

# Citizens Property Insurance Corporation

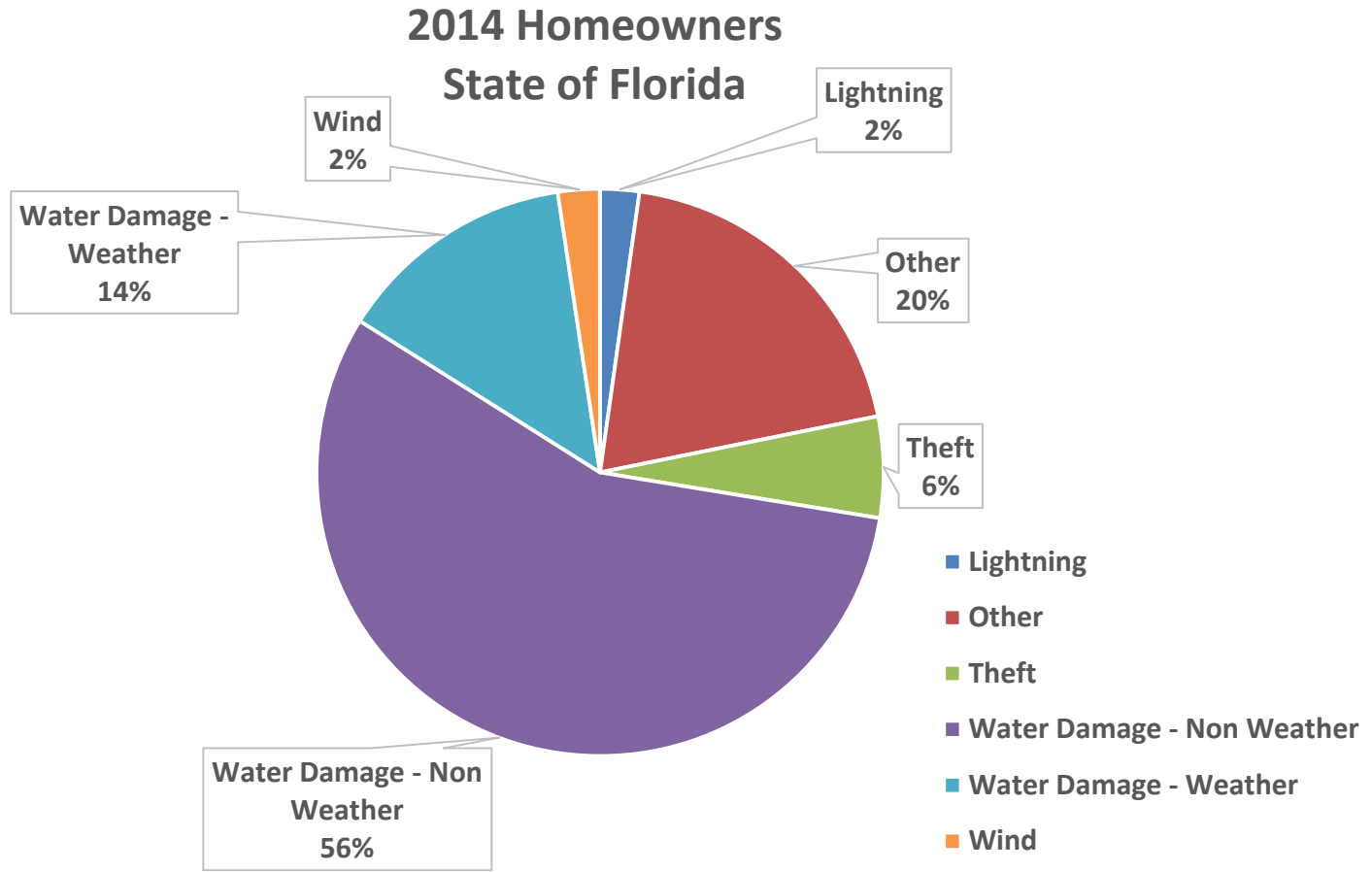
**Jay Adams, Chief Claims Officer**

Citizens Presentation on Assignment of Benefits

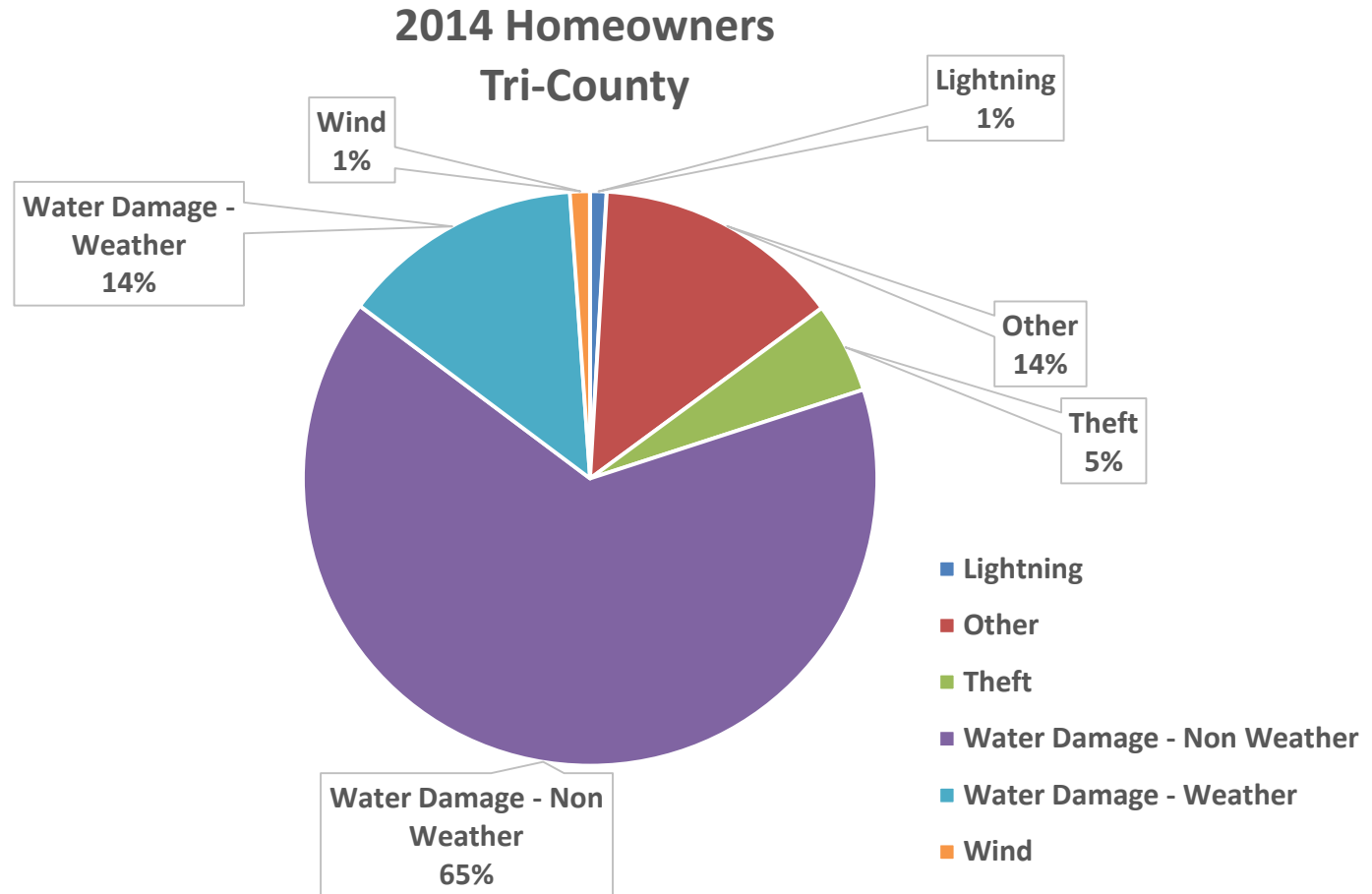
February 9, 2015



# 2014 Claims Volume by Cause of Loss

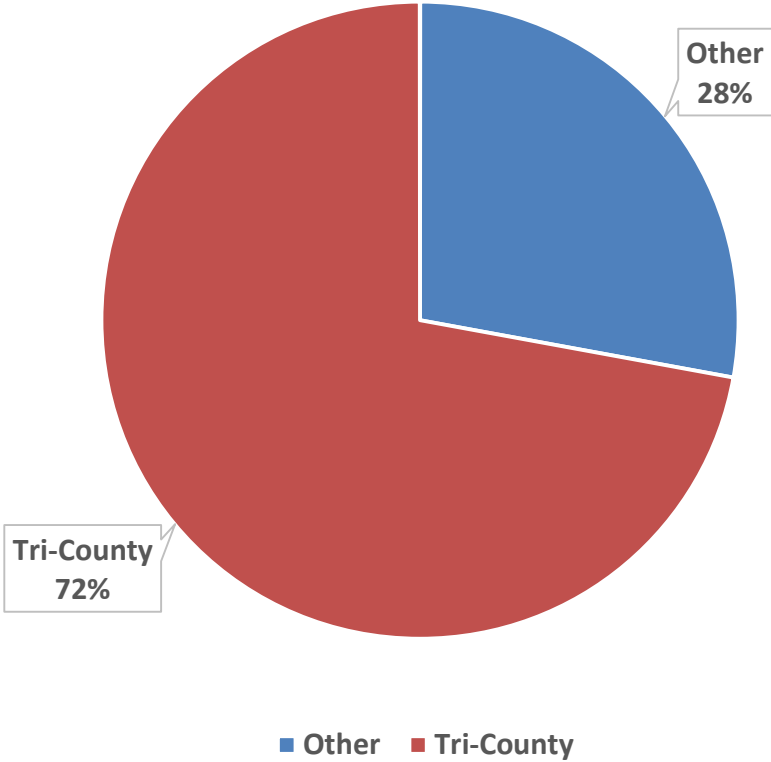


# 2014 Claims Volume by Cause of Loss



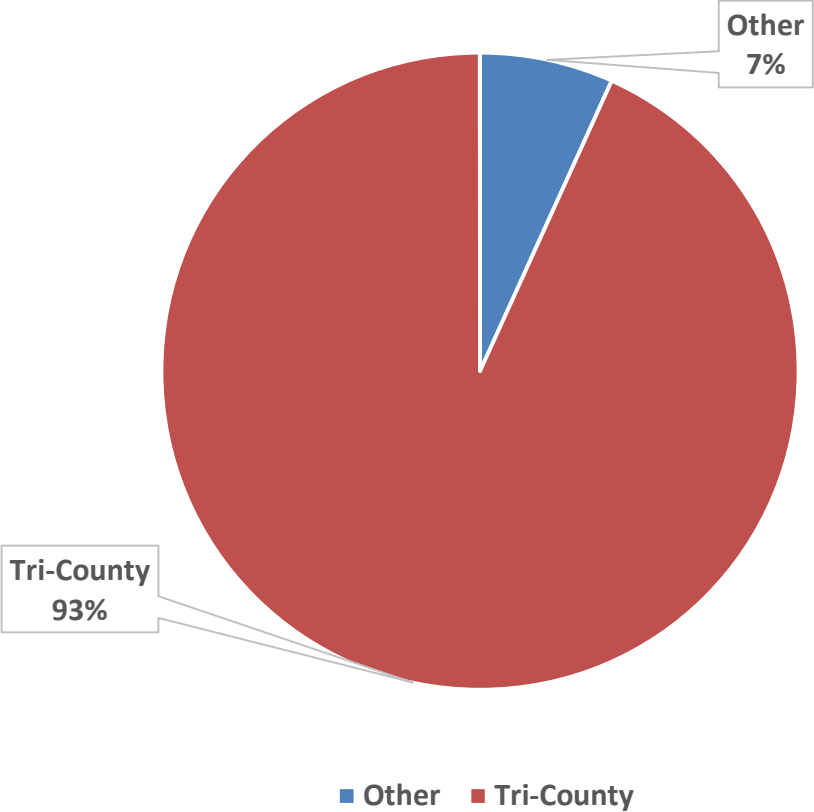
# 2014 Water Claims Volume

## 2014 Homeowners



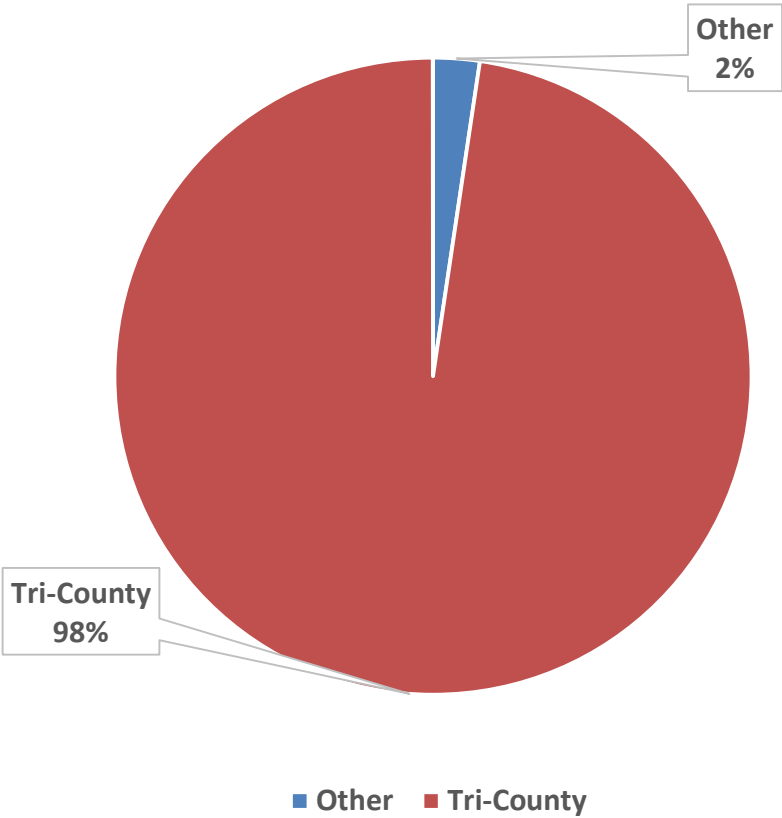
# 2014 Claims with Representation

2014 Claims with Representation



# 2014 Water Claims with Representation

2014 Water Claims with Representation



# 2013 Litigation Study Statistics for Water

- Water Claims
  - Represents 50% of all new reported claims
  - Represents 75% of all Litigation
- Miami-Dade
