

# 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
<b>2020</b>	362	1,187	10,546	11.26%	\$298M
<b>2021</b>	239	451	8,346	5.40%	\$143M
<b>2022</b>	303	548	11,039	4.96%	\$290M
<b>2023 Q1</b>	318	277	3,033	9.13%	\$222,686,647
<b>2023 Q2</b>	328	190	3,248	5.85%	\$160,668,011
<b>2023 Q3*</b>	334	178	1,042	17.08%	\$160,785,879
<b>2023 Q4</b>					
<b>2023 Total</b>	<b>334</b>	<b>645</b>	<b>7,323</b>	<b>8.81%</b>	<b>\$544,140,537</b>

\*Data as of 07/31/2023

## 2023 Depopulation Results

Personal Lines Depopulation Results						
Month	OIR Approved <sup>1</sup>	Requested by Insurers <sup>2</sup>	Policyholder Choice Letters Mailed <sup>3</sup>	Assumed <sup>4</sup>	Assumption Rate <sup>5</sup>	Exposure Removed <sup>6</sup>
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						
<b>YTD Totals</b>	<b>478,617</b>	<b>437,039</b>	<b>383,094</b>	<b>30,648</b>	<b>42%</b>	<b>\$13,854,972,679</b>

<sup>1</sup>OIR approval is maximum number of policies permitted to be assumed by insurers.

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

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

<sup>4</sup>Policies assumed by insurers on Assumption Date.

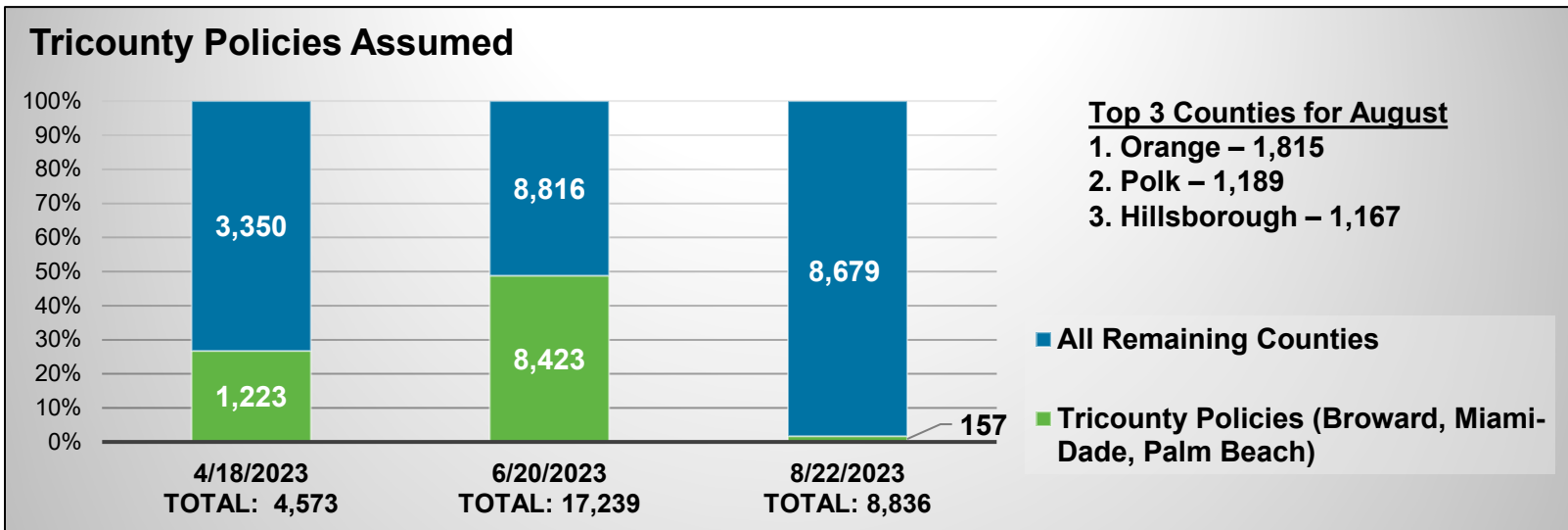
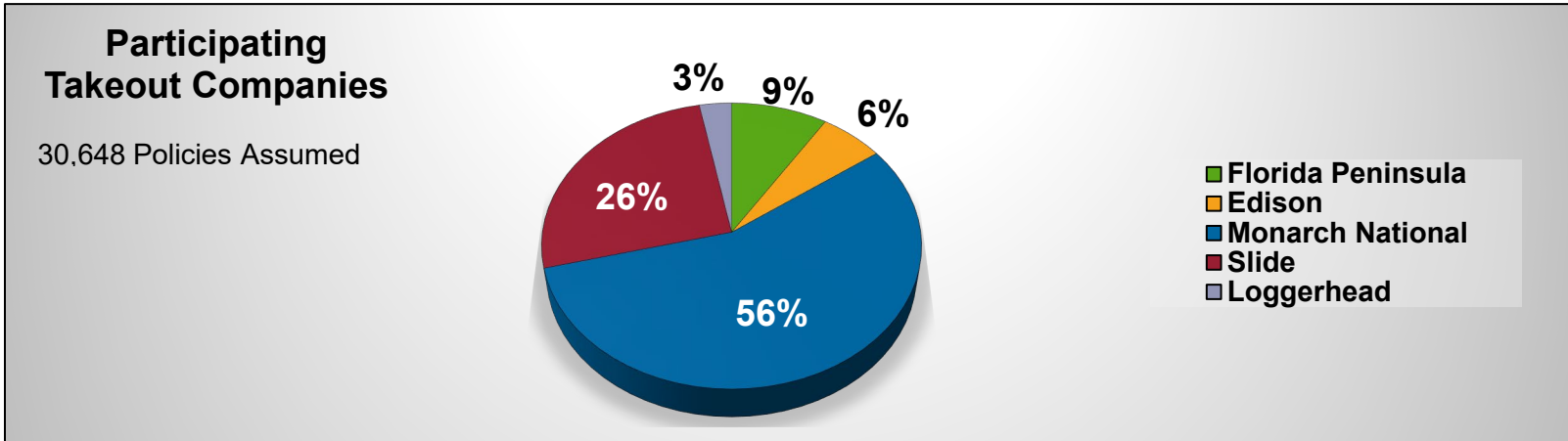
<sup>5</sup>Quotient of 'Assumed' divided by 'Policyholder Choice Letters Mailed'.

