

FMAP, Depopulation & Clearinghouse Updates

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Results Dashboard

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	Agents Participating	Offers Accepted	Consumer Requests	Consumer Requests Converted	Exposure Placed in Private Market
2020	362	1,187	10,546	11.26%	\$298M
2021	239	451	8,346	5.40%	\$143M
2022	303	548	11,039	4.96%	\$290M
2023 Q1	318	277	3,033	9.13%	\$222,686,647
2023 Q2	328	190	3,248	5.85%	\$160,668,011
2023 Q3*	334	178	1,042	17.08%	\$160,785,879
2023 Q4					
2023 Total	334	645	7,323	8.81%	\$544,140,537

*Data as of 07/31/2023

2023 Depopulation Results

Personal Lines Depopulation Results						
Month	OIR Approved ¹	Requested by Insurers ²	Policyholder Choice Letters Mailed ³	Assumed ⁴	Assumption Rate ⁵	Exposure Removed ⁶
February	0	0	0	0	0%	\$0
April	20,000	26,335	26,335	4,573	17%	\$2,189,517,038
May	0	0	0	0	0%	\$0
June	46,218	18,760	18,760	17,239	92%	\$7,399,907,777
August	26,000	28,826	26,689	8,836	32%	\$4,265,547,864
October	184,000	363,118	311,310			
November	202,399					
December						
YTD Totals	478,617	437,039	383,094	30,648	42%	\$13,854,972,679

¹OIR approval is maximum number of policies permitted to be assumed by insurers.

²Sum of all policies requested by insurers, including duplicate offers from multiple carriers.

³Total letters mailed, one (1) per policy. Multiple offers may be contained in a single mailing.

⁴Policies assumed by insurers on Assumption Date.

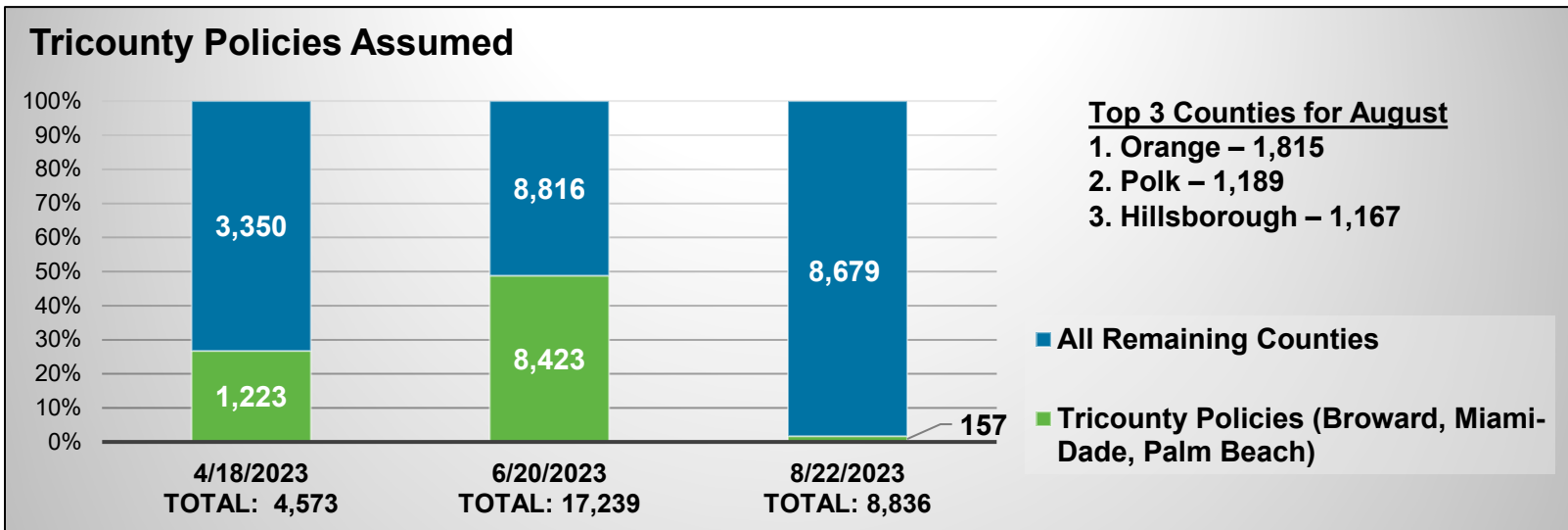
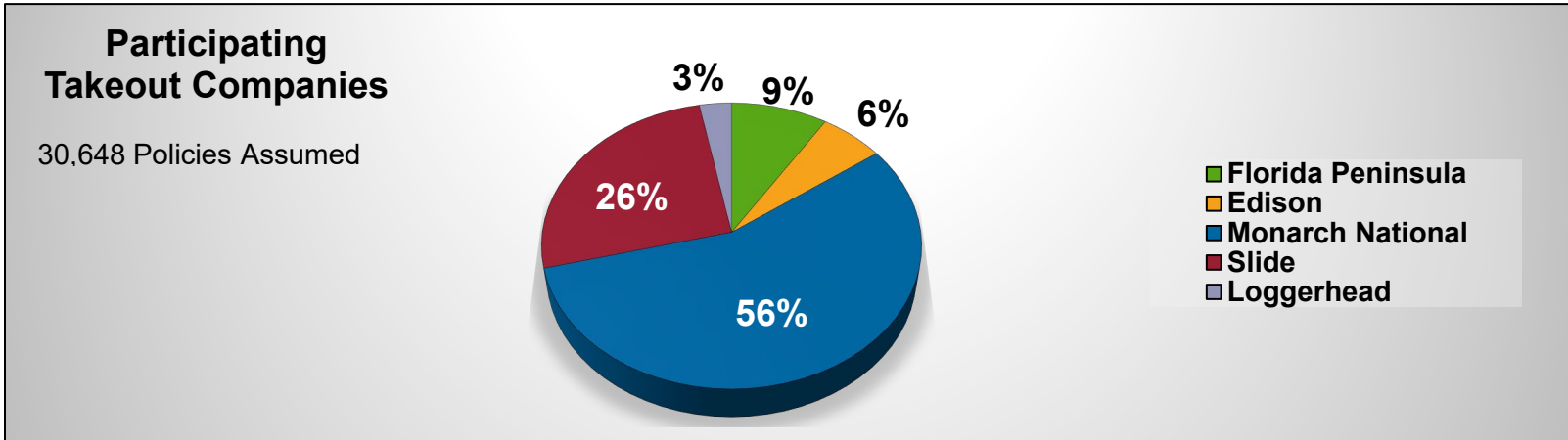
⁵Quotient of 'Assumed' divided by 'Policyholder Choice Letters Mailed'.

