

Market Accountability and Advisory Committee Agency Services Update

December 12, 2017

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Director – Agency Services



Current Agent and Agency Counts

(Data as of 10/31/2017)

Current Agent and Agency Counts vs YE 2015

	Oct-17	Dec-15	Net Change
Agencies	4,782	5,249	-467
Agents	7,285	8,051	-766
Sum of PIF	448,737	503,865	-55,128

Agency Segmentation

	Oct-17			Dec-15		
	Total Agencies	Total PIF	% of Overall PIF	Total Agencies	Total PIF	% of Overall PIF
Tier 1 (2000+PIF)	10	57,516	12.8%	9	71,901	14.3%
Tier 2 (500-1999 PIF)	117	87,809	19.6%	123	90,814	18.0%
Tier 3 (200-499 PIF)	448	136,728	30.5%	533	161,506	32.1%
Tier 4 (50-199 PIF)	1,180	123,872	27.6%	1,270	132,019	26.2%
Tier 5 (49 or less PIF)	2,731	42,812	9.5%	2,977	47,625	9.5%
Tier 6 (0 PIF)	296	0	0.0%	337	0	0.0%
Total	4,782	448,737	100.00%	5,249	503,865	100.00%

Note: 63% of Citizens agencies have less than 50 policies in force



Agency Management CAT Response:

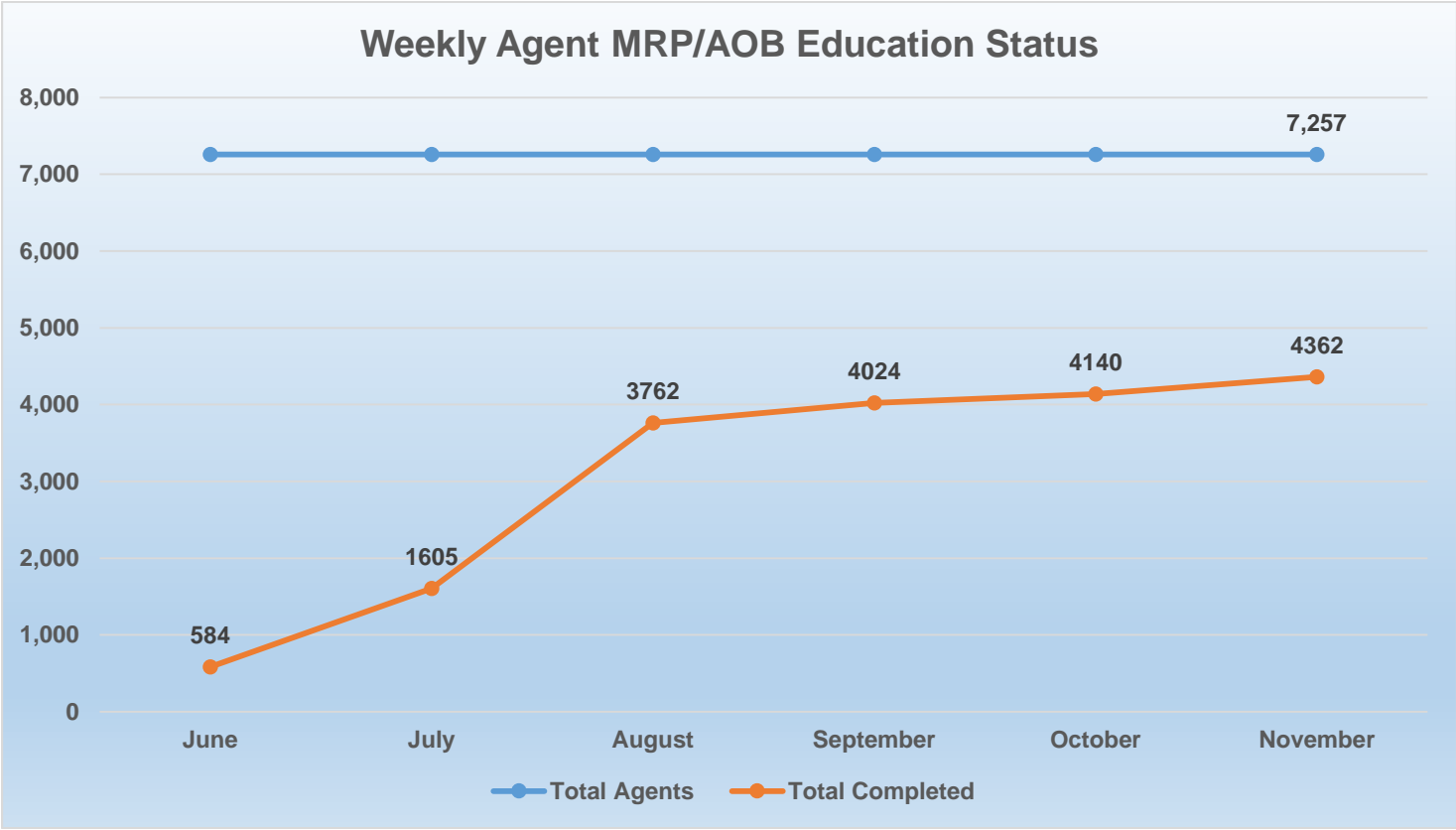
Hurricane Irma presence in Monroe County