<sup>6</sup>Exposure Removed as of Assumption Date.

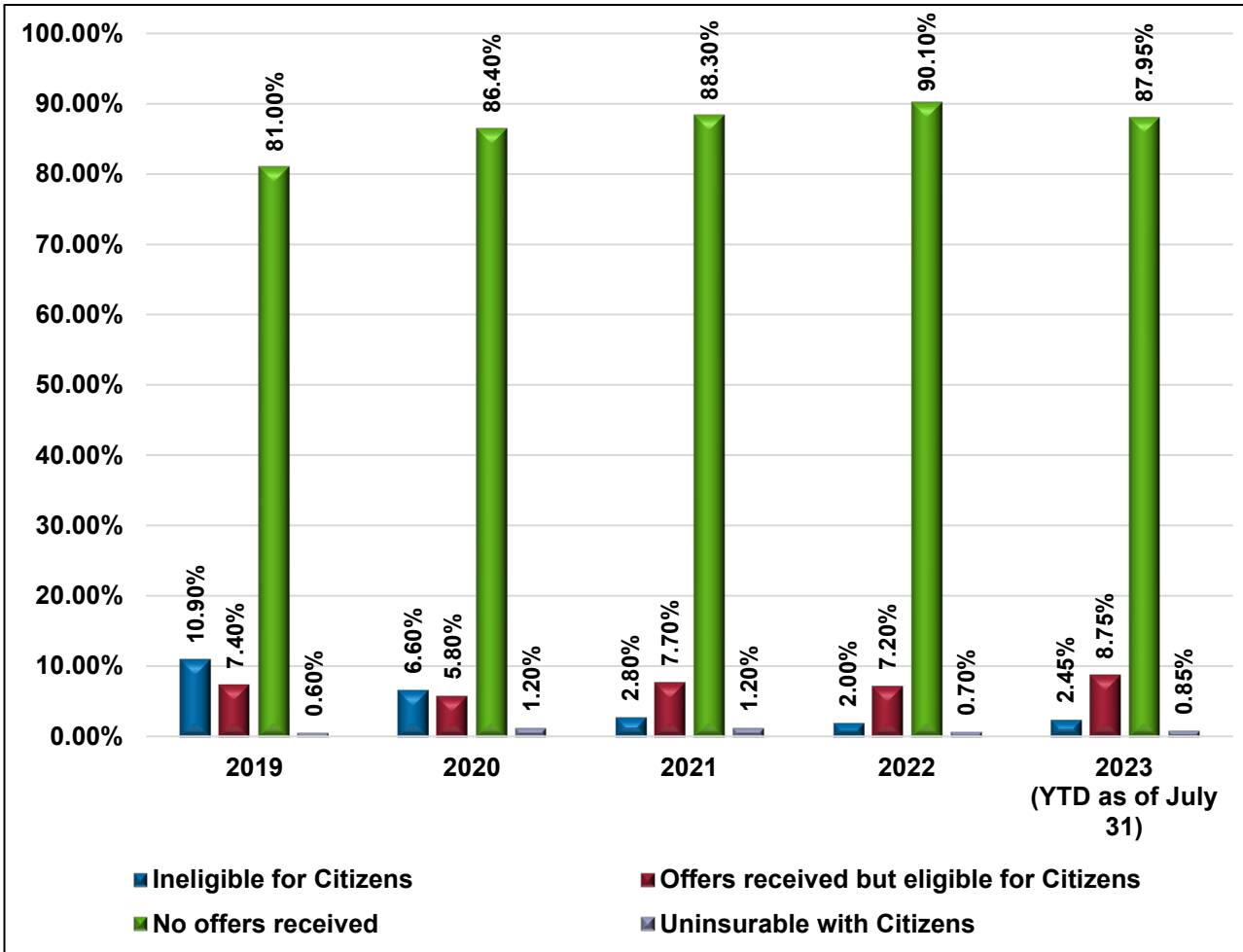
## Commercial Lines Depopulation Results

