyholders. So you have heard a lot already about our catastrophe response centers, also known as our CRCs. The FNOL call center support, and also when, when the timing is appropriate we activate outbound calling campaigns. We do that as well.

The next slide. This simply recaps our CRC activity as a whole, and I thank you, Chair Hasner, for the comments that you made previously. It was, it was, the support provided by this committee, I know Governor Hasner was able to be out in the field along with Governor Butts as well was a huge help and it was nice. There was a lot of activity. The Hurricane Ian made landfall on a Wednesday, and on Sunday we had 53 employees that were deployed and onsite in the Sarasota area in hotels. That is also in addition to all the equipment needed to effectively and efficiently service our policyholders in the time of critical need. Boots were on the ground on Monday at 1:00 p.m., and this is when the CFO's first insurance village opened up in Port Charlotte. We had great neighbors. Next door we had the DFS and also Tasha Carter's group was literally positioned right next to us which was great and we appreciate that, that continued partnership. You will notice in the Port Charlotte area we had around, that and our Fort Myers location and that is the following day, on Tuesday is when that location opened up and that was the second insurance village sponsored by the CFO. Those were our two busiest sites, and the three remaining sites, the North Port main, North Port Home Depot and also the Fort Myers Beach locations, those were considered our pop up sites and that was for us to get out to see where we could expand our reach to see if we had a consumer response in some of the various pockets of the area where we were positioned. All in all we were out there for 14 consecutive days. For the most part the servicing hours were 8:00 a.m. to 6:00 p.m. every day. We were there set up for policyholders to show up to be able to file a claim. They were there to be able to get status on an existing claim that was already filed. Some just had general questions about their policy. Some didn't need to file a claim, but we were able to literally walk them over to FEMA within the insurance village or other insurance carriers if appropriate, but all in all we serviced 2,430 policyholders in those 14 days. I am very proud of the team because we were able to disburse over \$4 million in ALE checks, and it says checks, but we also offered electronic funds transfer if that was the preference for the consumer onsite. So there were 1,337 payments that we actually cut. That is roughly a little bit over \$3,000 on average as far as the payment disbursed out in the field. Those payments were used for the consumer to in some cases to seek shelter in hotels or for various living expenses such as food following the

aftermath of the storm as we began to process their claims. So again, it did take, it sounds like a broken record but it truly is, you know, all areas of the organization, it takes a true village to be able to support the CRC deployment efforts.

And on the next slide. There is just some pictures here so you can kind of get a glimpse of what the CRC sites look like. They for the most part always look consistent, but we are able to flex the set up a little bit depending on the space and the footprint that we are in, and in both locations Port Charlotte and also the Fort Myers insurance villages they were, they were perfect locations, but had high visibility. That enabled us to be able to set up the appropriate footprint to service the needs of our consumers. So again, you will see some pictures there, there is Governor Hasner and Governor Butts, and also in that top right picture you will see the CFO Patronis came onsite multiple times actually, and at one point Barry was there as well, to be able to speak to him as well. So again, very proud of the team. They did a great job, and most importantly we were there to be able to be effective and efficient in servicing the needs of our policyholders.

Next slide. And again, just more pictures for your reference. And again, over the various 14 days we had various ELT members out there as well. You see Kelly Booten out there and also Christine and obviously Jay were out in the field as well. So again, just appreciate all the support from, from everybody that was out there to support staff.

Next slide. This is Christine mentioned the social media and this was just some social media compliments that came in that we shared with staff as well. This was specifically directed towards staff that were out in the field. In this case, it was the Port Charlotte location. So it was really nice to see some of those testimonials where consumers showed up onsite and then they went out on social media to provide some feedback on their overall experience with their observations. So that was refreshing and motivating to staff, especially with such long hours of being out there for 14 consecutive days.

