

CITIZENS PROPERTY INSURANCE CORPORATION

**SUMMARY MINUTES OF THE
CONSUMER SERVICES COMMITTEE MEETING**

Thursday, June 15, 2017

The Consumer Services Committee of Citizens Property Insurance Corporation (Citizens) convened telephonically on Thursday, June 15, 2017 at 10:00 a.m. (Eastern Time).

The following members of the Consumer Services Committee were present telephonically:

Freddie Schinz, Chair
James Holton
Greg Rokeh
Phil Zelman

Steve Bitar
Christine Ashburn
Jennifer Farris

The following were present telephonically:

Barry Gilway
Adam Marmelstein
Barbara Walker
Alden Mullins
Sara Golding
Jeremy Pope
Cindy Brunner
Jay Adams
Manda Marsico
Bonnie Gilliland

Ray Norris
Marsha Watson
Becky Griffith
Erin Vickory
Clint Roszelle
Chris Williams
Patty Elsbern
Sue Register
Karen Holt

BONNIE: Welcome to Citizens Consumer Services Committee meeting. Our meeting will convene at 10:00 a.m. If you are not speaking on today's call, please press star 6 to mute your line. Do not place this call on hold. Again, please press star 6 to mute and pound 6 to un-mute your line.

Thank you for identifying yourself prior to addressing our committee. Citizens' Board and committee meetings are recorded. Transcribed Minutes are available at our website.

Chairman Freddie Schinz?

CHAIRMAN SCHINZ: Here.

BONNIE: Bette Brown?

GOVERNOR HOLTON: I am here.

BONNIE: Is Bette Brown here?

GOVERNOR BROWN: Here.

BONNIE: Wonderful. Jim Holton?

GOVERNOR HOLTON: Here.

BONNIE: Greg Rokeh. Phil Zelman?

MR. ZELMAN: Present.

BONNIE: Sha'Ron James. Christine Ashburn?

MS. ASHBURN: I am here.

BONNIE: Steve Bitar?

MR. BITAR: I am here.

BONNIE: Wonderful. I am going to try again with Greg Rokeh, are you on the line?

MR. ROKEH: Yes, I am here now. Thank you.

BONNIE: Thank you, and Sha'Ron James, have you joined us? We have one missing but we do have a quorum.

CHAIRMAN SCHINZ: That is great, thank you.

MRS. FARRIS: This is Jennifer, if you all can hear me, this is Jennifer Farris, counsel for Sha'Ron James on her behalf.

BONNIE: Thank you.

CHAIRMAN SCHINZ: Oh, good. Thank you, welcome. Anyhow, thank you, everybody, for joining us for the Consumer Services Committee meeting. And I would, now that we have a quorum I would like to thank you, Bonnie, first of all, for your calling the quorum on this meeting. Now is the time to move to have a -- have any discussion about any questions or comments or any additions or deletions to the Minutes from the last meeting in March. Do we have any questions from anybody? With no questions --

GOVERNOR BROWN: Bette Brown, I move to approve.

GOVERNOR HOLTON: Jim Holton, I second.

CHAIRMAN SCHINZ: I have got a motion and a second. Any objections? With no objections, so approved. So we will move right on to the mobile home coverage. And I think Karen, you and Christine are going to cover that for us. Hello?

A VOICE: @2:40 Karen, are you with us?

CHAIRMAN SCHINZ: Yes, we are going to move on to item number two. Can everybody hear me?

MR. BITAR: You may have to push pound 6, Karen, to un-mute.

CHAIRMAN SCHINZ: Can you hear me, Steve?

MR. BITAR: I can hear you just fine, and I am more than happy to cover Karen's section. She might be having some technical difficulties.

CHAIRMAN SCHINZ: Okay, Steve, can you hear me?

MR. BITAR: I can hear you. Can you hear me?

CHAIRMAN SCHINZ: Yes, can everyone hear?

GOVERNOR HOLTON: Yes.

GOVERNOR BROWN: Yes.

MR. BITAR: Yes, wonderful.