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):

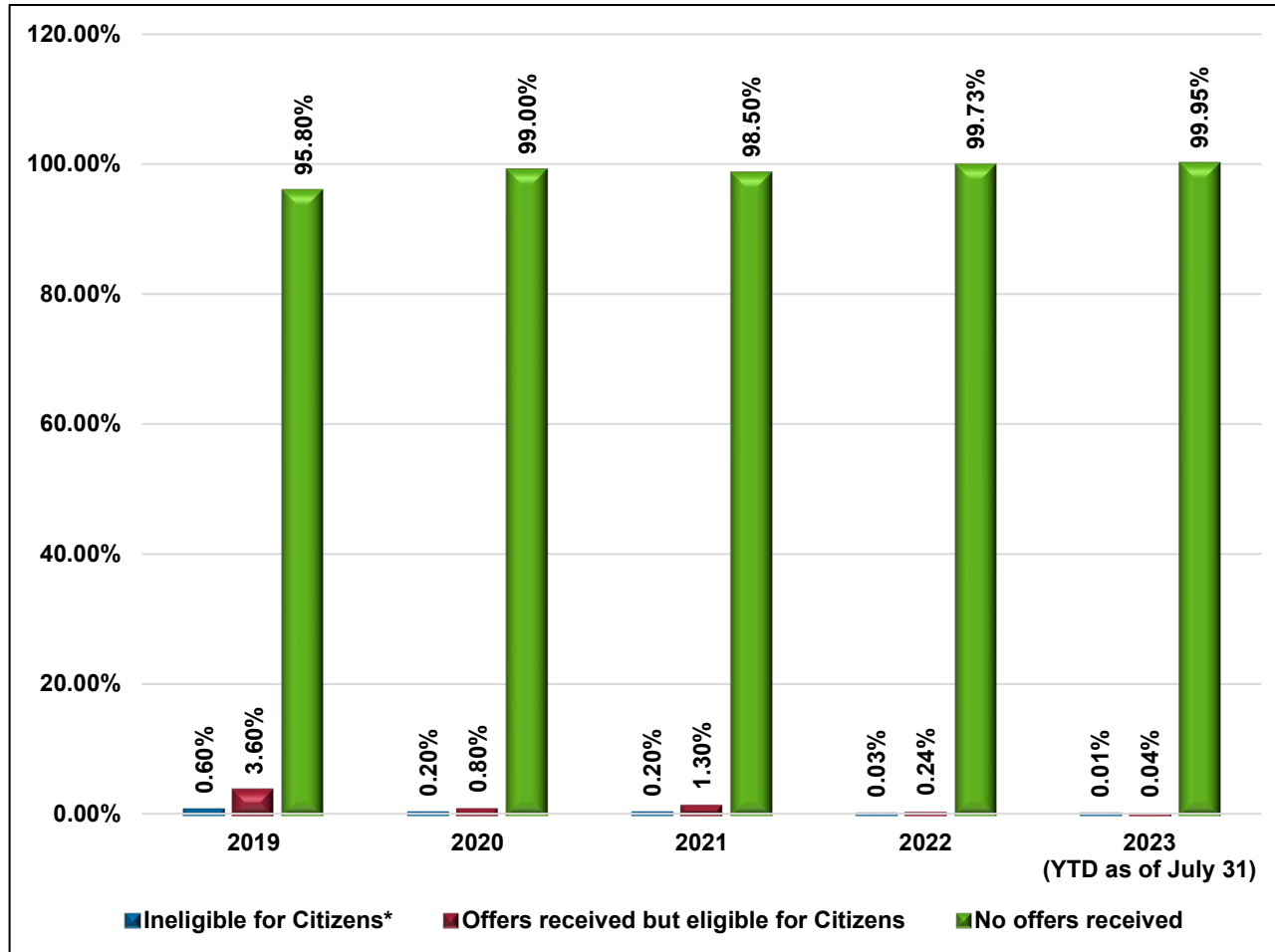
- 2019 – 20,994
- 2020 – 22,221
- 2021 – 29,789
- 2022 – 26,810
- 2023 (YTD) – 12,599

### 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