  - Represents 19% of total PIF
  - Represents 67% of total Litigation
  - Represents 68% of all water Litigation
- Miami-Dade/Broward/Palm Beach
  - Represents 43% of total PIF
  - Represents 93% of total Litigation
  - Represents 96% of all water Litigation

# Paid ALAE Expenses

	Other	Water	Total
Miami-Dade	15.1	19.6	18.3
All Other	10.5	15.7	13.6
Total	12.3	17.7	15.8

- Based on Accident Year 2007 – 2013 for all Homeowner forms

- Disproportionate total claims expenses from Miami-Dade
- Expenses shown are per loss in Miami-Dade versus the remainder of state



# December 2014 Triage Team Statistics

- 562 new suits reviewed
  - Water represented 513 suits or 91%
  - Top 3 counties represented 549 suits or 98%
    - Miami-Dade represented 390 suits or 71%
    - Broward represented 139 suits or 25%
    - Palm Beach represented 20 suits or 4%
  - 479 of 562 suits were represented at the First Notice of Loss (FNOL)

- Representation for water claims at FNOL has increased from **8%** in 2009 to **24%** in 2014

# AOB Team Statistics

	<u>Nov-14</u>	<u>Dec-14</u>	<u>Jan-15</u>
New AOB Suits Received	115	127	80
# of Suits with Water as COL	105	109	77
% of Suits from Tri-County	99%	91%	91%
Miami-Dade	82	70	40
Broward	25	35	24
Palm Beach	7	10	9

- For **2013**, a total of **1,397** AOB suits were received
- For **2014**, a total of **1,526** AOB suits were received

# AOB Increases ALAE Costs

Accident Year	% of Claims (1)	% of ALAE (2)
2007	0.21%	0.00%
2008	0.24%	4.09%
2009	0.16%	0.28%
2010	0.76%	1.25%
2011	2.32%	5.08%
2012	8.26%	14.41%
2013	10.93%	14.90%