CHAIRMAN SCHINZ: That is good. I want to thank everybody -- I want to thank everybody, first of all, for all of the efforts they put in to putting this pamphlet together for this, this meeting. And Steve, I thank you for covering for Karen Holt, and Christine is here, too. So we are going to turn the mobile home coverage update, item number two, to you, Steve.

MR. BITAR: I am happy to do it. Just a quick update. We have recently tried to do what we can, as you know, Chairman Schinz, to help our mobile home policyholders. And most recently we have taken a more critical look at our mobile home valuations to see what we can do as we head into hurricane season to ensure that our

mobile home policyholders are covered at appropriate amounts. So to that end we have made a couple of changes, the first of which starting June 1st, we are now allowing our policyholders to insure their homes up to 150 percent of the replacement cost valuation that our system provides to them. Previously the limit was up to 125 percent, going to 150 allows them to at their choice increase their coverage and be better protected as we head into hurricane season. So this is optional and Christine will cover the communications related to this shortly.

We have also made some other edits in our system that will allow for better valuation. Those will begin starting July 1st, as well when we push those out systematically. And then other change we have made with an effective date that is to be determined, will be that currently mobile homes that are located in -- they are not located in an approved park or subdivision only qualify for our dwelling fire policy. We are going to, after some analysis of claims related to both of those types of mobile homes, both in and outside of an approved park, we have decided that we are going to allow them to be rewritten on a homeowners' policy form which will get them some better protection. So we also are going to allow that to happen. So what we are really trying to do is all good for our mobile home policyholders. You have helped us on that path, and so as our commitment to you, Governor Schinz, we tried to work on whatever we could to help those consumers and this is the next step in that, in that direction. So that pretty much concludes the update of the upcoming changes and I can turn it over to Christine to talk about the communications related to this.

CHAIRMAN SCHINZ: Thank you, Steve.

MS. ASHBURN: Thank you, Steve. Thank you, Mr. Chairman. Yes, we are, as we have done in the past, obviously when we make positive changes like this or any critical changes, they are only as good as our communication efforts surrounding them. So we are will be launching a communication campaign which will include postcards to our mobile home policyholders and agency e-mails and targeted agency e-mails to those who have a large mobile home book. We do, as in other lines of business we do see that, you know, we have people, obviously agents that focus on a large mobile home books of business and so we want to make sure that those agents are well aware of these changes. And we will also be phasing in and mailing @6:32 (inaudible) out -- mailing (inaudible) to our mobile homes -- to our agents, I apologize, so that we will make sure we don't inundated those particular agents that have a large book of business all at once with making sure that they are not getting 1,000 phone calls in one week from their customers. So that is our approach starting in July. We will be mailing those postcards into the August time frame to make sure that everyone is aware and has an opportunity to increase their coverage. And just as reminder, unlike a site built home, mobile homes of course are written on a stated value or a depreciated, they depreciate over time which is why we believe this change is so important.

We have heard a lot of complaints and concerns over the years with some of these folks that have put a lot of effort into their homes that they feel they undervalued for insurance purposes and we hope this will go a long way to fix that for those who are looking for more coverage.

CHAIRMAN SCHINZ: Christine, this is Freddie. I have a question for you. When you send these, when you send these out to these people via mail, are you also going to include the little flyer that we did? I don't know, about a year ago to let them know how we value and what the -- what the value of their mobile home is going to be and the attached structures? Are you going to include that with it?

MS. ASHBURN: We will not be including it. This will just be a postcard mailer, and that is a separate trifold pamphlet. That pamphlet will be updated though to include this information of all of the changes that Steve has reviewed. We will be updating that pamphlet to reflect the changes and the coverages that are available. But the direct mail campaign going to the 150 percent will be a brightly colored two-sided postcard that will go as its own mail piece outside of the mailing packet. In addition to when they get their renewal they have an

opportunity to make those changes or when they are newly written. But this is for our current book so that we let these folks know that in the middle of the term following the effective date of this change they can call their agent and work to increase their coverage if they so choose.