	Number of Locations	Policyholders Assisted	Other Inquiries/Assistance	FNOLs Filed	ALE Checks Written	Amount of ALE Written	Claims Escalated
Key West	4	156	11	34	8	\$25,100.00	40
Big Pine Key	2	457	30	95	92	\$306,140.00	15
Marathon	1	73	2	1	0	0	27
Tavernier	1	129	0	34	4	\$24,650.00	32
Totals	8	814	43	164	104	\$359,890.00	114

Weekly Agent Education Status Update:

Overview of Assignment of Benefits and Managed Repair Program



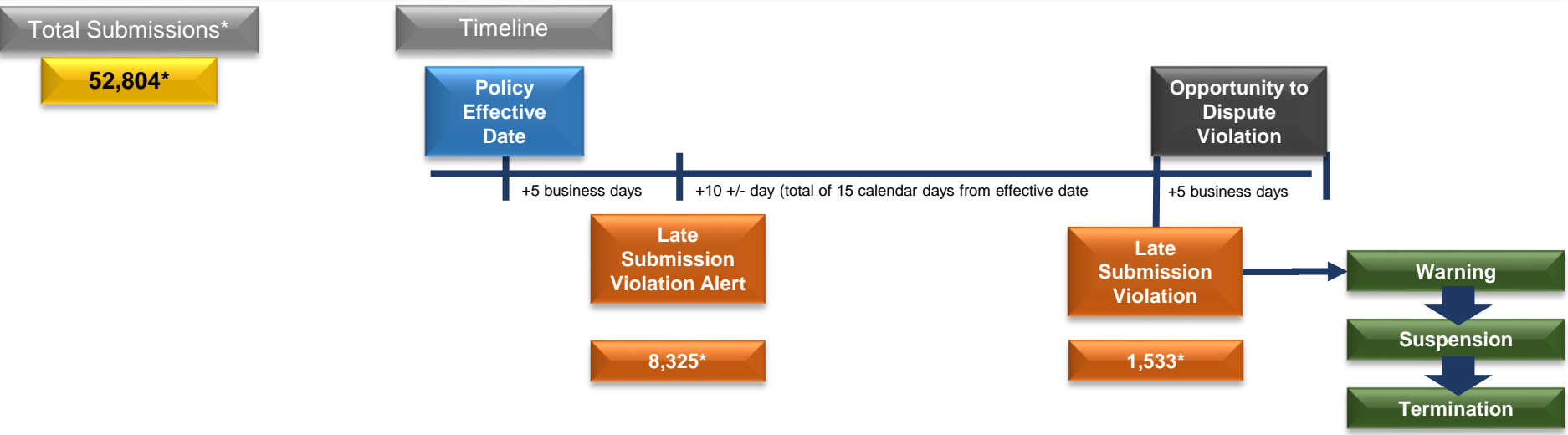
County	Course Completed	Course Yet to Complete
BROWARD	586	337
HILLSBOROUGH	689	176
MIAMI-DADE	810	413
PALM BEACH	420	179
PINELLAS	328	86
Grand Total	2833	1191