Next slide. Our FNOL call center support. We have multiple vendors as this committee is aware that services the needs of our policyholders, specifically when we have a massive ramp to support an event such as Hurricane Ian and Nicole. For Hurricane Ian we did activate six vendors. We already had one activated and we activated an additional five to help with overall volume. We activated our supports beginning on Monday, September 26, that is two days ahead of when Ian made landfall and it carried through for the most part through Monday, on October 31st. This is what we would call our elevated support. We worked with our vendors and we trained over 2,400 customer service representatives and we serviced a little over 125,000 calls in that timeframe. Not all those calls reflect them filing a claim. A lot of those calls are getting claim status or just general questions about the claims process or about their insurance policy, you know, that was tied to the storm in the event that occurred. You will see there is a note there that says service level 91.5 percent. That is a performance metric that we monitor. It is to ensure that when consumers do call us after a storm they're able to get through, again, efficiently, again, not having to wait, you know a long time to be able to speak to a customer service representative, and also ensuring that we have the appropriate technology up and running to service their needs. If I could summarize that, during this timeframe those 125,304 calls, the average wait time to speak to a customer service representative was 18 seconds. And again, that is offered 24 hours a day for our consumers. Even when we don't have a catastrophe going on our consumers can call us and file a claim at any time and that is to claim

status, to file a claim or again, just answer general questions, or help direct consumers to various CRC locations when those are set up of course.

Next slide. And the last thing I will close with, another avenue of our policyholder response was in regards to our outbound calling campaigns. We wait until the timing is appropriate for us to conduct these campaigns and we always receive a lot of positive feedback from consumers, but in this case with Hurricane Ian we focused on Lee County and that was really due to the low claim submission that we were seeing with the various policies, within the various policies that were essentially impacted with hurricane force winds. We made an attempt to contact almost 10,000 consumers and that first thing is just check up on them, make sure they're okay and to see if they have damage to their homes and ensuring that they know that we are here if they need us. We actually made voice contact with a little over 3,000 consumers. We left a lot of messages, but throughout this activity we were able to file 155 new, what I would call proactive first notices of loss. This is where the consumer did not call us, we are calling them, and while we have them on the line and we confirm they have damage to their property we go ahead and file their claim. A lot of positive feedback even when the consumers that they don't need to file a claim they think in some cases is this a scam, my insurance company is calling me to file a claim and to check up on me, but we think it's imperative. We think it is the appropriate level of service, and most importantly, we want to make sure our consumers know that we are here and we get to them first before a bad actor gets to them. So again, just proud of the team. Again, a collective effort across the organization with all three of these service channels that I just reviewed. And Chair Hasner, that summarizes my recap and I will be happy to answer any questions, and if none, I will turn it over to Kelly Booten.

**Chair Jillian Hasner:** Does anybody have any questions for Jeremy? Okay, thank you, Jeremy.

**Jeremy Pope:** Thank you.

**Kelly Booten:** Good afternoon, Kelly Booten, Chief Operating Officer for the record, and I am cleaning that up here or clean up, excuse me, on this whole presentation, more from a supporting activity perspective and kudos to Jay, Jeremy, Christine. They're on the front end of it where everything is happening. It really is amazing to watch and all the staff that really comes through during these events. On the back side of things there is a lot of activity going on. It is kind of like the duck pedaling underneath all of it that you don't really see. And I am going to start here with just a little bit with vendor management and purchasing, you know, who are also supported by legal heavily on, on getting these types of things accomplished. We do go into a lot of contracting activity with new contracts, task orders, purchase orders. In total 28 out of 50 Hurricane Ian-related contracting activities were utilized on the emergency authority under the Governor's orders which started with specific counties and then was broadened to be all counties. A monthly report is provided to the Board describing the emergency contracting activities and then a full report will be at the Board meeting in December. There are certain ongoing activities that Jay mentioned where we actually are going to continue the spend, adjusters of course, past the emergency authority. Those are coming up through various committees. So the Claims Committee has a number, Jeremy is presenting the business process outsourcing today and then there is another one coming up through the Information Systems Advisory Committee for that text messaging capability that Christine mentioned, whereby we plan to use that ongoing and we had to switch out vendors in the middle of a catastrophe. So that was a little bit of scrambling, but we got through it.

On the next slide we have a breakout of the, some of the activities that happened in Underwriting, Product Management, Agency Services. Again, in partnership with Legal, Finance and Accounting on getting these activities done. Pre-event activity and Underwriting is really focused on re-prioritizing the work and making sure that the counties that are impacted, all of that policy activity, new business policies that need to be issued, endorsements that need to be processed are done so that when a claim comes in it is applied to the right policy and gets, you know, handled quicker. So that happens pre-event. Of course, there is always an Office of Insurance Regulation hurricane emergency order and Ian had one, and then Ian was expanded to include Nicole. And where that prevents the processing of cancellations and nonrenewals during a certain time frame, pre-event and then post-event, and this one goes up through November 28 where we have to do a lot of work behind the scenes to make sure that policies don't cancel and nonrenewals don't go out. We have to rescind our renewals that are already in the process. So a lot of activity there that goes on and we will begin normal processing for that November 28. There is approximately about 26,000 policyholders that are impacted by these types of activities in this case.

