

Executive Summary

Actuarial and Underwriting Meeting, June 25, 2025

Board of Governors Meeting, June 25, 2025

Product Updates – June 2025

Underwriting Guidelines – Commercial Lines

Citizens' current Commercial Underwriting Guidelines require that all new business submissions include three years of prior loss history (loss runs). Due to the complexity and extended timelines associated with larger, catastrophe-related commercial losses, Staff proposes increasing this requirement to five years. The additional loss history would support a more comprehensive evaluation of underwriting risks and aid in identifying any unrepaired damage from prior claims.

Recommendation

The recommendation is listed in the attached Action Item.

Product Updates – June 2025

☒ **ACTION ITEM**

☐ **New Contract**

☐ **Contract Amendment**

☒ **Other: Product Updates**

☐ **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.

Item Description	Product updates described in the accompanying Executive Summary: Product Updates – June 2025. These changes include recommendations to address: Proposed change to Commercial Lines loss history documentation rules to require five years of loss information instead of three years.
Purpose/Scope	Actuarial and Underwriting Committee approval and Committee recommendation to Board of Governors for approval of proposed changes.
Contract ID	Product Updates – 2025 Contract number, if applicable Recommended vendor, if applicable
Budgeted Item	☐ Yes ☒ No
Procurement Method	N/A
Contract Amount	N/A
Contract Terms	N/A

Product Updates – June 2025

Committee Recommendation	Staff proposes that the Actuarial & Underwriting Committee review, and if approved, recommends the Board of Governors: a) Approve changes to Citizens' Product guidelines, forms and supporting documents to address emerging issues as described in the Product Updates – June 2025 Action Item; and b) Authorize staff to take any appropriate or necessary action consistent with the Product Updates – June 2025 Action Item to include filing with the Office of Insurance Regulation (OIR), system change implementations, updates to supporting documents, applications or forms and other relevant activities. Final changes and implementation timeline may vary, based on project complexity, operational considerations, and feedback from the OIR.
Board Recommendation from Committee	If approved at its June 25, 2025, meeting, the Actuarial and Underwriting Committee recommends that the Board of Governors: a) Approve changes to Citizens' Product guidelines, forms and supporting documents to address emerging issues as described in the Product Updates – June 2025 Action Item; and b) Authorize staff to take any appropriate or necessary action consistent with the Product Updates – June 2025 Action Item to include filing with the Office of Insurance Regulation (OIR), system change implementations, updates to supporting documents, applications or forms and other relevant activities. Final changes and implementation timeline may vary, based on project complexity, operational considerations, and feedback from the OIR.
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