New Performance Standards: Late Submission Violation Program:

Current State and What is in Place to Avoid obtaining a Late Submission Violation

Current State



*Data for the months of May through October 2017

Avoiding a Late Submission Violation

Withdraw Application

If no payment posted, the application can be withdrawn.

Move Effective Date

If a home closing moves, move the effective date.

Cancel the Application

If payment is posted, the application can be cancelled.



New Performance Standards: Late Submission Violation Program Cont.:

Current Disciplinary Process for Late Submission Violations (program suspended)

If the agent submits:	1. Citizens will issue:	2. Citizens will impose:	3. Citizens will impose:	4. Citizens could:
30 or fewer submissions:	A <i>warning</i> notice if the agent receives more than six late-submission violations .	A <i>30-day suspension</i> if the agent receives six or more late-submission violations in the six months after the warning notice.	A <i>90-day suspension</i> if the agent receives two or more late-submission violations in six months after completing the 30-day suspension.	<i>Terminate</i> the agent's agreement if there are any subsequent late-submission violations within 90 days after the 90-day suspension.
31 or more submissions:	A <i>warning</i> notice if the agent receives late-submission violations in 20 percent or more of their submissions.	A <i>30-day suspension</i> if the agent receives 10 late-submission violations in the six months after the warning notice.	A <i>90-day suspension</i> if the agent receives six late-submissions violation in six months after completing the 30-day suspension.	<i>Terminate</i> the agent's agreement if there are any subsequent late-submission violations within 90 days after the 90-day suspension.

Disciplinary Process based on a 12-month rolling cycle.



New Performance Standards: Binding Violation Program:

Current and Proposed states

Current State

Violations	Volume*	Outcomes								
Uninsurable Risk: Submitting an application for a risk that is uninsurable as defined in the Personal Residential Multiperil (PR-M) and Personal Residential Wind-Only (PR-W) manuals.	965 (53%)	<table border="1"> <tr> <th colspan="2">Agents Under:</th> </tr> <tr> <td>Warning</td> <td>26</td> </tr> <tr> <td>Suspension</td> <td>1</td> </tr> <tr> <td>Termination</td> <td>0</td> </tr> </table>	Agents Under:		Warning	26	Suspension	1	Termination	0
Agents Under:										
Warning	26									
Suspension	1									
Termination	0									
Circumventing the Document Submission Process: Uploading of any documentation that is incorrect, incomplete or unacceptable for the document indicated.	766 (42%)									
Ineligible Risk: Submitting insufficient documentation to establish that the risk meets Citizens' eligibility requirement (no offer of coverage or the 15-percent rule).	78 (4%)									
Premium Posted on Unbound Risk: Posting of a premium on an unbound new-business application prior to Underwriting's review and approval, regardless of the final determination of eligibility or insurability.	14 (1%)	Total Submissions YTD <div style="background-color: yellow; padding: 5px; text-align: center; font-weight: bold;">80,423</div>								

