

# Executive Summary

Claims Committee Meeting, June 8, 2023

Board of Governors Meeting, July 12, 2023

## Geospatial Imagery Data for Catastrophe Operations

### Topic

This Action Item seeks approval to contract with Vexcel Imaging US to provide damage assessment reports, upon request, for catastrophe-related events. Approval is requested for a term that will carry Citizens through both the 2023 and 2024 hurricane seasons, expiring December 31, 2024, for an amount not to exceed \$2,000,000.

### History

The National Insurance Crime Bureau's (NICB) Geospatial Intelligence Consortium (GIC) provides high resolution aerial imagery that assists in assessing and responding to damages caused by catastrophic events. The NICB first made this data available to Citizens and other NICB members in 2017, when it was provided on a temporary basis for Hurricane Irma. Beginning with Hurricane Irma, and subsequently Ian, this post event imagery has proved beneficial in helping Citizens to expedite claims payments to impacted policyholders. This is due to the quick availability of clear, post-event imagery that reflects losses before individuals may have even been allowed in an area. Additionally, the date stamped images have been valuable to Citizens' Special Investigations Unit in the detection and investigation of fraud, especially those suspect claims that are reported months and even years after a storm event.

Citizens is currently a member of the Geospatial Insurance Consortium (GIC) under a three-year contract ending December 31, 2024, as approved by the Board in September 2021 for an amount not to exceed \$1,062,330. This current membership to the GIC allows Citizens to access multiple services, including pre and post disaster aerial imagery, which includes comprehensive histories from the National Insurance Crime Bureau (NICB) and from GIC's partner Vexcel. These services and products support catastrophe operations and provide advanced tools for the automation of Citizens' analysis for claims, underwriting, and investigations. The contract was procured in July 2021 under Single Source 21-2003.

The current three-year contract does not include damage assessment reports. Citizens contracted for the damage assessment reports on a short term and emergency basis to respond to Hurricane Ian, as authorized by Executive Order 22-219 signed by the Governor of the State of Florida on September 24, 2022. The Board approved spend for that contract on December 7, 2022 for an amount not to exceed \$720,000, exclusively for the Hurricane Ian response.

The proposed new contract provides Citizens access to the damage assessment reports as needed for future catastrophe events through December 2024. The damage assessment reports compare and analyzes the pre and post event imagery to provide an overall CAT score, approximate FEMA classification and roof details, such as roof condition, missing material and tarp coverage, for structures within a natural disaster impact zone. This allows Citizens to pull automated reports on properties to proactively begin adjusting from the desk, even if a claim has not yet been filed. This ability provides immediate support to our insureds by allowing us to initiate calls to our policyholders to communicate our awareness of damage to them, as well as expedite claims payments in instances where the imagery and report alone allow us to make coverage determinations.

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The requested contract will provide Citizens access to the damage assessment reports, in addition to the pre and post event imagery available under the existing three-year agreement. It will allow Citizens to begin processing claims prior to a declared emergency. This two (2) year term was procured pursuant to Single Source 23-2002, which was publicly posted on May 10, 2023. An opportunity for vendor inquiry and protest was provided in accordance with Citizens' Purchasing Policy and s. 287.057, Florida Statutes. The intent to award was posted on June 5, 2023, with the protest period expiring at 12:00 noon on June 8, 2023.

## Recommendation

As long as no protest is filed, the recommendation is listed in the attached Action Item.

## Geospatial Imagery Data for Catastrophe Operations

**ACTION ITEM**

**New Contract**

**Contract Amendment**

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

**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>	<b>Geospatial Imagery Data for Catastrophe Operations</b> SS 23-2002
<b>Purpose/Scope</b>	<p>This Action Item seeks approval to contract with Vexcel Imaging US to provide damage assessment reports, upon request, for catastrophe-related events through December 31, 2024.</p> <p>The requested contract will provide Citizens access to the damage assessment reports, in addition to the pre and post event imagery available under the existing three-year membership with the Geospatial Insurance Consortium (GIC). The damage assessment reports compare and analyzes the pre and post event imagery to provide an overall CAT score, approximate FEMA classification and roof details, such as roof condition, missing material and tarp coverage, for structures within a natural disaster impact zone. This allows Citizens to pull automated reports on properties to proactively begin adjusting from the desk, even if a claim has not yet been filed. This ability provides immediate support to our insureds by allowing us to initiate calls to our policyholders to communicate our awareness of damage to them, as well as expedite claims payments in instances where the imagery and report alone allow us to make coverage determinations.</p>
<b>Contract ID</b>	<b>Geospatial Imagery Data for Catastrophe Operations, SS 23-2002</b> Vexcel Imaging US, Inc.

## Geospatial Imagery Data for Catastrophe Operations

<b>Budgeted Item</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Procurement Method</b>	This two (2) year contract was procured pursuant to Single Source 23-2002, which was publicly posted on May 10, 2023. An opportunity for vendor inquiry and protest was provided in accordance with Citizens' Purchasing Policy and s. 287.057, Florida Statutes. The intent to award was posted on June 5, 2023, with the protest period expiring at 12:00 noon on June 8, 2023.
<b>Contract Amount</b>	The contract amount is not to exceed \$2,000,000. Each Damage Assessment Report is \$6. Citizens estimated a budget of \$2,000,000 for the 2023 and 2024 hurricane seasons. This will allow 333,333 damage assessment reports.
<b>Contract Terms</b>	The two (2) year contract term will carry Citizens through the 2023 and 2024 hurricane seasons, expiring December 31, 2024.
<b>Committee Recommendation</b>	Staff proposes that the Claims Committee review, and if approved recommend the Board of Governors:  a) Authorize Geospatial Imagery Data for Catastrophe Operations with Vexcel Imaging US, with an expiration date of December 31, 2024, for an amount not to exceed \$2,000,000 as set forth in this Action Item; and  b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
<b>Board Recommendation from Committee</b>	If approved at its June 8, 2023 meeting, the Claims Committee recommends that the Board of Governors:  a) Authorize Geospatial Imagery Data for Catastrophe Operations contract with Vexcel Imaging US, with an expiration date of December 31, 2024, for an amount not to exceed \$2,000,000 as set forth in this Action Item; and  b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
<b>CONTACTS</b>	Jay Adams, Chief Claims Officer