CHAIRMAN SCHINZ: Okay, great. Thank you. Does anyone have any questions for Christine or for Steve?

GOVERNOR HOLTON: No.

CHAIRMAN SCHINZ: Okay, well, if we don't have any questions, great job, Christine, and Steve, I appreciate y'all staying on top of that mobile homes. That is real important to keep those people informed. So now we will move under, to tab three, the catastrophe response center, and I think Erin, are you going to go ahead and bring us up to date on that, please?

MS. VICKORY: Yes, sir, I am here. Thank you, Chairman Schinz and fellow committee members. For the record this is Erin Vickory, I am Assistant Director of Consumer Services, and I also act as our CRC coordinator which is a catastrophe response center. So today I am going to give you a quick overview as to what our CRC is, let you know about a couple of the big events that we are a part of for 2016, to really test our operations and then let you know what we have done to prepare for 2017.

So to start off, our catastrophe response center, it is really our customer facing portion of catastrophe response. So after a form we deploy these mobile offices to help our policyholders in their time of need. Our goal is to mobilize a fully functionally CRC within 48 to 72 hours after a catastrophe or as soon as it is safe to travel to the impacted area. So as you can imagine when a catastrophe is hit a lot of folks may not have power or cell service. So we want to come to them to help them, you know, file a claim, get their policy information, possibly go ahead and give them a payment, things like that. We have our field service vehicles that we have had 2015, and these are fully functioning offices on wheels basically. They are custom made just for Citizens. They are call hauling vehicles and they hold all of the equipment that we need to set up a fully functioning CRC. This includes our physical supplies, like tables, chairs, tents, all of the office supplies that we need, and it also includes the technology that we need. It is a fully functioning mobile office as I mentioned. So we have generators and satellites. We can go into the middle of an area that doesn't have any power or cell services service and be fully functioning, get into our systems, get into our network, things like that. So we have full technology on these FSVs including our laptops, phones, and printers, anything that we would need to help our policyholder.

We move to the next slide, I will tell you a little bit more about the other resources that we need to run a CRC. Obviously, we need folks to handle the customer service portion of this. So we recruit employees each year to serve at our CRCs. For this year why we have identified 97 employees that have volunteered to be -- to serve as a CRC for this season, and they do represent almost all of the departments within Citizens. To operate a CRC we need 12 to 15 volunteers and each of these volunteers is prepared to be deployed for up to 21 days at a time. So it is quite a commitment from our volunteers. Should we have to have a CRC for more than 21 days then we would just rotate volunteers. Each year we do training for all these volunteers. We need them to obviously be fully aware of our technical procedures and how to run the CRC, but we also do enhanced customer service skills. We need these folks to be ready for anything, should they walk into an area that has been hit hard, we could see some very upset policyholders and we need to be ready to help them in their greatest time of need. The equipment, as I mentioned, the main piece of equipment we use are those field service vehicles that I mentioned that have all of our equipment on them. And right now we have the equipment and volunteers ready to activate up to three CRCs at one time. So we have three fully functioning FSV vehicles, and then we also have a backup trailer that has satellite and network capability available. So we could use that should the technology fail on an FSV or if we needed to open a fourth site at one time. Just to -- now that I have told you about the resources I just want to give you a quick idea of how the CRC flow goes and

what the customer experiences. So when customers come to our site they can have as little or as much information as they have. We understand some folks don't even know their insurance company sometimes and they may not have their policy information. So we greet them, we offer them water, we have fans, try to make a comfortable environment for them to provide us whatever information that they have, and then we have a role that we call our table worker. And these are employees that are our policy experts, they are system experts and they are going to work the policyholder to find them in our system, see if they have already filed a claim. If not they can file a claim for them at that time. They can look at all of their coverages to determine if they might be eligible for ALE or additional living expense, and possibly get a check right there on site to go ahead and start their recovery process.