Note: All Data is for 2017 YTD as of 11/1/17

Proposed Future State

Violations	Volume (potential)
Uninsurable Risk: Risk is uninsurable as defined by Rule 208 in the PR-M and PR-W underwriting manuals for policy form, specifically.	Same
Circumventing the Required Document Submission Process: Agent/Agency circumvented the new-business submission process by not attaching all required documents.	Same
Ineligible Risk: Documentation received with new-business application, verifying that the named insured meets Citizens' personal lines eligibility requirements under either: A. no-offer-of-coverage from an admitted carrier; or B.no other offer with comparable coverage that is higher than 15 percent of Citizens premium was provided.	Same
Premium Posted to an Unbound Risk or Failure to Provide Premium Finance Company Contract: A. Premium posted on an unbound application prior to Underwriting review and approval, regardless of final eligibility and/or insurability determination. B. Premium Finance Company Contract was not provided with new business submission or policy renewal.	Same + 122 (PFC)
Credits Applied Incorrectly or Missing Insured Signatures: One or more of the following credits were applied without proper documentation resulting in a premium increase. A. Documentation to support MIT Credits applied was not provided or insured signature missing B. Documentation of Alarm credits was not provided, C. Acceptable proof of prior insurance was not provided or D. Insured signature missing on application	1,793+



New Performance Standards: Binding Violation Program Cont.:

Current Disciplinary Process for Binding Violations

If the agent submits:	1. Citizens will issue:	2. Citizens will impose:	3. Citizens will impose:	4. Citizens could:
30 or fewer submissions:	A <i>warning notice</i> if the agent receives more than three binding violations .	A <i>30-day suspension</i> if the agent receives three or more additional binding violations in the six months after the warning notice.	A <i>90-day suspension</i> if the agent receives one binding violation in the six months after completing the 30-day suspension.	<i>Terminate</i> the agent's agreement if there are any subsequent binding violations within 90 days after completing the 90-day suspension.
31 or more submissions:	A <i>warning notice</i> if the agent receives binding violations in 10 percent or more of their submissions.	A <i>30-day suspension</i> if the agent receives five or more additional binding violations in the six months after the warning notice.	A <i>90-day suspension</i> if the agent receives three or more binding violations in six months after completing the 30-day suspension.	<i>Terminate</i> the agent's agreement if there are any subsequent binding violations within 90 days after the 90-day suspension

Disciplinary Process based on a 12-month rolling cycle.



Agent Outreach 2017

Agent Round Table

- Improving the Agent Experience
- Feedback
- Emergency Services & Managed Repair

Webinar: Customer Experience

- PolicyCenter
- Claim Enhancement
- Best Practices

Webinar: Depopulation

- Carrier Partners
- Office Operations
- Best Practices

Webinar: Agent Association Sponsored

- Citizens Updates
- Breaking News
- Forecasting
- Support Offerings

Live Agent Certification Program

- Agreement Compliance
- New Business Submissions
- Depopulation & Clearinghouse
- Call Citizens First

Date	Type	
January 10, 2017	T	✓
February 7, 2017	T	✓
March 7, 2017	L	✓
March 30, 2017	T	✓
May 9, 2017	W	✓
June 6, 2017	W	✓
July 18, 2017	W	✓
August 29, 2017	L	✓
October 10, 2017	W	✓
November 28, 2017	W	

Date	Attendance
March 2-3, 2017	508
April 25, 2017	529
July 19, 2017	476

Date	Attendance
January 3-5, 2017	595
March 9, 2017	65
May 4, 2017	71
July 5, 2017	187
October 12, 2017	49
November 8, 2017	108

Date	Attendance
January 24, 2017	25
March 2, 2017	92
April 18, 2017	46
May 31, 2017	-
June 1, 2017	21
June 13, 2017	28
July 21, 2017	62
August 17, 2017	167
November 13, 2017	80
December 5, 2017	

Date	Attendance
January 12, 2017	48
February 15, 2017	158
April 27, 2017	19
June 9, 2017	59
June 16, 2017	18
July 20, 2017	50
August 3, 2017	77
August 30, 2017	16
November 9, 2017	65
November 15, 2017	19
November 16, 2017	14

T = Teleconference
 L = Live (In-Person)
 W = Web-Conference

Note: All future dates are tentative and subject to change.