Next slide. This slide has a little bit more of the Underwriting and Product, Agency Services actions that have to go, that we also do. So for example, inspections. We stopped doing inspections on the policyholders that are impacted in that path, which causes a little bit of a ripple effect with the ordering of fulfillment process and, you know, system changes that have to go along with that. We also do some cleanup to help expedite underwriting and we do support the sites with underwriters that go out into the field. We send vendor folks out to the field as well.

And then on the next slide is the Agency Services and we did have field managers out onsite as well, whereby we contact all agencies with 200 or more policies and offer to provide advocacy on claim escalations and promote the location of the CRCs, and of course, we continue to work with the agents ongoing. We just recently had post-event training. So post-Ian we partnered with our L&D group to have agent training. About 433 agents attended that. And then earlier this week we had Nicole training and 85 agents attended that training.

And then on the next slide is the IT summary. IT as you can imagine gets very busy and has to wind up a lot of different things as well. A lot of the technology that you saw that goes onsite is IT people getting that equipment there, making sure that it is up and running, you know, really coming in before the group and leaving after the group to make sure that everything is stable. A lot of great work has been done by the team to make sure that that equipment is up-to-date and cost-effective.

In addition to that, behind the scenes we go into, we call it the war room where we are providing technology, problem triage and resolution. We provide support to independent adjuster orientation. Of course, our reporting mechanisms along with our partners in corporate analytics, helping support all of the different reporting needs. On inbound technical support that has to ramp up really quickly because we are supporting a bunch of new adjusters that may be new to our systems, may be new to our processes. So that and our service desk actions are quite elevated. So calls to the IT help desk increased by as much as four times the normal volume per day. Service tech incidents reported more than doubled during the first two weeks, and then access requests increased almost tenfold as compared to daily volumes. We used a partner that we bring with additional resources and capacity to get them on quickly. And of

course, we deploy people out into the field as mentioned in the last bullet there. So that is a quick recap of some of the supporting functions that happen behind the scenes.

**Chair Jillian Hasner:** Thank you, Kelly. Any questions for Kelly? I appreciate the update. I do have one question and it is for all four of you. Is there a, obviously we don't want, as I said, any storms to occur, but once we go through them and we have the opportunity to learn from the experience, is there like, and I know you have just given an update, but like an after action or lessons learned, like things we need to improve on? Do we do that?

**Jay Adams:** Yes, for the record, this is Jay Adams. So, Chair Hasner, yes, we do absolutely do that. We have one planned for early December, and really what we do is we will walk down really the CAT coordinator list and look for any issues or concerns, work with those directly, and then within the claims operation we have a whole bunch of stuff that we work on because we are more engaged in the day-to-day of it, but yes, we will have a postmortem is what we will call it and then any activities or actions that come out of that we will start working on those right away so we are ready and prepared for June 1st next year.

**Chair Jillian Hasner:** Got it, thank you.

**Jay Adams:** You are welcome.

**Chair Jillian Hasner:** Okay, any other questions? All right. Thank you very much. I think to move it along, next on the agenda, I would like to recognize Christine Ashburn, Chief of Communications, Legislative and External Affairs to present an action item on our Florida Public Media sponsorship.

### **3. Florida Public Media Sponsorship Action Item**

**Christine Ashburn:** Thank you, Chair Hasner. Just quickly, this is a current contract. You noted that I mentioned our access of that contract and that partnership through this storm, and candidly all of our major storms over the last three years and beyond have been wonderful. I believe we have slides for this. There we go, thank you. So the Florida public media response emergency FPREN as we call it is a unique and candidly recognized nationwide as a network of all of the public radio stations and public TV stations throughout the state and websites that associate those in Florida storms where they broadcast out information in all of the areas where storms are coming, and we have actually partnered with them and it is a great partnership because it's public over the years to lock in rates and access to 99 percent of Floridians around the state. It locks in our pricing. You will see that we get phenomenal value for what we are spending. We would spend so much more if we were to go out and procure this on our own. And what it does give us access to is as I mentioned very quick mark to market messaging when we need to change messaging about CRCs in certain areas or if we have statewide initiatives. I know, Chair Hasner, one of the things that we have talked about is seeing some of the results on assessment education. So it is not just about storms and it is not just about hurricane season. This gives us access to these spots throughout the year routinely on a day-to-day basis, drive time radio, television and social media on other, other mechanisms to really drive Citizens educational messages home, whatever they may be. Whether it is promoting Managed Repair or asking folks to contact Citizens first and remind them about our phone number or warning about fraud and abuse or educating on assessments and the fact that just because your premium may be cheaper doesn't mean you may not pay more later. So all of

