

# Finance and Investment Committee Depopulation and Clearinghouse Update

December 12, 2017



# Depopulation Update



# 2017 Depopulation

## Commercial Lines

Month	OIR Approved <sup>1</sup>	Requested by Insurers <sup>2</sup>	Assumption Offers Made <sup>3</sup>	Assumed <sup>4</sup>	Assumption Rate <sup>5</sup>
17-Jan	1,825	1,856	404	382	95%
17-Mar	N/A	N/A	N/A	N/A	N/A
17-May	N/A	N/A	N/A	N/A	N/A
17-Jul	1,489	764	718	649	90%
17-Sep	N/A	N/A	N/A	N/A	N/A
17-Nov	1,983	1,712	1,196		
Totals <sup>6</sup>	<b>5,297</b>	<b>4,332</b>	<b>2,318</b>	<b>1,031</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 of all Offer/Opt-out Letters mailed to Policyholders. <sup>4</sup>Policies assumed by insurers on Assumption Date. <sup>5</sup>Quotient of 'Assumed' divided by 'Assumption Offers Made'.

# 2017 Depopulation

## Personal Lines

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>
17-Feb	40,899	43,407	41,628	11,017	26%
17-Apr	15,000	2,442	2,442	877	36%
17-Jun	10,511	2,429	2,429	535	22%
17-Aug	19,520	7,270	7,172	2,362	33%
17-Oct	50,000	29,656	29,449	8,541	29%
17-Nov	21,515	8,218	8,145		
17-Dec	67,313	34,000	32,185		
Totals <sup>6</sup>	<b>224,758</b>	<b>127,422</b>	<b>123,450</b>	<b>23,332</b>	

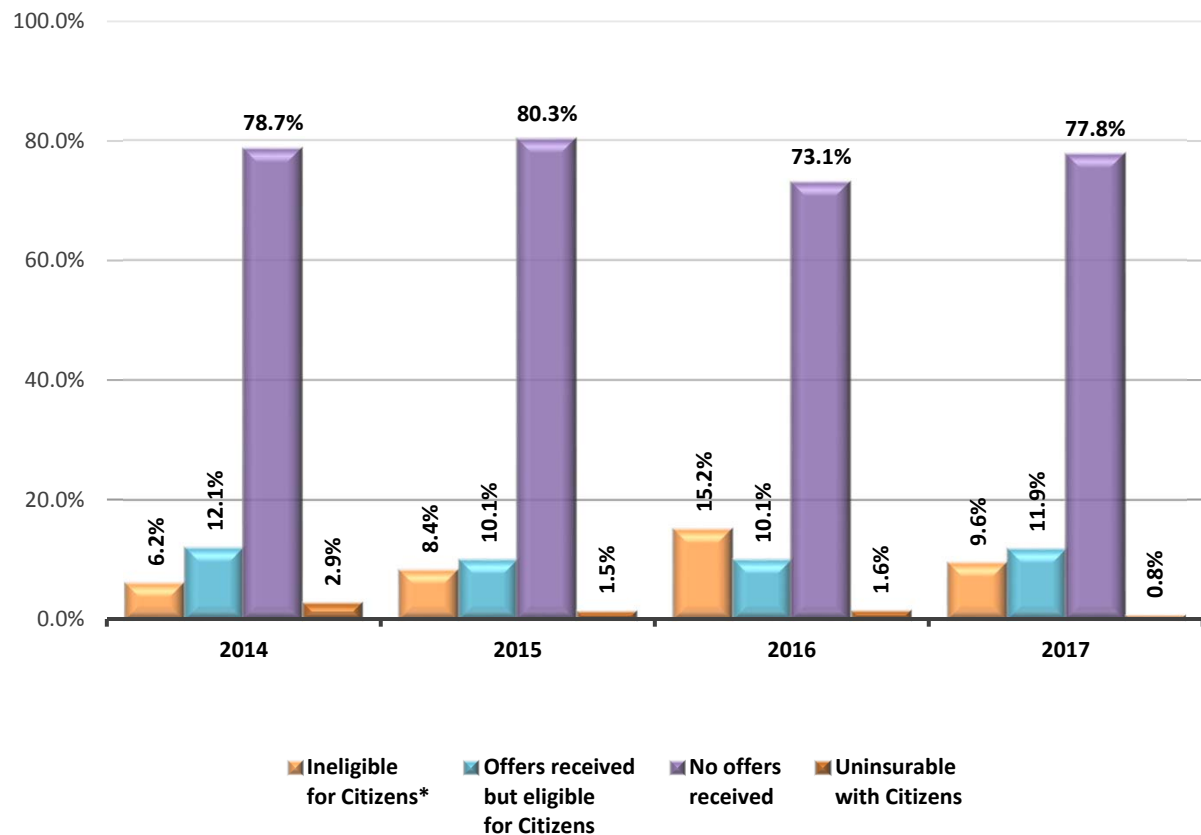
<sup>1</sup>OIR approval is maximum number of policies permitted to be assumed by insurers. <sup>2</sup>Sum of all policies requested by insurers, including duplicate offers from multiple carriers. <sup>3</sup>Total letters mailed, one (1) per policy. Multiple offers may be contained in a single mailing. <sup>4</sup>Policies assumed by insurers on Assumption Date. <sup>5</sup>Quotient of 'Assumed' divided by 'Policyholder Choice Letters Mailed'.

