

# Addendum: SIU

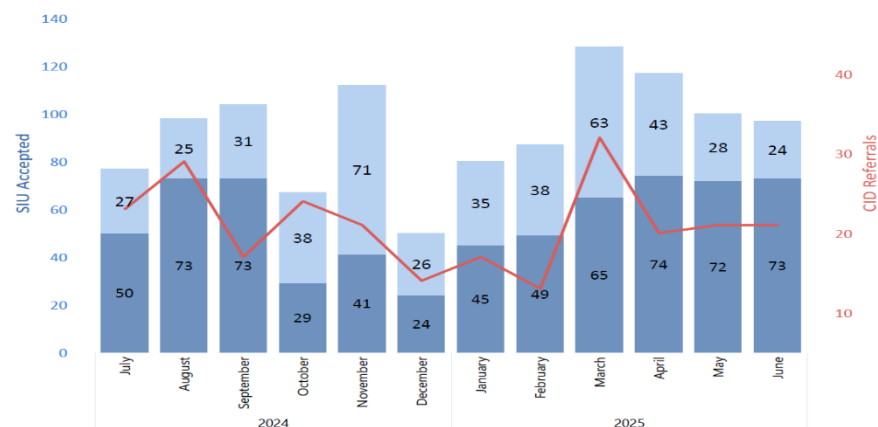
Claims Committee Meeting, September 11, 2025

Board of Governors Meeting, September 24, 2025

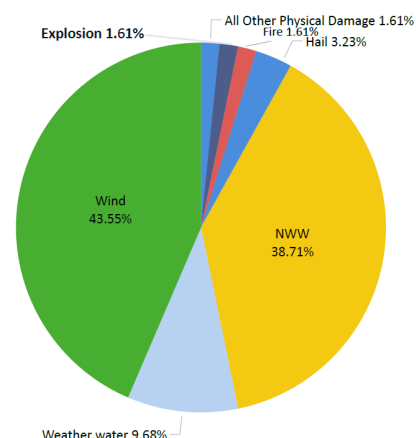
## Special Investigations Unit (SIU)

CID Referrals Vs. CAT and Non-CAT SIU Accepted

● Non CAT SIU Accepted # ● CAT SIU Accepted # — CID #



CID Referrals by Loss Type



FBE\* (DIF/CID) Referrals vs. CAT and non-cat Claim Investigations

| Q2 2025        | Investigations Accepted by SIU | Investigations Completed by SIU | SIU Investigations Resulting in FBE* Referral | FBE* Referral Rate | Q1 2025 SIU Acceptance | % Change from Previous Quarter |
|----------------|--------------------------------|---------------------------------|---|--------------------|------------------------|--------------------------------|
| <b>CAT</b>     | 95                             | 129                             | 25  | 19.38%             | 136                    | ▼43.16%                        |
| <b>Non-CAT</b> | 219                            | 216                             | 37  | 17.13%             | 159                    | ▲27.40%                        |
| <b>Total</b>   | <b>314</b>                     | <b>345</b>                      | <b>62</b>                                     | <b>17.97%</b>      | <b>295</b>             | <b>▲6.05%</b>                  |

\*Fraud Bureau and Enforcement pertains to complaints submitted to Florida's Bureau of Fraud, Criminal Investigation Division.

## Overview

In Q2 2025, SIU initiated 314 claim investigations, marking a 6% increase from the previous quarter. Of these, 62 were referred to Florida's Bureau of Fraud, Criminal Investigation Division (CID) in compliance with statutory requirements. Suspected wind and non-weather water losses remain the leading driver of SIU referrals, representing 82% of investigated claim types. Approximately 18% of all SIU investigations were referred to CID, many of which involve third-party entities such as public adjusters and contractors.

Citizens' Special Investigations Unit (SIU) continues to identify and address fraudulent activity impacting policy issuance and claims handling. Recent investigations have led to multiple arrests and criminal charges involving agency personnel, inspectors, and policyholders. These cases highlight the importance of vigilance in underwriting and claims processes, and the effectiveness of collaboration between SIU and the Florida's Bureau of Fraud, Criminal Investigation Division (CID) in pursuing accountability.

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**Unappointed CSR Submits Altered Document:** Citizens' SIU uncovered that a Customer Service Representative, not appointed with Citizens but working within an appointed agency, submitted an altered flood declaration page to bind a personal lines policy. Following referral to the Department of Financial Services' Division of Investigative and Forensic Services (CID), the CSR was arrested and charged with insurance fraud.