those major initiatives we talked about in the communication perspective and an education perspective, this sponsorship allows us fair and locked in pricing and candidly year-round access to all of these networks. And so we do like to, we have in the past done multi-year contracts so that we can lock in rates and not be subject to every station changing their rates by certain percentages. We have got a guaranteed cost control over years and I will get to the numbers.

Next slide, just to give you an idea, here are the stations. You can see NPR, PBS affiliates throughout the state, major markets, Tampa, Miami, you know, the Panhandle. So we are covered, West Palm Beach, Orlando, Panama City. This really does give us coverage, but again, like I said, 99 percent of Floridians are covered in these markets for us which is wonderful. Obviously, we have concentrations of business in certain places more than others, but as we have grown that has also shifted, and we are also able to when needed just like after a hurricane, focus on the impacted areas. I don't need to tell Jacksonville where my CRC is in Lee County, but I certainly need the Lee County markets to know where we are. And again, it is just the speed to which we can get those messages updated and on air has been wonderful.

Next slide, please. So just, here is some, just to give you the national public radio overview. Our sponsorship allows them to continue this Florida storms effort and this FPREN effort, but obviously what we get far outweighs in our opinion what we are giving, and again, gets us drive time radio, all kinds of access. More and more social media. The Florida storm's app shows us as a sponsor, and as storms come into the box and we are giving updates more and more often from a meteorological perspective our, our sponsorship, our hits, our rotation increases as you start to see, you know, the NOAA updates where you have got meteorologists breaking into programs. We see more and more coverage of Citizens and Citizens phone number and Citizens sponsorship as those increase as storms are heading towards Florida which is exactly what we want to have happen.

Next slide, please. Again, also featured on Morning Edition which is a very well respected and highly listened to NPR morning drive time edition, and we do have featured spots on Morning Edition. Again, most listened to radio network program in the country 12 months, 52 weeks of the year. And again, as I have noted, easily we can switch up those messages as we need to for different campaigns and educational needs or hot button issues that come up. I will give you a very old example. We had something occur many, many years ago, pre this contract where we were heading into a holiday weekend and we learned that something had occurred, and I won't share what that is just because I don't want to give bad guys another idea and we needed to get on media going into 4th of July weekend quickly. And I will tell you, it was the right thing to do. That was very cumbersome and expensive to try to get done heading into a holiday weekend. This network would provide us quick and cost-effective advertising and calls, you know, call out if need be. If we ever had a similar situation, you think today of like cyber things or things like that that occur, and you want to get messages to your customers in the right way to contact us or go to our website to learn more in case they are impacted. This allows us to act very quickly, especially given our procurement guidelines to move forward with something like that if we did have a non-hurricane type emergency in Florida.

Next slide, please. Again, just FPREN promos with Citizens tagged just to give you an example of the number of viewers that we will see over the term of this contract which is a huge number, and a \$486,000 value and that is not we would be paying for those. Again, if we were to go and

buy these on our own we would be spending much more money to get the access and the coverage that we are receiving under this contract, this proposed contract.

Next slide, please. Just again, more examples on the digital side of our logo being there. You know, it is tropical weather update, it is a perfect, it is a perfect partnership. We share their information and they also with their following and their blue checkmarks with Florida storms, they share a lot of our social media content year-round which is wonderful for us. So we get further reach for our customers who may not be following us on social media, but certainly do follow Florida storms, and in turn they do turn around and tag us and start to follow us on Twitter or other venues which is great.