We do have licensed adjusters at every CRC that help us determine whether ALE is appropriate for the policyholder. Since we can provide payment right there on site we do have checks on site that we are able to write to your policyholders. So part of the reason that we -- that we like the FSVs is because we can have the people inside the vehicle in a more secured location so the checks aren't, you know, out and readily available for people to have access to. We have 24-hour security as well so that all of our checks and technology and equipment and all of that is protected.

So moving on to the next slide, I am going to tell you about some of the 2016 events that we are a part of. The first one was a DFS mock insurance village. So the thought is that if there is a big catastrophe, DFS lead the effort to set up an insurance village where multiple insurance companies would come to one location to help consumers. There would also be organizations such as FEMA and Red Cross. So that hopefully there would be a one stop shop for people in that area to get the assistance that they need. Because we haven't had a storm in about 10 years in the state of Florida we haven't had the need for the insurance village. So last year DFS decided to set up a mock insurance village for us to all practice the operations. So they invited us along with a few other insurance companies. So you can see there our setup at the mock insurance village. There is a picture there, and then the next slide has some further details. It occurred on September 22nd, and it was actually scheduled to happen pre-storm season but we weren't able to have it due to inclement weather so it got postponed, but we did have it in September in Tampa in a Walmart parking lot, and we were asked to participate along with a few other insurance companies and DFS had a setup out there as well and we were able to fully test our operations. We also had the privilege of presenting our operations to David Altmaier, the Florida Insurance Commissioner and Jeff Atwater, our CFO, and you can see the picture there of us sharing, telling them about operations.

The next event was our response to Hurricane Matthew. There was no DFS insurance village set up for this, but Citizens decided to deploy CRCs to help our consumers. So we had two CRCs last year, we out from October 10th to October 17th. The locations were in Cocoa and Titusville. It was our first deployment in 10 years. We practice each year, but this was the first time we really got to get out in the field and test our operations. We had two CRC teams out there with 33 total volunteers and they represented all three locations of our Citizens' offices, and we assisted over 175 customers between those two CRCs.

And then lastly, the last event was the Senator Rubio Recovery Assistance in St. Augustine. You can see a picture there. We did a smaller setup for that event, and the next slide shows you some details there. So Senator Rubio's set up this event to help the folks in St. Augustine that had a lot of flooding after Hurricane Matthew. So this was on October 21st in St. Augustine, and we participated along with 20 other organizations, charities and Federal and State and local agencies. So FEMA was out there, Red Cross was out there. It ended up being really good for on policyholders because there were a few that came by that although the claim was going to be declined from Citizens because it was due to flooding that wasn't covered, we were able to them their declamation letters right there on site and they could go over to FEMA and get assistance. So it kind of gave us the practice as to how the insurance works when everybody is together. So those were the claim

'16 events that we participated in. So now I just want to give you a quick idea of what we have done in 2017 to prepare.

We did have a re-branding initiative. As you may have heard in the past that we called this function the Emergency Operations Center. There was some confusion as to what our purpose was when people saw that title. We have gotten feedback in the past from some catastrophe operations partners. They told us they had gotten feedback that some cities and towns use Emergency Operations Center for their efforts. So it was somewhat confusing, and I think when people see the word operations a lot of time they think of first responders. So we wanted to rename the center to make sure that our purpose was clear. And then also to, to reduce the traffic that was intended for other organizations. Last year in the field for Hurricane Matthew we had a lot of folks who thought that we were there to provide water, you know, any kind of emergency response that we could and it wasn't real clear that we were there for our policyholders and to help the policyholders of Citizens. So that is why we did the re-branding this year, and then to prepare for this season we did the recoupment activities. As I mentioned, we recruited 97 employee volunteers to serve at the CRCs this year. We completed the training that I mentioned to you all in all three cities this year in April. In the past we have done some online and in person training but since we were deployed last year and I think the chance of us getting deployed again this year are very good, we did in person training in all three locations to really reiterate the importance of the CRC and the commitment that these volunteers are making.

