

Depopulation, Clearinghouse & FMAP

December 03, 2024

Jeremy Pope, Chief Administrative Officer
Carl Rockman, Vice President - Agency
& Market Services





ExRe Newswire

- Total Carriers Participating in Q4 Depop: **12**
- New Entrants for 2024: **5**
- October PL Carriers Participating: **8**
- October PL Policies Assumed: **237,323**
- October CL Carriers Participating: **4**
- October CL Policies Assumed: **1,527**
- November PL Carriers Participating: **6**
- November PL Letters Mailed: **103,248**
- December PL Carriers Participating: **5**
- December PL Letters Mailed: **82,269**
- January CL Carriers Approved: **2**
- January CL OIR Approvals: **3,800**



Depopulation

- YTD Exposure Removed = \$170.4 B / **371,295** Policies
 - YTD Commercial Removed = \$15.1 B / **2,124** Policies
 - YTD Personal Removed = \$155.3 B / **369,171** Policies
- 2024 Forecast
 - 490,513 Policies Assumed
 - \$225.2B Exposure Removed

Improved Policyholder Support for Depopulation Participants



Coverage Comparison Spreadsheets
(available on Depop Resources website)



Coverage Worksheets
(Included in policyholder mailed packets)



Depopulation Process
Overview/Explanation Videos



Policyholder Newsletter: Understanding
Depopulation Articles



Updating FAQs/Knowledgebase

CLEARINGHOUSE
POWERED BY



Citizens Reimagined

Track A – Manual Eligibility Checks on Consistent Platform

- 5/31 - Completed pilot rollout (4 agencies)
- 6/17 – Deliver Citizens Rates to Current EZLynx Subscribers
- 6/24 to 9/16 (8/31 was prior target date) – Deliver Citizens Rates to Remaining Agents
- On-Line/On Demand Education Modules Developed
- 14 Webinars Conducted / 3,300 Attended

Track B

- **New Business Eligibility Checked Automatically**
Mid-January 2025
- **Renewal Eligibility Checked Automatically**
October 2025

CHIPS - New Business (YTD October)

312,029

New Business
Applications Submitted

202,573

New Business
Applications Reviewed

190,217

Verified as Eligible (94%)

13,000

Performance Violations
Issued

CHIPS – Renewals (YTD October)

34,141

High Potential Renewals
Sent to Agents

20,857

Processed (61%)
101 Policies Voluntarily Canceled

\$39.8M

Exposure Removed

Citizens Eligibility Reimagined: New Business

Prior Clearinghouse System



Agent inputs application



Application takes about
45 minutes.



Carriers: 6-11

Comparisons are only made to carriers the agent is appointed with.

Ineligible: Quotes less than 120% of Citizens renewal premium

Eligible: Quotes 120% or greater than Citizens' renewal premium



Results:

- Ineligible for Citizens: 2.45%
- No Offers Received: 87.95%
- Offers received but eligible for Citizens: 8.75%

Citizens Eligibility Reimagined



Agent inputs information to generate comparative quote
(HO-3, HO-6, DP-1-D, DP-3-D)



Quote takes about
10 minutes.*

* Results may deem Citizens ineligible in error, the agent will need to obtain and provide proof from carrier.



Carriers: 21

Comparisons are only made to carriers the agent is appointed with.

Ineligible: Quotes less than 120% of Citizens renewal premium

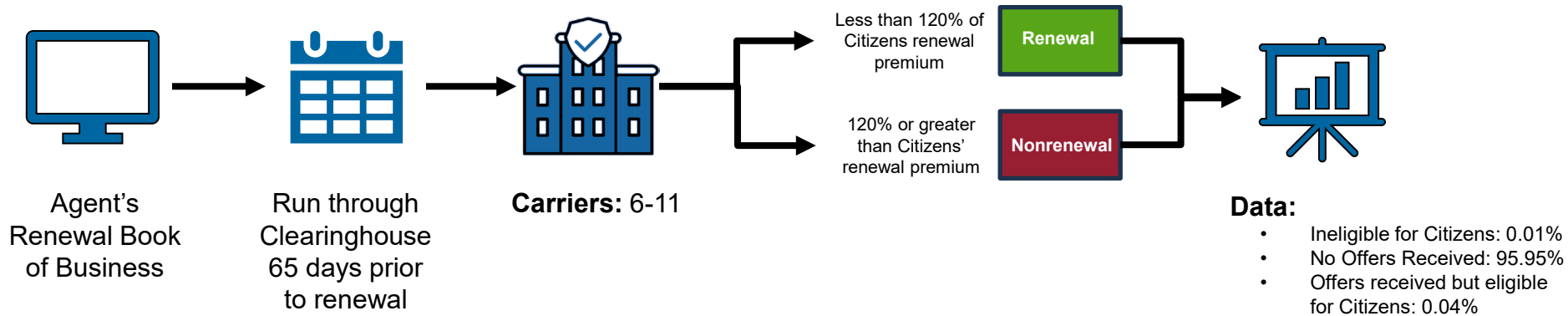
Eligible: Quotes 120% or greater than Citizens' renewal premium



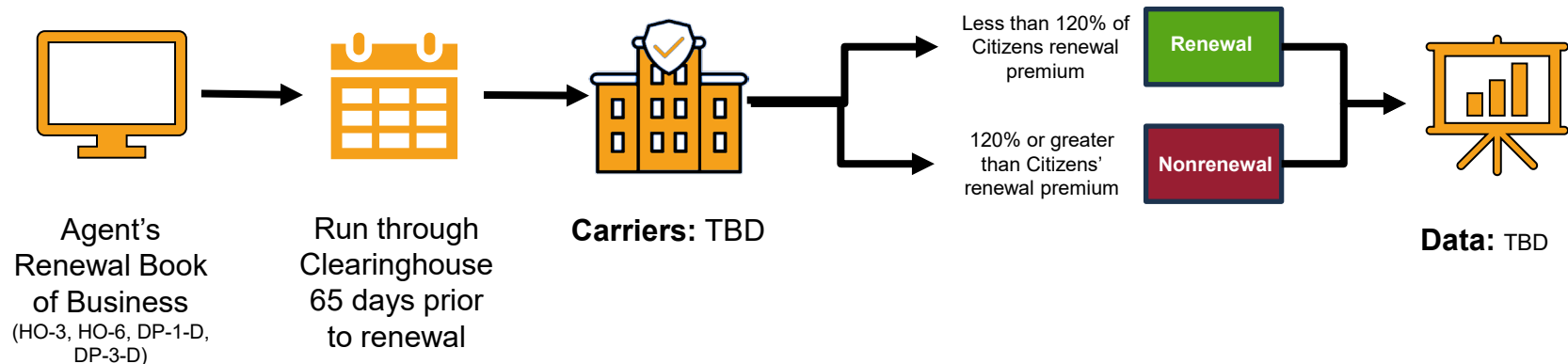
Results:

- TBD when hub launches in January 2025

Prior Clearinghouse System



Citizens Eligibility Reimagined



Depopulation Results

2023 Depopulation Update

2023 Depopulation Results*

Assumption Date	Active Carriers	OIR Approved ¹	Requested By Carriers ²	Policyholder Choice Letters Mailed ³	Assumed ⁴	Policies Assumed with TOC premium less than CPIC premium	Policies Assumed with TOC premium within 0%-20% higher than CPIC	Assumption Rate ⁵	Exposure Removed ⁶
June 20	1	46,218	18,760	18,760	17,239	10,050	6,989	92%	\$7.4B
August 22	2	26,000	28,826	27,689	8,836	1,868	3,306	32%	\$4.3B
October 17	5	184,000	363,168	311,310	99,773	19,138	66,831	32%	\$45.4B
November 21	7	202,399	210,001	179,747	92,886	34,111	50,729	52%	\$33.7B
December 19	7	168,000	103,209	86,620	52,017	16,620	32,255	60%	\$20.5 B
Totals		626,617	723,964	624,126	270,751	81,787	160,110	43%	\$111.3B

*4,573 policies were assumed in the April Assumption. The April assumption was not impacted by the 20% Eligibility Rule. Total number of assumed policies for 2023 is 275,324 and total assumption rate for 2023 is 42% with \$113,375,478,857 Exposure Removed.

¹OIR approval is maximum number of policies permitted to be assumed by carriers. ²Sum of all policies requested by carriers, including duplicate offers from multiple carriers. ³Total letters mailed, one (1) per policy. Multiple offers may be contained in a single mailing. ⁴Policies assumed by carriers on Assumption Date. ⁵Quotient of 'Assumed' divided by 'Policyholder Choice Letters Mailed' for completed assumptions. ⁶Exposure Removed as of Assumption Date.

2024 Depopulation Update

2024 Completed Depopulations

Assumption Date	Active Carriers	OIR Approved ¹	Requested By Carriers ²	Policyholder Choice Letters Mailed ³	Assumed ⁴	Assumed Premium Less Than Citizens Premium	Assumed Premium 0%-20% Higher Than Citizens	Assumption Rate ⁵	Exposure Removed ⁶
January 23	7	200,000	159,121	126,479	76,316	19,084	51,641	60%	\$33.9 B
February 20	4	39,000	29,230	27,652	15,713	4,871	10,302	57%	\$6.6 B
February 27 (CL)	1	850	437	437	321	309	11	73%	\$3.3 B
March 19	5	59,498	30,473	27,879	22,209	5,357	16,440	80%	\$10.7 B
April 23 (CL)	1	400	246	246	150	148	2	61%	\$1.1 B
May 21	3	54,386	35,350	34,760	17,610	5,545	9,386	51%	\$8 B
June 25 (CL)	1	300	170	170	126	117	9	74%	\$1.2 B
October 22	8	410,008	438,202	308,803	237,323	97,792	136,079	77%	96.1 B
October 29 (CL)	4	4,250	2,518	2,276	1,527	783	570	67%	9.4B
Totals		768,692	695,747	528,702	371,295	134,006	224,440	70%	\$170.4 B

2024 In Flight Depopulations

Assumption Date	Active Carriers	OIR Approved ¹	Requested By Carriers ²	Policyholder Choice Letters Mailed ³	Offers Less Than Citizens Premium	Offers 0%-20% Higher Than Citizens	% Offers Less Than Citizens	% Offers 0%-20% Higher Than Citizens
November 19 (PL)	6	235,035	136,826	103,248	40,285	60,585	29%	44%
December 17 (PL)	5	310,022	103,073	82,269	16,699	48,642	16%	47%

¹OIR approval is maximum number of policies permitted to be assumed by carriers. ²Sum of all policies requested by carriers, including duplicate offers from multiple carriers. ³Total letters mailed, one (1) per policy. Multiple offers may be contained in a single mailing. ⁴Policies assumed by carriers on Assumption Date. ⁵Quotient of 'Assumed' divided by 'Policyholder Choice Letters Mailed' for completed assumptions. ⁶Exposure Removed as of Assumption Date.

Depopulation Carrier Participation Personal Lines

2023 & 2024 Personal Lines Carrier Participation

Carrier	April 2023	June 2023	August 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024	May 2024	October 2024	November 2024	December 2024
American Integrity										x	x	x	x
American Traditions						x			x				
Edison	x				x	x	x	x	x				
Florida Peninsula	x			x	x	x	x	x	x		x		x
Homeowners Choice					x						x		
Loggerhead			x		x								
Manatee											x	x	x
Monarch National		x		x	x		x				x	x	
Orange						x		x				x	
SafePoint				x	x	x							
Security First								x		x			
Slide			x	x	x	x	x		x	x	x	x	x
Southern Oak				x			x		x		x		
Trident												x	x
TypTap						x	x				x		
US Coastal							x						