⁶Exposure Removed as of Assumption Date.

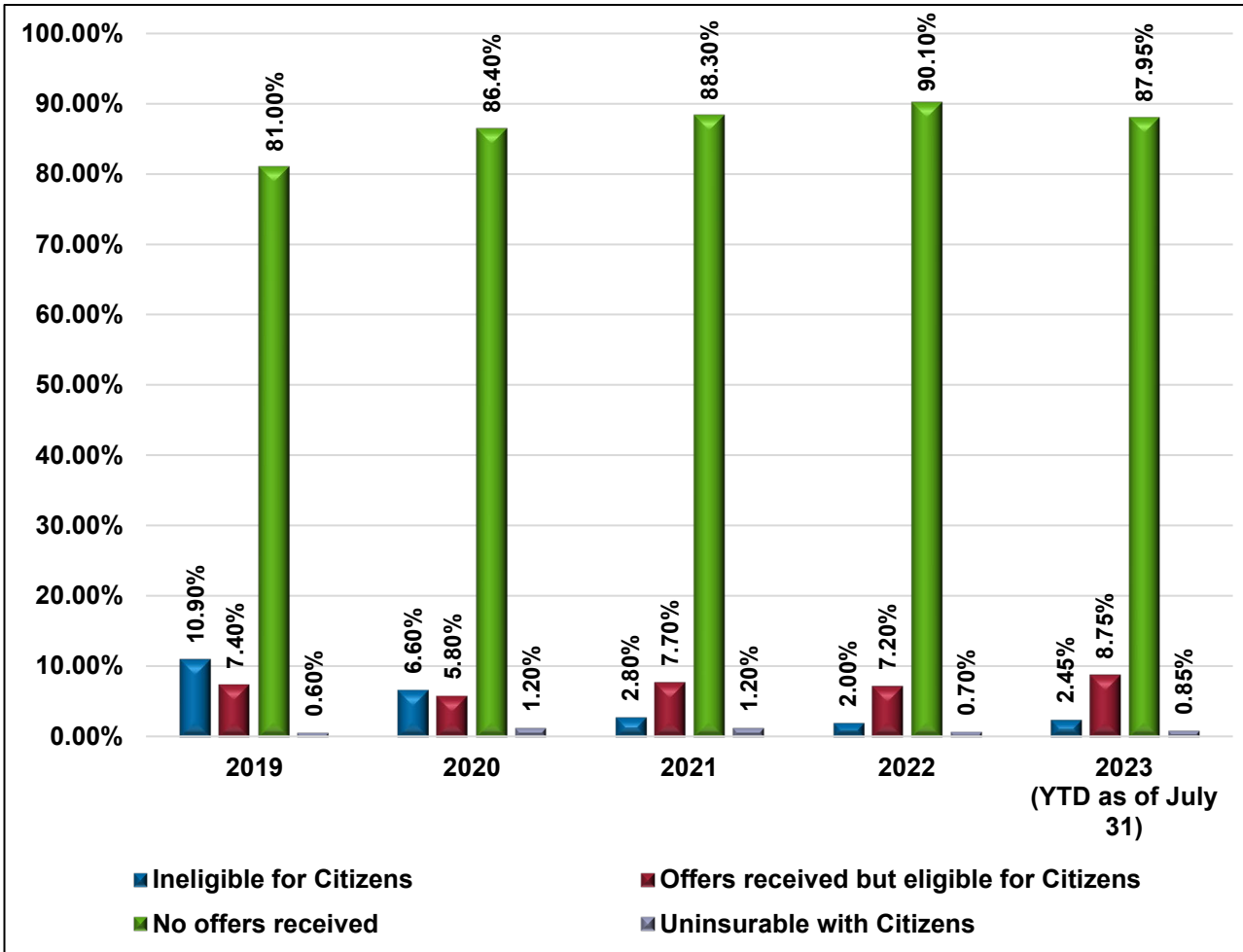
Commercial Lines Depopulation Results

There were no OIR approvals for participation in 2023 Commercial Lines assumptions.