Next slide. So just to give you, here is the nuts and bolts of this. So like I mentioned, this is a three, it would be a three-year contract. This is a budgeted expense in our 2023 budget, we budget for this annually. This does allow us to lock in rates with one, five-year increase in year two with steady, same amount of money, \$246,300 in year three. So we would have one five percent increase in year two and then year three would be the same dollar amount for the same coverage. Just for perspective, the contract that is ending in April was a \$613,824 contract with a \$1.5 million value, and this year there is a \$726,000 dollar contract with a value of almost \$2.2 million. That is an 18 percent increase total contract over the life of the two contracts, but a 41 percent increase in value from the last contract to the new contract. And I know, Chair Hasner, when we met, when I met with you separately, you did ask about, you know, what does it look like, okay, great five percent for the three years, that sounds really good, but what do we see if you were to go buy ads the following year, like what kind of increases do we see. Since they're all separate stations, we are locked in at the five percent over the course of the contract for years two and three, so no change in three. So just an example, WGC, that is the Fort Myers area, we just were very involved. Between '20 and '22, their rates increased about 13.25 percent annually, and for 2023 the estimates are anywhere from 12.9 to 21 percent based on their viewership where they could increase their rates. So we would be locked in at no more than five percent of what we are paying next year for the following year, and that would be it. And then also just an example in Miami. Their rates increased in 2020 to '21, and of course, we had a locked in contract. Their rates went up 15.9 percent and we only had to pay the five over the two subsequent years. So this is structured very similarly, and the value is there, I mean, on paper and we have seen it. We would like your support for this, and if there are no questions, I am happy to answer any questions, and if there are no questions I will walk you through the actual action item.

**Chair Jillian Hasner:** Does anybody have any questions for Christine? Okay, Christine, do you want –

**Christine Ashburn:** Yes, thank you. So, the action item for the Florida public media 2023 to 2026 contract recommended vendor being the Florida public media, Florida Public Radio Emergency Network. As I mentioned this is a budgeted item in the draft 2023 budget. Obviously, the Board does not approve that budget and funding for the remaining years of the contract will be budgeted in the appropriate subsequent years. Again, total cost of the sponsorship for all three years is \$726,960. The sponsored spots on these channels help to inform customers and stakeholders of current programs and educational information and initiatives at Citizens such as contact Citizens first and assessment education, of course everything we need during hurricane season is right at our fingertips with this unique sponsorship. The contract term is a three-year term starting April 24th, 2023 and ending April



19th, 2026. The procurement method was posted as a sole source on October 24th for the required 15 days and 72-hour intent to award notice, is unique in that FPM is publicly funded broadcaster. All sponsored content in this network is restricted in nature to be purely informational without advertisement or direct calls to action, which is great for us given that we are not trying to have folks, we are not marketing for them to come to us. FPM is a not-for-profit organization of 28 public radio and television stations in Florida, and research was conducted via Google and on fpbs.org to pull this together. And if there are no questions, I am happy to read the recommendation, Chair.

**Chair Jillian Hasner:** Any questions before she reads the recommendation for a vote? Christine, go ahead.

**Christine Ashburn:** Okay. Citizens staff recommends the committee and then the Board of Governors, approve the recommended award and resulting sponsorship agreement to Florida public media. Authorize staff to take any appropriate or necessary actions consistent with this action item and approve the three-year Florida statewide total sponsorship not to exceed \$726,960, and that is the action item, Madam Chair.

**Chair Jillian Hasner:** Okay, do we have a motion for approval? I make a motion for approval.

**Phil Zelman:** I will second that motion, Phil Zelman.

**Chair Jillian Hasner:** All in favor.

(Chorus of ayes.)

**Chair Jillian Hasner:** The motion passes.

**Christine Ashburn:** Thank you, thank you, committee for your support, thank you.

**Chair Jillian Hasner:** All right.

**Phil Zelman:** Chair, if I could make a comment.

**Chair Jillian Hasner:** Yes.

**Phil Zelman:** Being involved with Citizens at this level on a number of committees over, I guess it is 15 years or so, boy, have they come a long way in getting information out and dealing with, with insureds and dealing with agents. So you know, it is a pleasure to see some positive come as we lose more insurance companies. So, thank you to the staff.

**Chair Jillian Hasner:** Thank you for that. I am sure it is appreciated. All right, we are going to move into I think our final presentation. I would like to recognize Jeremy Pope, Vice-President of Customer Experience to present on a consent item to the committee today on our BPO call center services.