Depopulation Carrier Participation Commercial Lines

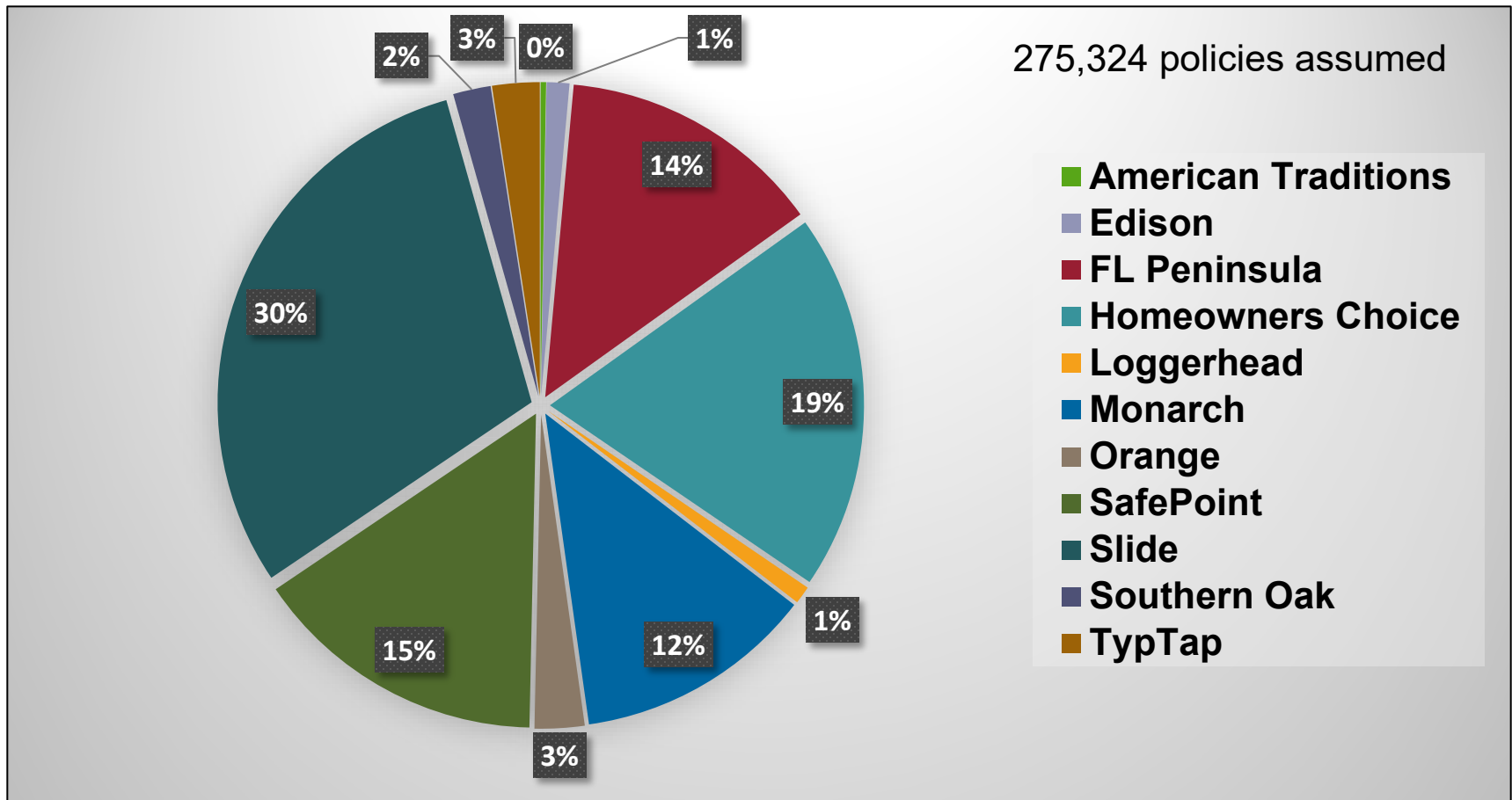
2024 Commercial Lines Carrier Participation

Carrier	February	April	June	October
American Coastal				x
Condo Owners Reciprocal Exchange (CORE)	x	x	x	x
Manatee Insurance Exchange				x
Slide				x

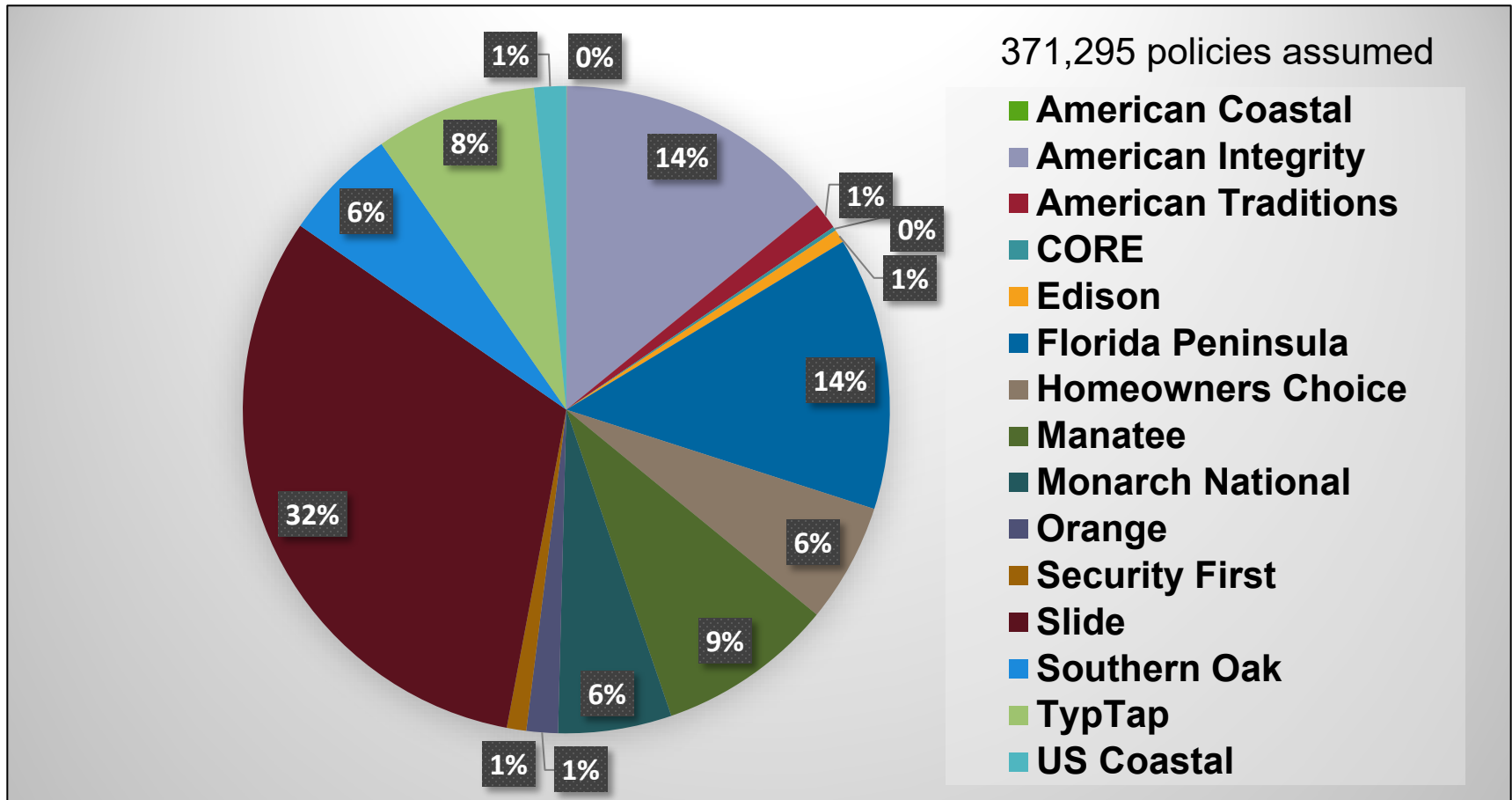
2025 Commercial Lines Carrier Participation