On May 10th, we did a supervisor equipment training. So we had volunteers that we identified to be supervisors to manage the CRC site and we want to make sure that they know how to use all of the equipment, to do the full set up that you guys see in the picture. So we did training with them on the 10th, and then our biggest preparedness event is the mock event that we did on May 23rd. We have a parking lot near our Jacksonville office that we deployed an FSV and we had volunteers out there to set up the entire CRC, and then we had claims employees come through and act as our customers. So we gave them scenarios just as a customer would and we worked them through the entire process. So that our volunteers could practice real life situations. So that is an overview of the CRC. As we know, the season started on June 1st and I am confident in saying we are ready for the season. Does anyone have any questions?

GOVERNOR HOLTON: Mr. Chairman, Jim Holton. I thank you for the presentation, a quick question. Do you guys cooperate with local media to get out the information as to where the CRC is located for policyholders? I know telecom could be down at this time and I am just curious how people become aware of where the CRC would actually be physically located in the event of a major CAT.

CHAIRMAN SCHINZ: This is a great idea.

MS. ASHBURN: Governor Holton that is a great question. We actually have arrangements in place with a communications firm that is a catastrophe communications contract that has already been secured that we did leverage last year during the storm in Matthew. And what we had found from past experiences the most critical and easiest to use is usually radio because even when everything else is down, folks have access to radio. So radio and television ads is what we have used in the past and we have got all of the arrangements in place to make those buys happen very quickly. And like I said, we did leverage those during -- during the hurricane.

GOVERNOR HOLTON: Perfect, perfect, that was my question. Thanks.

MS. ASHBURN: But in furtherance, we also would work Michael and our partners at the public broadcasting and then also local media and press releases, on camera interviews with local newspapers to be sure that everyone was aware of our location.

CHAIRMAN SCHINZ: Yes, I would think the county EMS websites too would probably in the affected counties would be more than willing to do an uplink to their website or whatever to put the location and contact numbers on there as well, so that might be an additional resource.

MS. ASHBURN: Absolutely, great suggestion.

MR. BITAR: And Governor Holton, this is Steve Bitar. I think this is one of the main reasons we are such big proponents of the insurance village because no matter what entity does the advertising if we are all located in the same place, consumers go there and can get the help that they need. So it is another reason that we really support the insurance village concept because whether it is our ads or any other insurance company's ads or the local authorities, et cetera, they are all hopefully pointing everyone to that Walmart parking lot or that Home Depot parking lot where we will be located and we can help across the board.

GOVERNOR HOLTON: Totally agreed.

MS. ASHBURN: And I think just to add quickly, I think one of the benefits for us specifically probably more than any other carrier is with the depopulation efforts that we have we a lot of times in the past will have had customers who maybe they thought they were with us, forgot they had been depopulated, and if we are in an insurance village co-located it is very easy for us to physically walk those consumers over to the company who will be handling their claim which I think obviously is an excellent customer service benefit to be co-located with our depop partners.

GOVERNOR HOLTON: Thank you, totally agreed.

CHAIRMAN SCHINZ: Thanks so much for Steve, Christine and Erin and everybody filling in. Jim, what a great question. I am glad we got that answered. Is there any other questions for -- for Erin or Steve or for Christine at this time? If not, is there any new business to bring before the committee at this time?

MR. ROKEH: Chairman, this is Greg Rokeh. I have got a question for Steve on a matter we talked about in our last meeting.

CHAIRMAN SCHINZ: Yes, sir, go ahead.

MR. ROKEH: Steve, in the update that we got back in March, I believe it was, there was discussion about the - of a new consumer portal that was just in it, in the beginning stages of development on the technology side. Can you give us any kind of an update if there has been any changes or any progress made in that area in the last three months?