2023 Depopulation Results (YTD)



New Business Update



Number of risks averted (all lines):

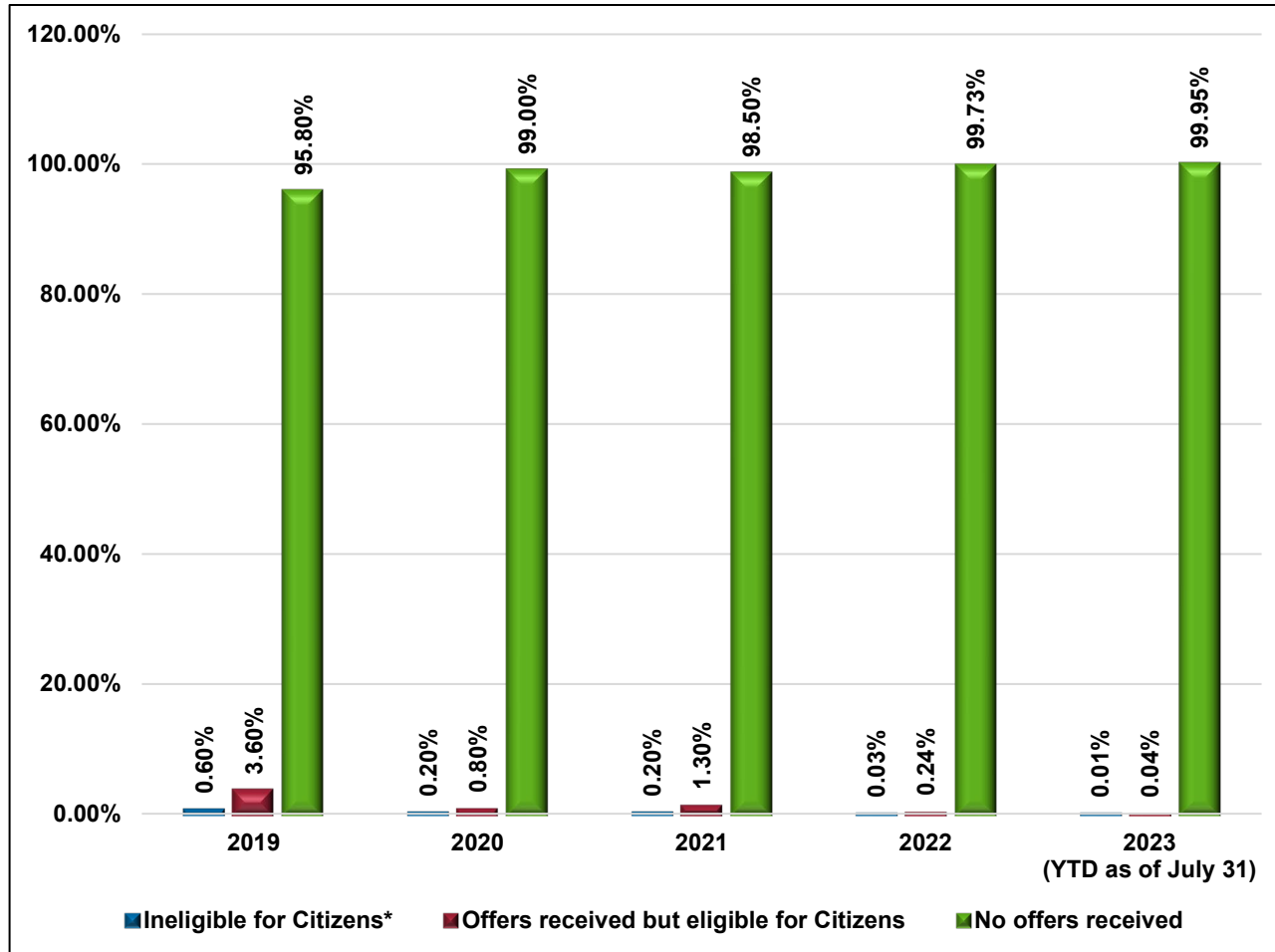
- 2019 – 20,994
- 2020 – 22,221
- 2021 – 29,789
- 2022 – 26,810
- 2023 (YTD) – 12,599