# Clearinghouse Update



# New Business Update

## New Business Results – HO-3



\*Ineligible means a comparable offer of coverage was received through the Clearinghouse that had a premium that was no more than 115% of the Citizens premium.

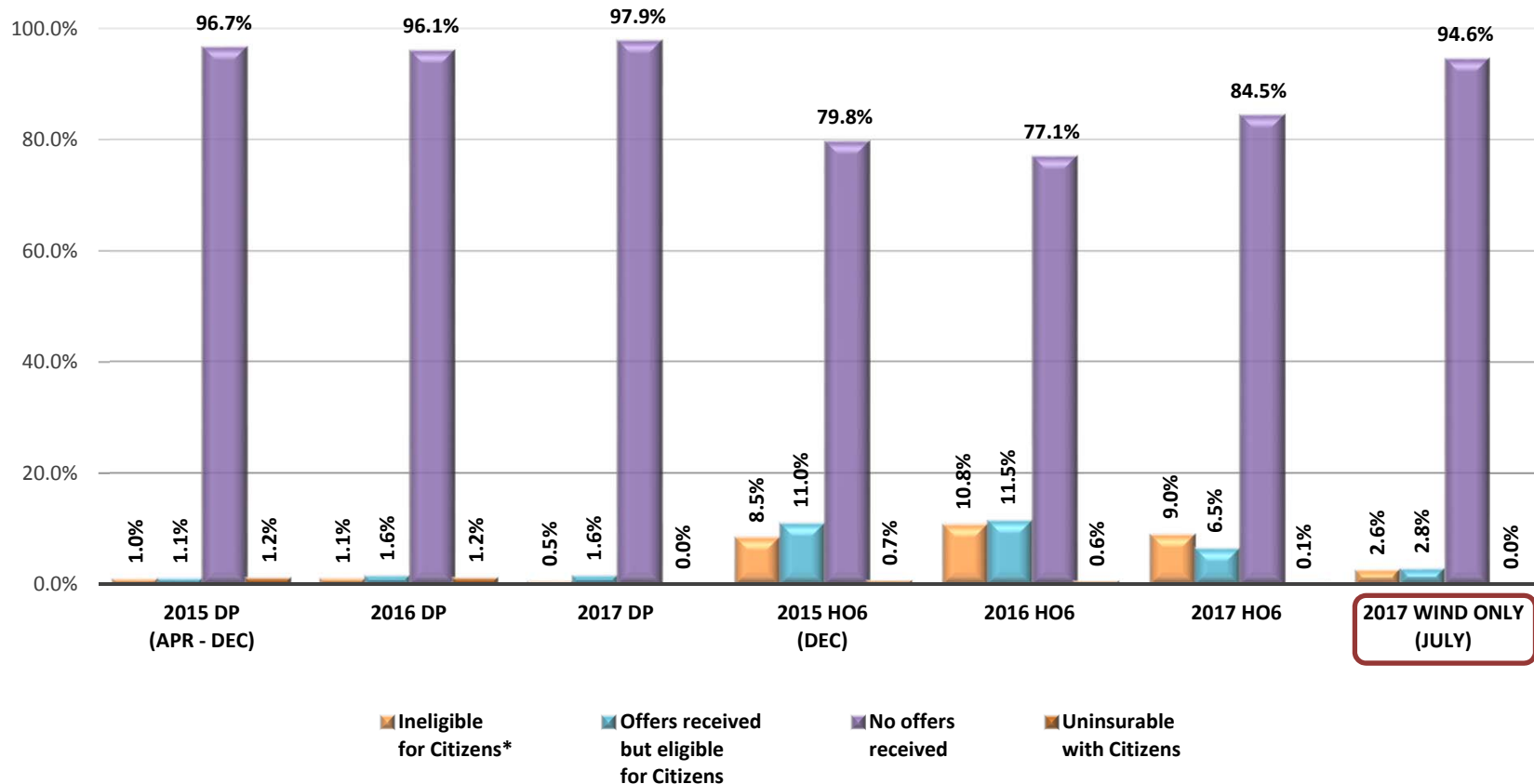
## Total Risk Averted (All Lines)