MR. BITAR: I would be happy to and I know Christine may want to weigh in as well. We are cosponsoring that initiative for our self-service. We actually have made some progress, although it might not be visible to our users just yet. We are going down the path of trying to prioritize all of the key functionality that we believe consumers would expect from us. And so what we did in our last meeting that just happened a couple of weeks ago, was catalog the actual the self-service functionality that we feel customers are going to want. And what we are trying to do is to isolate those to the top three or five and see if that is something that we can do ahead of a public solicitation with our current technology. As you know, because we are subject to the public procurement and solicitation guidelines here at Citizens, we can't just automatically make a purchase of the platform that we want to use. We have to go through the solicitation process for the platform that will ultimately power our self-service strategy. And so we are in the process of now gathering those requirements and see what we want to do long term, which could quite frankly take a while. But in the meantime we do have self-service functionalities through Manage My Policy which is an online platform that we built in-house. It does

allow customers to register their personal lines policy online. It allows them to make payments for their premiums and it allows them to get them basic coverage information about their individual policy, so that does exist. We would love from the top items that we found that we want to try to work on sooner rather than later would be to allow customers to file a claim electronically and also electronic delivery of policy output and documents. We feel that they are a great savings to be had and many people are going electronic these days. So those are just some of the key functionality pieces that we are looking at right now to see if we can bring those forward ahead of a solicitation and bring those out there. So we have gone through, we have benchmarked what other insurance companies in the industry are offering. We have used that benchmark data to help us try to pair down all of the different things that we could do, and those are the top priorities that we are working on now and hope to have a better update with some timelines for you at our next meeting.

CHAIRMAN SCHINZ: Okay. Go ahead, I am sorry.

A VOICE: @27:05 I am sorry, Chairman, go ahead, please.

CHAIRMAN SCHINZ: No, please finish, I am sorry, I didn't mean to interrupt.

A VOICE: @27:10 Yes, Steve, that was as we enter the storm season I was just wondering if we had made any progress toward the -- toward the ability of consumers to -- to file claims electronically. I know that the Call Center is available to them by telephone. I was just curious if we -- if you have been able to identify any opportunities there. It doesn't sound like that is at this stage.

MR. BITAR: Yes, electronic filing -- yes, the electronic filing is not there yet. However, as you stated, we do have our 24/7 hotline where people can call in, like I said, 24 hours a day to file their claims, and all agents have the ability to file claims on behalf of their customers. And so we would hope that if a customer did suffer a loss they would pick up the phone and either call our 800 number directly 24/7, or be able to reach their agent who could then log into the system and file the claim on their behalf as well. So we do have that and have 24/7 capability as we speak, but we would love to be able to take it to the next level and that is something that we are working on.

MS. ASHBURN: This is Christine. As an aside on a related note, we have, we have started to mail postcards and magnets in Broward County and Palm Beach County. We did, as you will recall we did that last year in Dade County. And so we, because that is our largest area of concentration of policies we are -- we are in the process of mailing those magnets and batches right now to Broward and Palm Beach Counties with our -- with our 800 number and reminder on to call us first as part of that overarching campaign.

A VOICE: @28:51 Very good. Thank you, Christine.

CHAIRMAN SCHINZ: Thank you, Christine. Steve, what I was going to ask, when you are talking about the next meeting, you are not talking about the BOG. Are you talking about our next Consumer Services Committee meeting?

MR. BITAR: Correct, and that is Consumer Services Committee meetings that we have. We should hopefully have some more firm plans that we can bring to you. We have been having several internal meetings to try to pair down the functionality and figure out what we want to work on next. So by the next Consumer Services Committee meeting we should hopefully have some decisions as well as some timeframes.

CHAIRMAN SCHINZ: Sounds good. I look forward to getting that report. I know everybody does. Is there any -- any other questions for anyone on this meeting today? Well, if there is no new business I would go ahead and entertain a motion to adjourn.

GOVERNOR HOLTON: I move to adjourn.

MR. ROKEH: Second.

CHAIRMAN SCHINZ: We have got a motion and a second, so I -- to join this meeting today and I look forward to seeing everyone next week I hope sunny Orlando, and thank each and every one of you for your time today.

A VOICE: Thank you, chairman.

MR. BITAR: Thank you very much. Have a nice day, everyone.

CHAIRMAN SCHINZ: Thank you. Bye, bye.
(Whereupon, the proceedings were concluded.)

FINAL