Carrier	January	March	May	July	September	November
Manatee Insurance Exchange	x					
Slide	x					

% of Policies Assumed by Company (01/2023-12/2023)



% of Policies Assumed by Company (As of 10/29/2024)



2023 Depopulation Update

Policies Assumed in 2023 by Company Name

Company Name	APR	JUN	AUG	OCT	NOV	DEC	Totals
American Traditions						775	775
Edison	1,904				948	365	3,217
Florida Peninsula	2,669			18,594	11,862	4,461	37,586
Homeowners Choice					53,456		53,456
Loggerhead			999		1,520		2,519
Monarch National		17,239		5,029	11,715		33,983
Orange						7,049	7,049
SafePoint				24,110	6,870	10,915	41,895
Slide			7,837	46,694	6,515	21,735	82,781
Southern Oak				5,346			5,346
TypTap						6,717	6,717
Totals	4,573	17,239	8,836	99,773	92,886	52,017	275,324

Policies Assumed in 2023 by Business Line

Business Line	APR	JUN	AUG	OCT	NOV	DEC	Totals
Personal Lines	4,573	17,239	8,836	99,773	92,886	52,017	275,324
Commercial Lines							
Totals	4,573	17,239	8,836	99,773	92,886	52,017	275,324

2024 Depopulation Update

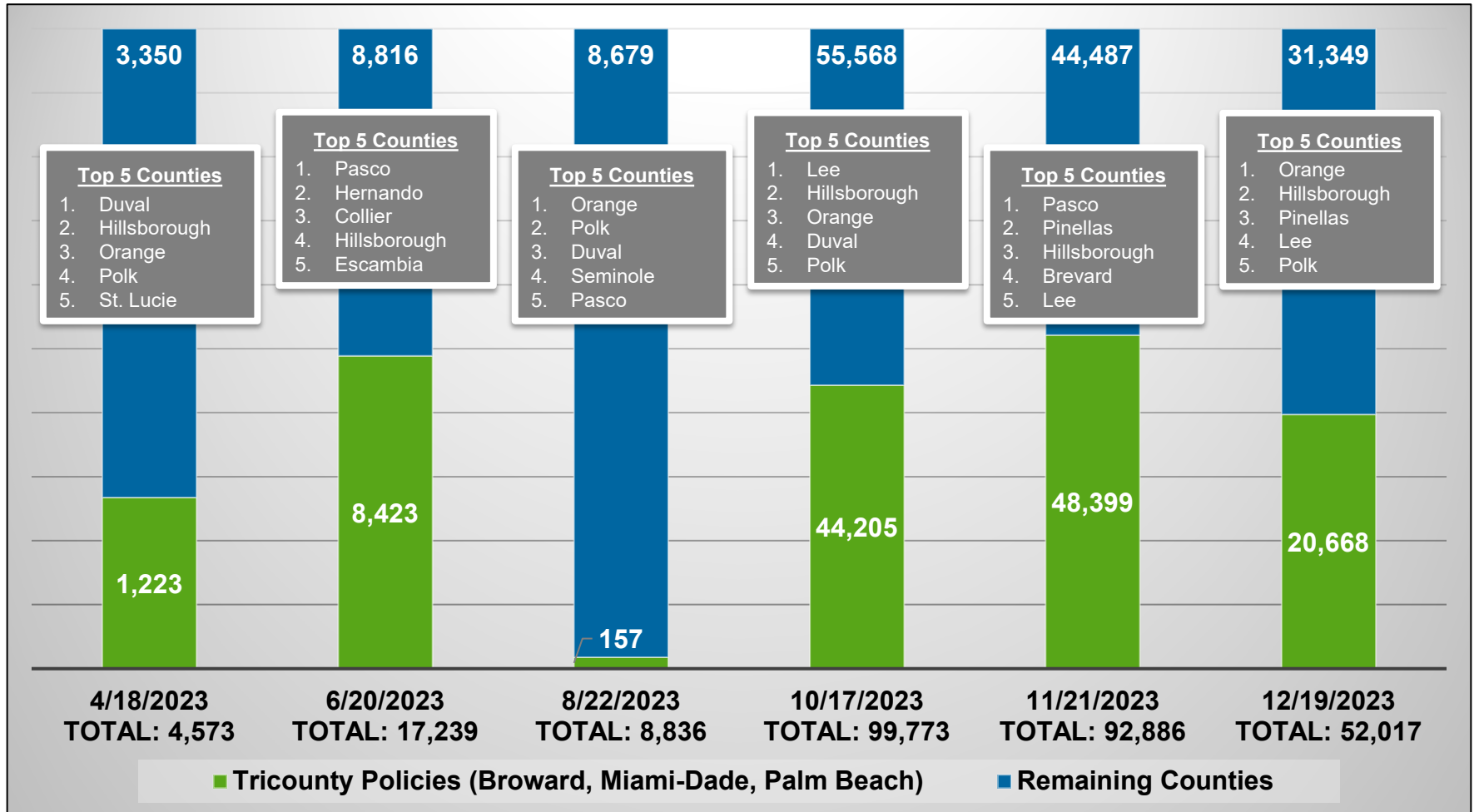
Policies Assumed in 2024 by Company Name

Company Name	JAN	FEB	FEB (CL)	MAR	APR (CL)	MAY	JUN (CL)	OCT	OCT (CL)	Totals
American Coastal									87	87
American Integrity						646		51,667		52,313
American Traditions				5,012						5,012
CORE			321		150		126		127	724
Edison	1,081	678		699						2,458
Florida Peninsula	14,793	6,577		4,779				24,499		50,648
Homeowners Choice								22,088		22,088
Manatee								31,920	868	32,788
Monarch National	2,917							18,138		21,055
Orange		5,832								5,832
Security First		2,626				979				3,605
Slide	38,657			9,943		15,985		52,562	445	117,592
Southern Oak	3,443			1,776				15,931		21,150
TypTap	9,478							20,518		29,996
US Coastal	5,947									5,947
Totals	76,316	15,713	321	22,209	150	17,610	126	237,323	1,527	371,295