- Number of risk averted
  - 2014 – 2,439
  - 2015 – 10,970
  - 2016 – 20,710
  - 2017 YTD – 11,716
- Amount of Coverage A averted:
  - 2014 – \$2.3B
  - 2015 – \$3.1B
  - 2016 – \$5.3B
  - 2017 YTD - \$2.86B



# New Business Update

## New Business Results – DP, HO-6 & Wind-Only

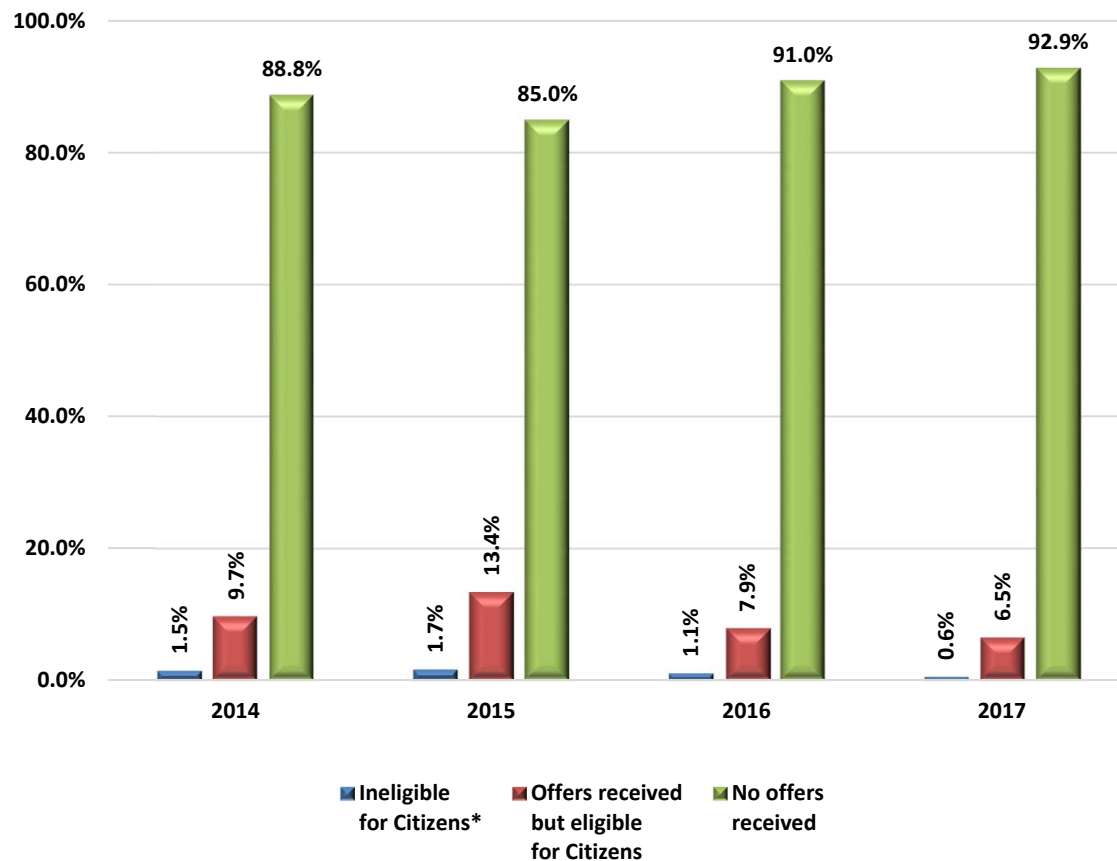


\*Ineligible means a comparable offer of coverage was received through the Clearinghouse that had a premium that was no more than 115% of the Citizens premium.



# Renewal Update

## Renewal Results – HO-3



\*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.