- (1) % of litigated AOB water claims to total number of litigated water claims
- (2) % of litigated AOB ALAE paid to total ALAE of litigated water claims

- ALAE severity for a litigated AOB claim is **60%** higher than a litigated claim without an AOB

# Calendar Year Non-Wind/Non-Sinkhole Loss and LAE Ratios

PLA-HO3	FL X Miami-Dade	Miami-Dade	Total
2011	23.9%	71.2%	38.0%
2012	28.2%	69.7%	40.8%
2013	23.4%	49.7%	31.9%
3 Year Total	25.3%	63.4%	37.1%

# Calendar Year Non-Wind/Non-Sinkhole Loss Ratios

PLA-HO3	FL X Miami-Dade	Miami-Dade	Total
2011	20.6%	58.6%	31.9%
2012	23.5%	53.0%	32.5%
2013	17.0%	34.1%	22.5%
3 Year Total	20.5%	48.8%	29.2%

# Calendar Year Non-Wind/Non-Sinkhole LAE Ratios

PLA-HO3	FL X Miami-Dade	Miami-Dade	Total
2011	3.3%	12.7%	6.1%
2012	4.7%	16.7%	8.3%
2013	6.5%	15.5%	9.4%
3 Year Total	4.8%	14.6%	7.9%

# Questions