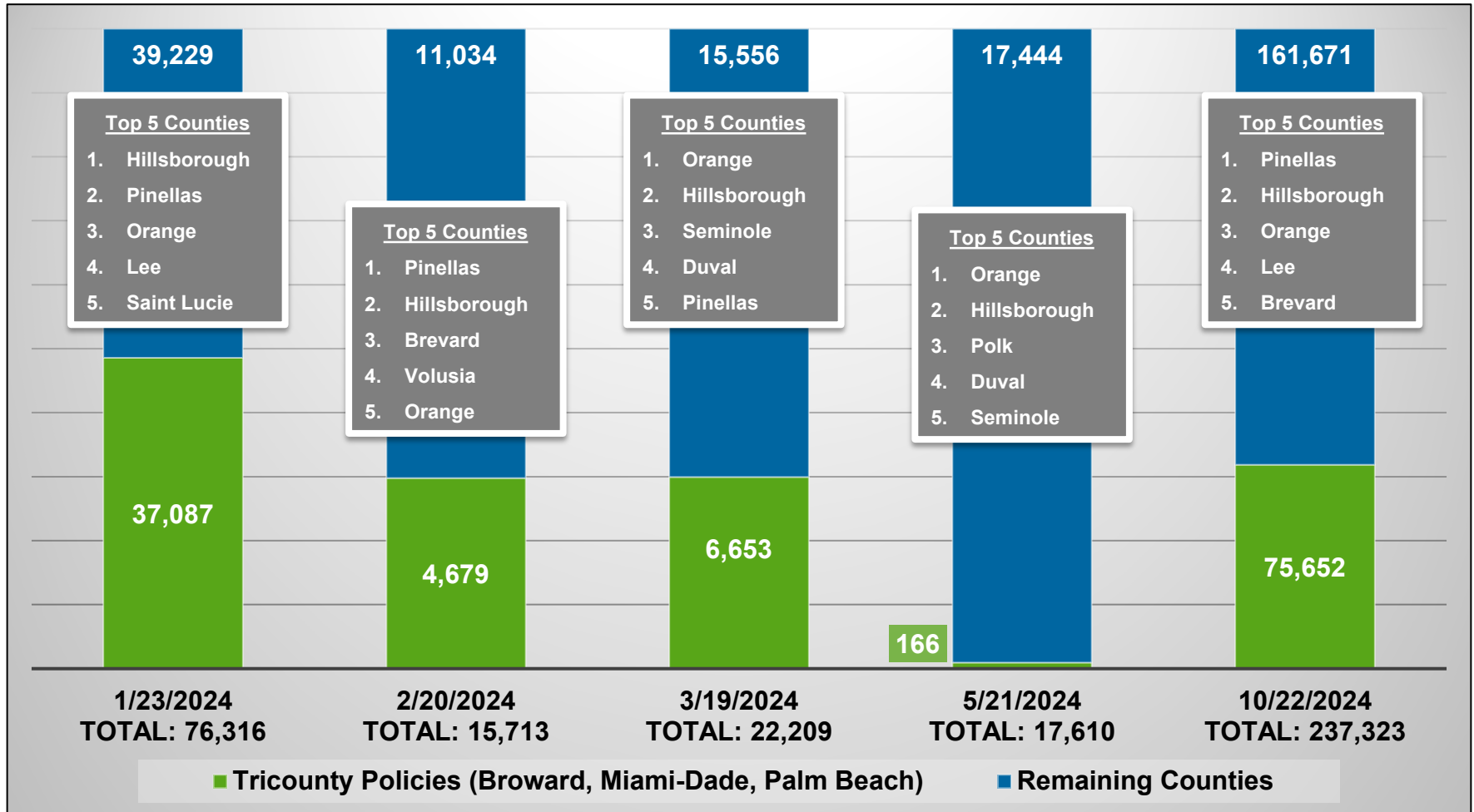
Policies Assumed in 2024 by Business Line

Business Line	JAN	FEB	MAR	APR	MAY	JUN	OCT	Totals
PL	76,316	15,713	22,209		17,610		237,323	369,171
CL		321		150		126	1,527	2,124
Totals	76,316	16,034	22,209	150	17,610	126	238,850	371,295