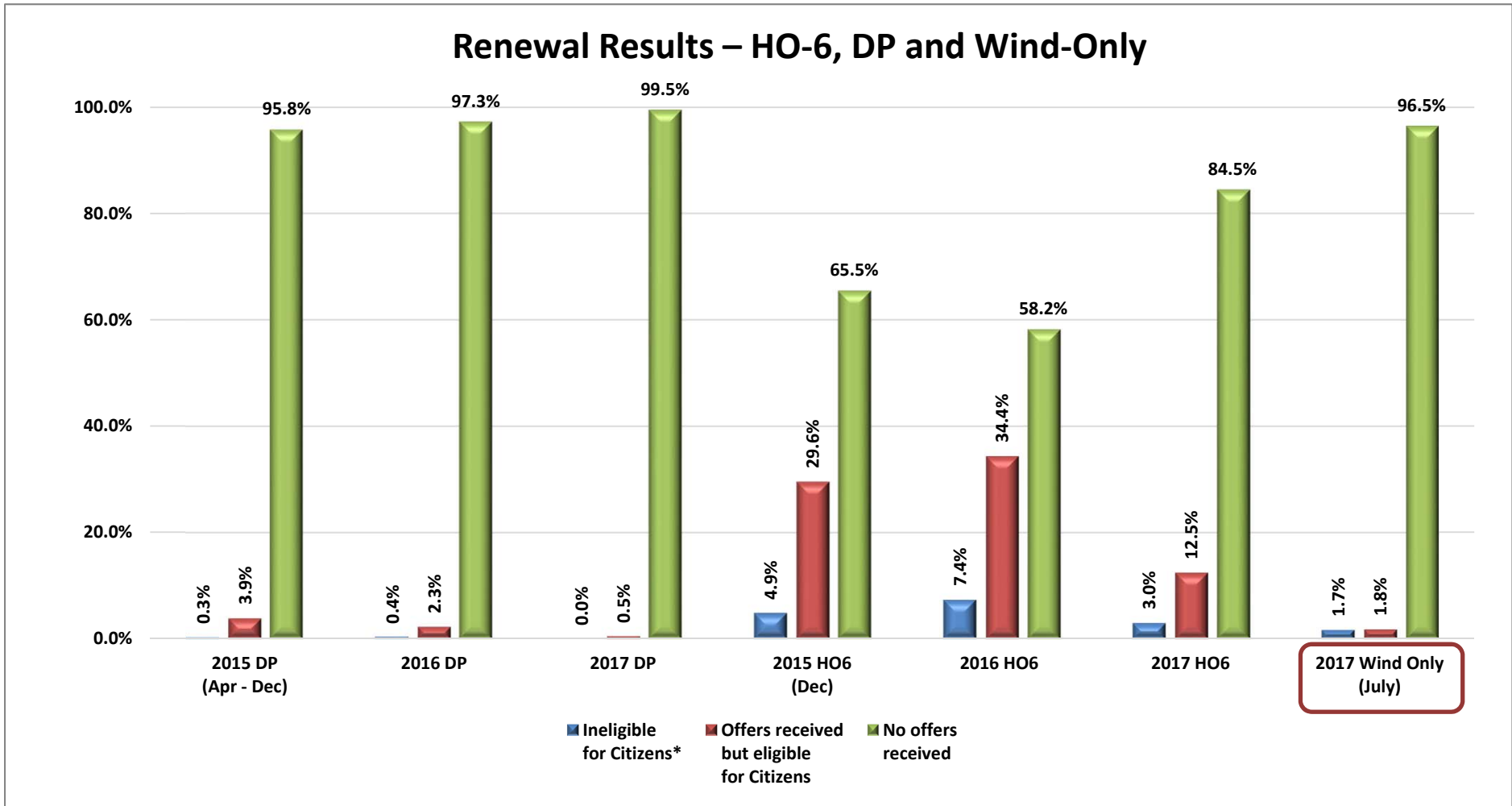
## Risk Removed (All Lines)

- Amount of Coverage A removed:
  - 2014 – \$194M
  - 2015 – \$637M
  - 2016 – \$498M
  - 2017 YTD – \$222.5M
- 8,880 policies have been non-renewed by Citizens as a result of offers made at renewal through the Clearinghouse.





# Renewal Update



\*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.

# Risk Averted Update

## January – October 31, 2017

### New Business

- 11,716 risks deemed ineligible for Citizens representing \$2.86B in Coverage A averted

### Renewal Business

- 1,698 risks deemed ineligible for Citizens representing \$222.5M in Coverage A averted

### Total

- 13,414 risks deemed ineligible for Citizens representing \$3B in Coverage A averted

## Additions to Clearinghouse

- Wind-only policy type added in 3<sup>rd</sup> Quarter
  - Weston and Southern Oak
- Participating insurer adds additional lines
  - Safe Harbor: DP-3