**False Roof Condition Report:** During a windstorm claim investigation, SIU identified a falsified 4-point inspection report misrepresenting the roof condition of a personal lines risk. The report was used to support policy issuance. The insured and a Tamarac-based home inspector were arrested and charged with filing a false and fraudulent application.

**Concealed Plumbing Leaks:** In April 2025, a Brevard home inspector was arrested and charged with insurance fraud after submitting a false 4-point inspection that concealed active plumbing leaks. The inspection was used to obtain coverage. The arrest followed an SIU investigation into three non-weather water losses occurring within four days, approximately two months after policy inception.

## Other Cases of Interest

**Hernando - Wind:** An SIU investigation into a windstorm claim discovered that a representative from a Hernando-based public adjusting company may have engaged in unlicensed public adjusting by handling a claim on behalf of an insured. Because the unlicensed individual inspected damage, advised the insured on coverage, and reported the claim to Citizens, a referral was submitted to the CID and a complaint to DFS Agent and Agency Services is forthcoming.

**Pinellas - Hail:** After the insured's public adjuster reported a hail damage claim on behalf of the insured, an SIU investigation established that the insured and the public adjuster contrived the hail claim for damage that pre-dated this loss and was already presented in the insured's 2021 roof claim. The claim reserved at \$3,000 was denied due to pre-existing damage. CID referral was submitted.

**Manatee - Wind:** After Citizens issued a partial denial of the insured's claim because the roof had been replaced prior to inspection, an SIU investigation determined that the insured provided materially false documentation in support of a claim by attempting to pass off photos of another property (containing roof damage) as her own. A CID referral was submitted, and Citizens affirmed the denial of coverage.

**Volusia - Non-Weather Water:** After the insured submitted two separate and unrelated non-weather water claims, one involving a valve leak in the kitchen and the other involving valve leak in the bathroom, SIU determined that the insured contrived the claims to collect on water damage that resulted from rising water and flooding, which was excluded from coverage. No payments were made on the claims which were denied for incorrect statements and concealment. CID referrals were submitted on both claims.

**Highlands - Wind:** An SIU investigation into a windstorm claim found that the insured concealed that she owned and operated a plant nursey at the risk at the time of the application of insurance. The insured subsequently withdrew her claim, which was reserved at \$75,000 and the policy is set for non-renewal. A CID referral was submitted.

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**Hillsborough - Wind:** Following a \$62,000 windstorm damage payment, SIU determined the insured knowingly submitted false documentation supporting a \$12,700 supplemental claim for repairs that were never completed. No additional payments were issued, and the case was referred to the Bureau of Fraud, CID.

**Hillsborough - Wind:** An SIU investigation revealed that a service provider submitted falsified documentation, including a forged signature from the insured, to collect over \$2,000 for services not rendered. The claim was denied, and no payments were issued. A CID referral was submitted.

**Orange - Theft:** An SIU investigation found that the insured submitted materially false documents and photographs in support of a theft claim involving \$22,000 of stolen personal property, including jewelry and purses. The claim was denied due to the insured's failure to comply with conditions under the policy after the insured failed to appear at an Examination Under Oath. A CID referral was submitted.

**Miami-Dade - PL Underwriting:** An SIU investigation determined that the insured submitted a false application for insurance by failing to disclose that the risk was advertised and operated as a short-term rental. Although the policy was ultimately canceled for nonpayment of premium, a referral to the CID was submitted based on the material misrepresentation presented at the time of binding.

**Broward - PL Underwriting:** An SIU investigation found that the policyholder, after being informed Citizens does not insure short-term rental properties, sought coverage through a second agent and knowingly concealed that the home was actively listed on Airbnb. The policyholder obtained a personal lines policy for which they were ineligible. The policy was cancelled, eliminating \$897,600 risk exposure and a referral was submitted to CID.

**Miami-Dade - PL Underwriting:** An SIU investigation determined that the insured submitted a false 4-point inspection report that materially misrepresented the roof condition of the insured's home and submitted a false application by failing to disclose that the property was held out for short-term rental. As a result of this investigation, underwriting voided this policy and removed a risk exposure of \$250,030. A CID referral was submitted.

**Broward - Underwriting Material misrepresentation:** An SIU investigation determined that the insured submitted a false application for a personal lines property by concealing that an Assisted Living Facility was in operation at the property. As a result, the policy was cancelled, removing risk exposure of \$332,000. A CID referral was submitted.