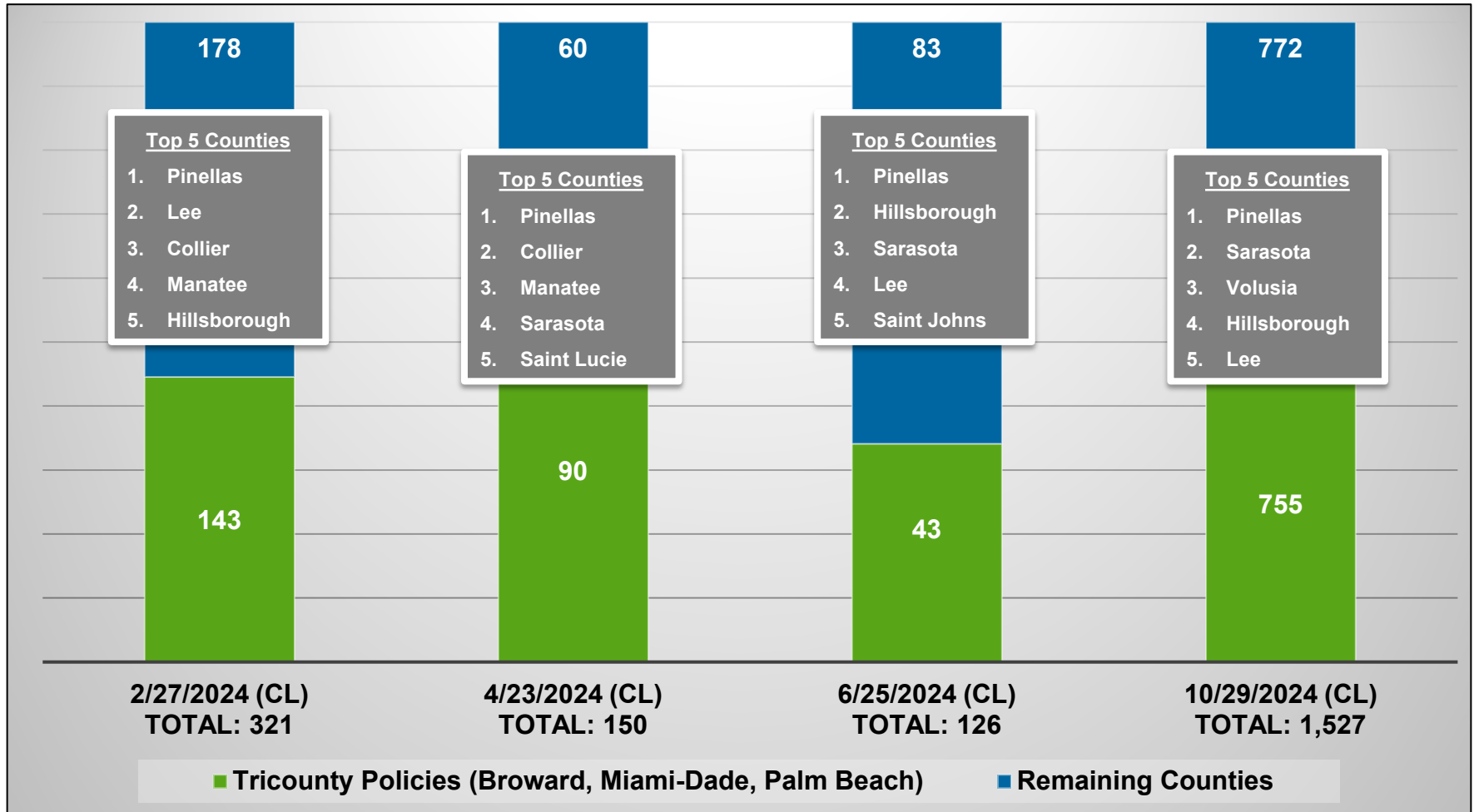
Tri-County Policies Assumed - 2023



Tri-County PL Policies Assumed - 2024



Tri-County CL Policies Assumed - 2024



Personal Lines Assumed Policies Returning As New Business

2023/2024 Personal Lines – Assumed Policies Returning As New Business					
Assumption Month	Number Of Participating Carriers	Assumed ¹	Returning New Business	Return Rate ²	Exposure Returned ³
June 2023	1	17,239	896	5.20%	\$385.80M
August 2023	2	8,836	510	5.77%	\$246.40M
October 2023	5	99,773	3,249	3.26%	\$1.56B
November 2023	7	92,886	1,157	1.25%	\$511.04M
December 2023	7	52,017	1,085	2.09%	\$513.06M
January 2024	7	76,316	2,012	2.64%	\$937.47M
February 2024	4	15,713	191	1.22%	\$105.46M
March 2024	5	22,209	218	0.98%	\$116.43M
May 2024	3	17,610	70	0.40%	\$40.20M
October 2024	8	237,323	10	0.00%	\$13.21M
Totals		639,922	9,398	1.47%	\$4.43B

Data As Of: 11/1/24

New Business policies submitted within 1 year of assumption date with a matching name and address

¹Policies assumed by carriers on assumption date.

²Quotient of 'Assumed' divided by 'Returning New Business' for completed assumptions.

³Exposure as of assumption date that has been returned to Citizens.

Historical Results – Personal Lines

Year	Total Personal Lines Offers Made	Total Personal Lines Policies Assumed	% Assumed
2009	237,008	149,694	63%
2010	85,990	59,792	70%
2011	78,596	53,577	68%
2012	354,475	277,002	78%
2013	460,674	358,318	78%
2014	589,624	411,632	70%
2015	514,679	270,381	53%
2016	179,475	84,089	47%
2017	123,450	31,854	26%
2018	69,080	16,639	24%
2019	42,941	9,960	23%
2020	26,016	7,463	29%
2021	18,783	2,814	15%
2022	89,340	16,408	18%
2023	650,461	275,324	42%
2024*	525,573	369,171	70%

*Beginning in 2017, Personal Lines Offers Made reflect Letters Mailed

** 2024 data is as of 10/22/24

Historical Results – Commercial Lines

Year	Total Commercial Lines Offers Made	Total Commercial Lines Policies Assumed	% Assumed
2007	0	0	0%
2008	No Data Available	601	No Data Available
2009	0	0	0%
2010	0	0	0%
2011	0	0	0%
2012	0	0	0%
2013	8,278	7,449	90%
2014	5,919	4,991	84%
2015	3,058	2,404	79%
2016	4,351	3,911	90%
2017	2,318	2,154	93%
2018	1,341	1,266	94%
2019	142	124	87%
2020	0	0	0%
2021	0	0	0%
2022	0	0	0%
2023	0	0	0%
2024	3,129	2,124	68%

*2024 data is as of 10/29/24

Depopulation Timelines

Personal Lines Timelines

2024 Personal Lines			
Assumption Date	OIR Approval Date	<i>Depopulation Packets sent and Policy Selected for Assumption emails sent</i>	Policyholder Choice Deadline
1/23/24	10/31/23	12/1/23	1/9/24
2/20/24	11/30/23	12/29/23	2/6/24
3/19/24	12/29/23	1/29/24	3/7/24
5/21/24	2/29/24	3/28/24	5/6/24
7/23/24	4/30/24	5/29/24	7/8/24
9/17/24	6/28/24	7/26/24	9/3/24
10/22/24	7/31/24	8/28/24	10/7/24
11/19/24	8/30/24	9/26/24	11/4/24
12/17/24	9/30/24	10/28/24	12/5/24

2025 Personal Lines			
Assumption Date	OIR Approval Date	<i>Depopulation Packets sent and Policy Selected for Assumption emails sent</i>	Policyholder Choice Deadline
2/18/25	11/15/24	12/30/24	2/7/25
3/25/25	12/16/24	2/5/25	3/16/25
4/15/25	1/15/25	2/27/25	4/6/25
6/17/25	3/17/25	4/28/25	6/6/25
8/19/25	5/15/25	6/26/25	8/5/25
9/16/25	6/16/25	7/28/25	9/5/25
10/21/25	7/15/25	8/28/25	10/7/25
11/18/25	8/15/25	9/26/25	11/4/25
12/16/25	9/15/25	10/28/25	12/5/25

Commercial Lines Timelines

2024 Commercial Lines

Assumption Date	OIR Approval Date	<i>Depopulation Packets sent and Policy Selected for Assumption emails sent</i>	Policyholder Choice Deadline
2/27/24	11/30/23	1/5/24	2/13/24
4/23/24	1/31/24	3/6/24	4/13/24
6/25/24	3/29/24	5/3/24	6/12/24
8/26/24	5/31/24	7/5/24	8/13/24
10/29/24	7/31/24	9/5/24	10/15/24

2025 Commercial Lines

Assumption Date	OIR Approval Date	<i>Depopulation Packets sent and Policy Selected for Assumption emails sent</i>	Policyholder Choice Deadline
1/21/25	10/15/24	12/27/24	1/5/25
3/18/25	12/16/24	1/28/25	3/7/25
5/20/25	2/17/25	3/26/25	5/5/25
7/22/25	4/15/25	5/28/25	7/7/25
9/23/25	6/16/25	8/4/25	9/12/25
11/25/25	8/15/25	10/3/25	11/12/25