#### **4. Business Process Outsourcing (BPO) Consent Item**

**Jeremy Pope:** Thank you so much, Chair Hasner, and thank you for, this will be closing ceremonies today. So as Chair Hasner did share. I do have a consent item for the BPO call center services contract, and just very high level and I am being aware of time right now. These services include inbound phone calls which reach our Customer Care Center and our Underwriting department for various servicing needs when appropriate. The mission in these contracts do significantly supplement our calls for claim support, providing service to consumers 24 hours a day, seven days a week. These contracts also both support our daily non-CAT volumes as well as when catastrophe strikes, specifically when we need a massive ramp up of resources relatively quickly which we talked about today. These contracts also support any type of outbound calling campaign that we do. So just really quick for background purposes. Back in December of 2020, the Board approved the initial contracts when we awarded eight vendors for an initial five-year contract term. All of which went through the competitive procurement process. Seven of those eight vendors we actually moved forward with contract execution. The approved spend at that time was \$27,470,000, I am sorry, \$27,470,933, and those were assumptions from 2019 that were used in projecting what we thought our policy count would be for the five-year duration of the requested contract spend. Now, let's fast forward to March of this year. This committee and the Board granted approval for us to add an additional 10 contingent vendors to the roster. We didn't ask for any spend at that time and that was just simply because of our PIF growth and also if we had any type of vendor failure we wanted to make sure we could mitigate those risks with additional vendors should we need to use them.

Now, at this time we are asking for the committee's consideration for an additional spend of \$50,234,944 through March of 2025. As we project to deplete the current spend authority by the end of the first quarter of next year. Now, the primary driver for the need of additional spend is essentially tied to our rapid policy growth since 2019. Assumptions back in 2019 were used to project a 12 percent increase in policy growth for 2021. We actually landed at 28.52 percent, and for 2022 we had a 5.35 percent policy count increase baked in that was projected which was actually a slowdown compared to the prior year. I will just share that we were extremely hopeful at that time that market conditions would be much better than what they are today. Rather than that 5.35 percent growth we used to project the spend we thought would be needed, we actually year-to-date actually through October we are at 38.92 percent growth this year. Chair Hasner, and fellow committee members the BPO call center contracts do not expire until March of 2026. We are requesting the increase spend authority projected at this time to get us through March of 2025. Now, in the spirit of transparency we just simply don't have a strong confidence level in projecting our policy count that far out due to so many unknown market variables at this time. We are extremely hopeful though that market conditions will improve by the expiration date of the call center services contracts. In the event that we need additional spend authority for the last remaining year of the contracts due to continued policy growth and/or excessive storm response needs, we will come back to this committee and the Board for additional spend. Now, as an organization, we are not locked into any mandatory spending requirements within the call center services contract. These services are essentially on demand and put together as unit-based cost with no guarantee of revenue for any of the vendors on contract. In the event our policy count decreases our spend will naturally drop as well, and it could be possible that we would not need to come back to this committee for any additional spend. In fact, we would be below that spend potentially. Chair Hasner, that concludes my recap of this consent item. I know there is an executive summary that is included with today's material, and I will be happy to answer any questions the committee may have, and if none, move on to the recommendation.

**Chair Jillian Hasner:** Does the committee have any questions for Jeremy on this consent item? Anyone? Okay, Jeremy, do you want to move to the consent Item?

**Jeremy Pope:** Absolutely, thank you so much. Staff proposes the Consumer Services Committee review and if approved, recommend the Board of Governors, all authorize an additional \$50,234,944 in spending authority for the contracts with 17 vendors referenced in this consent item for BPO call center services, bringing the total authorized contract amount to \$77,705,877, and most importantly, authorize staff to take any appropriate or necessary action consistent with this consent item.

**Chair Jillian Hasner:** Okay. Is there anyone that would like to make a motion to approve?

**Phil Zelman:** Motion to approve, Phil Zelman.

**Tasha Carter:** Tasha Carter, second.

**Chair Jillian Hasner:** All in favor say aye.

(Chorus of ayes.)

**Chair Jillian Hasner:** All right, the motion carries. Thank you. Jeremy. All right. I think, any other questions or comments related to this committee? Any new business to bring before the committee? Okay. If there are no other comments, questions or new business, then I would entertain a motion to adjourn.

**Tasha Carter:** This is Tasha, I make the motion.

**Phil Zelman:** Second.

**Chair Jillian Hasner:** Great, so moved. We are adjourned and I want to thank you for being here and your participation in today's meeting. I look forward to our next Consumer Services Committee meeting that will be held on Wednesday, March 1st, 2023, at 12:30. Thanks everybody for attending and please join us again in the New Year. Thanks.

(Whereupon, the meeting was adjourned.)