Amount of Coverage A averted:

- 2019 – \$5.7B
- 2020 – \$7.3B
- 2021 – \$9.9B
- 2022 – \$8.9B
- 2023 (YTD) – \$6.3B

YTD = As of 7/31/23

Renewal Update



Risks Removed (All Lines)

Amount of Coverage A removed:

- 2019 – \$221.5M
- 2020 – \$111M
- 2021 – \$196M
- 2022 – \$34M
- 2023 (YTD) – 12.7M

16,788 policies have been non-renewed by Citizens as a result of offers made at renewal through the Clearinghouse.

YTD = As of 7/31/23

*Ineligible means a comparable offer of coverage was received through the Clearinghouse that had a premium that was equal to or less than the Citizens renewal premium.

Clearinghouse Program

In order to facilitate the diversion of ineligible applicants and existing policyholders from Citizens into the voluntary insurance market, Citizens is required by statute to implement a Clearinghouse program. However, the statute provides Citizens broad discretion in how it may implement such a program. The intention of the Clearinghouse program is to provide a platform that facilitates consistent enforcement of Citizens premium comparison eligibility rules and to allow carriers to present their offered premiums to agents.

Clearinghouse Interim Program Solution (CHIPS)

WHAT

CHIPS New Business

Increased agent requirements for proof of price eligibility at point of sale

CHIPS Renewal

Citizens Identifies "High Potential" policies for private market placement and presents those to agent for remarketing prior to renewal

Clearinghouse Reimagined

WHY

- Improved agent experience
- Shorter application process
- Dynamic questions
- Improved carrier reach
- New business validation
- Broader renewal reach
- More new business averted
- More renewals placed in private market

WHAT & WHEN

- New business quoting
- Manual eligibility checks
- New business quoting
- Automated checks
- Renewal quoting
- Automated checks

Capabilities Will Be Delivered In Phases between Q4 2023 and Q2 2024.

WHO

Applied Systems® (see next slide)

Applied is the ideal partner for Citizens

Why partner with Applied?

- 1 Applied is the **leading cloud software provider** for independent agents and carriers; serving the market for 40 years
- 2 **Significant footprint** of brokers on Applied software in Florida will expedite adoption
- 3 **Deep understanding** of the Florida homeowner's insurance market through our existing carrier panel
- 4 Proven track record of **delivering and scaling** API-driven rating solutions that power the top insurtechs and carrier distribution
- 5 Our Leadership, Culture & Engagement will **impact your success**

Significant Broker Footprint

+3,300

Florida insurance agencies quoting on Applied software

+20,000

Florida insurance agency users quoting on Applied software



Deep Understanding of FL Homeowner Market

517,000

Monthly average Florida homeowners-only quotes on our platforms

660,000

Monthly average Florida auto and auto-homeowners quotes monthly