FMAP Results

FMAP 2024 Results Dashboard					
Year	Agents Participating	Offers Accepted	Consumer Requests	Consumer Requests Converted	Exposure Placed in Private Market
2020	362	1,187	10,546	11.3%	\$298M
2021	239	453	8,352	5.4%	\$144M
2022	303	541	11,039	4.9%	\$288M
2023	352	838	11,421	7.3%	\$728M
Quarter	Agents Participating	Offers Accepted	Consumer Requests	Consumer Requests Converted	Exposure Placed in Private Market
2024 Q1	369	161	2,514	6.4%	\$103M
2024 Q2	376	298	2,082	14.3%	\$337M
2024 Q3	394	145	1,350	10.7%	\$124M
2024 Total	394	604	5,946	10.2%	\$564M

Data as of 9/30/24

CHIPS Results

New Business Program

Agents are required to submit proof that a new business customer is eligible based on the 20% premium eligibility rule. This proof for selected policies is reviewed by our underwriting and compliance department and action is taken on any policies where sufficient proof is not received.

New Business Program Results					
	2023*	Q1 2024	Q2 2024	Q3 2024	Oct 24
Total New Business	104,281	93,324	106,998	89,979	21,728
Total New Business Reviewed	71,276	68,723	61,927	52,995	18,892
Policies Verified as Eligible	61,926	61,976	58,871	51,050	18,320
% Verified as Eligible	86.86%	90.18%	95.10%	96.3%	96.97%
Performance Violations Issued for "Ineligible Risks"^{1**}	6,081	6,747	3,736	1,945	572

*2023 new business reflects new business issued from beginning of review program in mid-September.

Renewal Program

Citizens has identified policies within our book of business that have a high potential for placement in the private market, based on the risk characteristics of the policy. Prior to the Citizens policy renewal date, Agents are notified via PolicyCenter® activity and provided the opportunity to present private market offers to the policyholder. Citizens will also be partnering with carriers to raise their awareness of this program so that they can engage agents and offer support.

Renewal Program Results					
	2023	Q1 2024	Q2 2024	Q3 2024	Oct 24
Number of High-Potential Renewal Activities	13,564	8,585	10,535	10,911	4,110
Number of Activities Processed	7,550	5,176	6,104	6,954	2,623
% Activities Processed	55%	60%	58%	64%	64%
Number of Policies Voluntarily Cancelled (found other coverage)	13	22	33	28	18
% of Policies Voluntarily Cancelled (found other coverage)	0%	<1%	<1%	<1%	<1%
Coverage A Exposure Removed from Citizens	\$5.8M	\$6.5M	\$12.6M	\$13.1M	\$7.6M

Citizens Reimagined Update

Clearinghouse Program

In order to facilitate the diversion of ineligible applicants and existing policyholders from Citizens into the voluntary insurance market, Citizens is required by statute to implement a Clearinghouse program. However, the statute provides Citizens broad discretion in how it may implement such a program.

The intention of the Clearinghouse program is to provide a platform that facilitates consistent enforcement of Citizens premium comparison eligibility rules and to allow carriers to present their offered premiums to agents.

Clearinghouse Interim Program Solution (CHIPS)

WHAT

CHIPS New Business

Increased agent requirements for proof of price eligibility at point of sale

CHIPS Renewal

Citizens Identifies "High Potential" policies for private market placement and presents those to agent for remarketing prior to renewal

Clearinghouse Reimagined

WHY

- Improved agent experience
- Shorter application process
- Dynamic questions

- Improved carrier reach
- New business validation
- Broader renewal reach

- More new business averted
- More renewals placed in private market

WHAT & WHEN

- Track A (June 2024)
- New business quoting
- Manual eligibility checks

- Track B (Mid Jan 2025)
- New business quoting
- Automated checks

- Track C (Q4 2025)
- Renewal quoting
- Automated checks

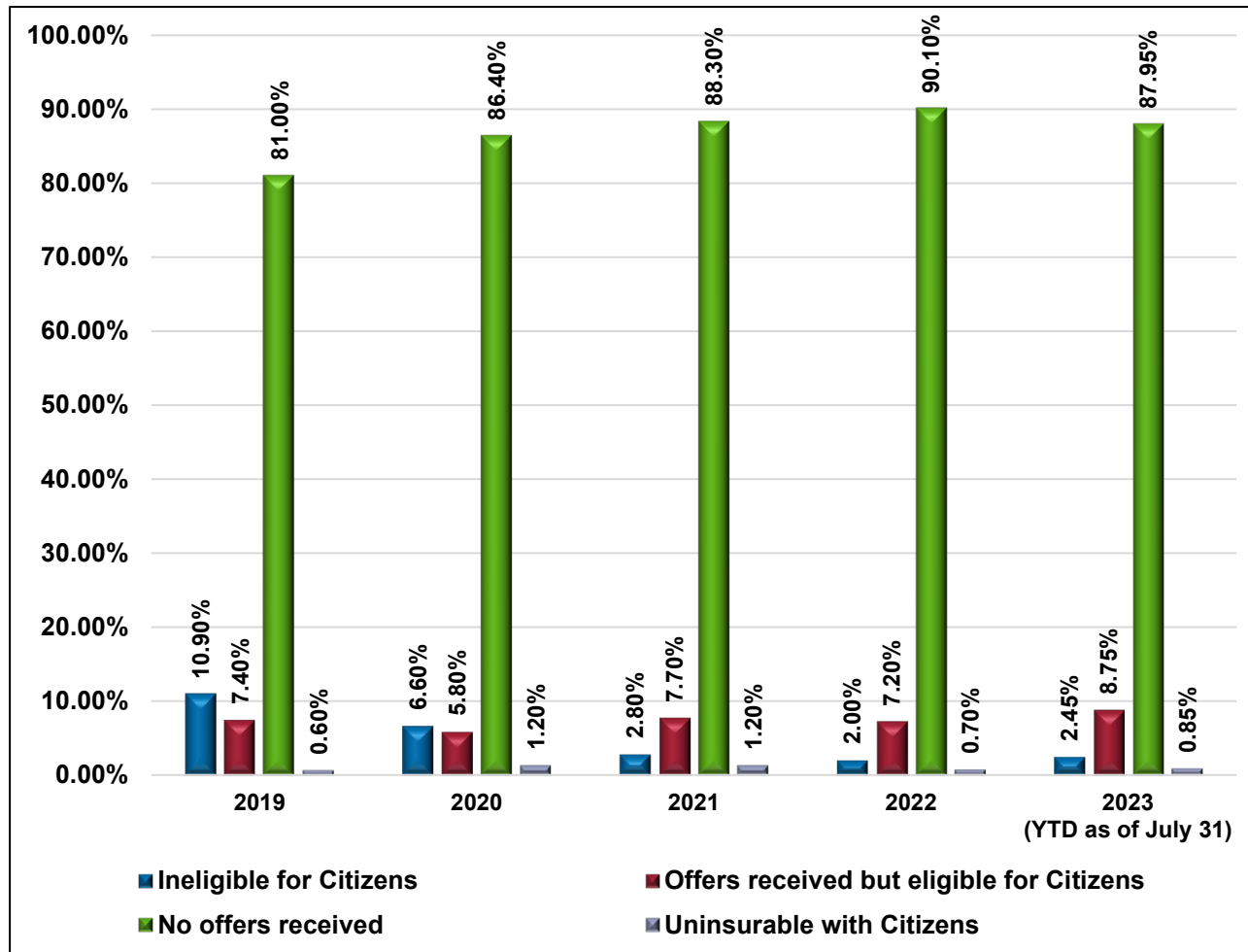
WHO

Applied Systems / EzLynx®

Clearinghouse Powered by EZLynx Roll Out Plan

	Phase 1	Phase 2	Phase 3
When	7/1/24-11/1/24	11/1/24 +	Mid-January
System	Any rater can be used but EZLynx has been made available for early adoption.	EZLynx is required to qualify the risk for Citizens. If EZLynx is not used, a Performance Violation can be issued, and the policy may be cancelled.	EZLynx will be mechanized to invalidate the Citizens quote based on other offers. PolicyCenter will have hard-blocks added in for the four policy types so that they must go through EZLynx.
Proof of Compliance	Proof of 20% rule or no offers of coverage.	EZLynx Detailed Quote Results page	Determined by EZLynx, no proof will be required.
Education	Completed 14 live webinars with 3,286 attendees.	Completed 7 live webinars with 2,623 attendees.	TBD

New Business Update



Number of risks averted (all lines):

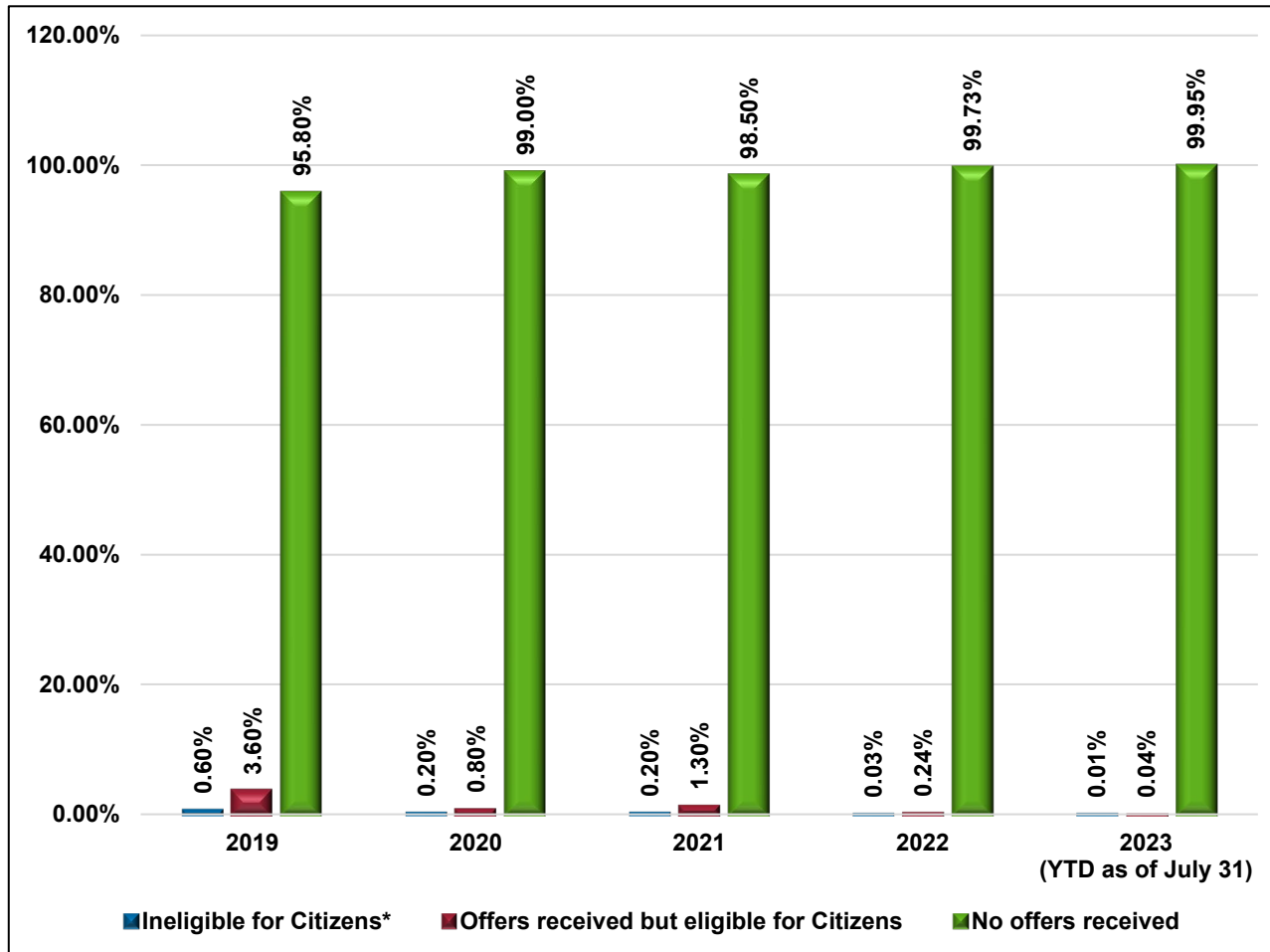
- 2019 – 20,994
- 2020 – 22,221
- 2021 – 29,789
- 2022 – 26,810

Amount of Coverage A averted:

- 2019 – \$5.7B
- 2020 – \$7.3B
- 2021 – \$9.9B
- 2022 – \$8.9B
- 2023 (YTD) – \$6.3B

YTD = As of 7/31/23

Renewal Update



Risk Removed (All Lines)

Amount of Coverage A removed:

- 2019 – \$221.5M
- 2020 – \$111M
- 2021 – \$196M
- 2022 – \$34M
- 2023 (YTD) – 12.7M

16,788 policies have been non-renewed by Citizens as a result of offers made at renewal through the Clearinghouse.

YTD = As of 7/31/23

*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.