

# Depopulation, CHIPS & FMAP

September 24, 2024

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Market Services





## ExRe Newswire

- Total Carriers Participating in Q4 Depop: **11**
- New Entrants for 2024: **5**
- October Personal Lines Carriers Approved: **9**
- October Personal Lines Carrier Approvals: **410,008**
- October Commercial Lines Carriers Approved: **4**
- October Commercial Lines Carrier Approvals: **4,250**



**Depopulation Results / Timelines**

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**Clearinghouse Interim Program  
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**Citizens Reimagined Update**

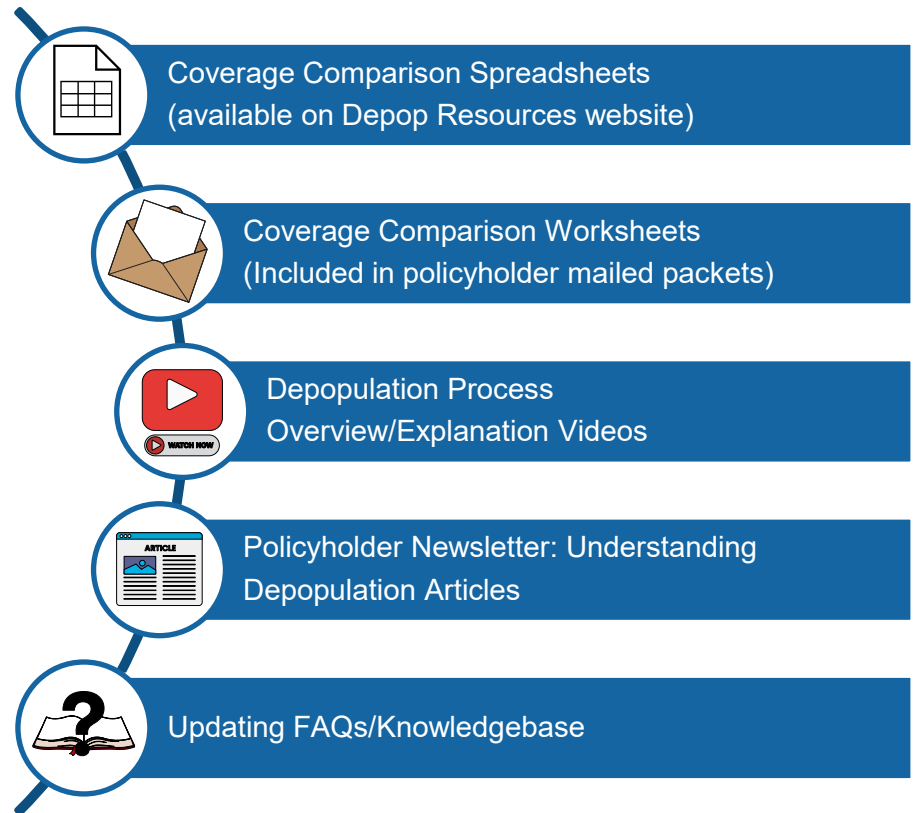
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## Depopulation

- YTD Exposure Removed = \$64.8 B
- YTD Commercial Removed = \$5.6 B / 597 Policies
- YTD Personal Removed = \$59.2 B / 131,848 Policies
- 2024 Forecast
  - 337,522 Polices Assumed
  - \$162.2B Exposure Removed

## Improved Policyholder Support for Depopulation Participants



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

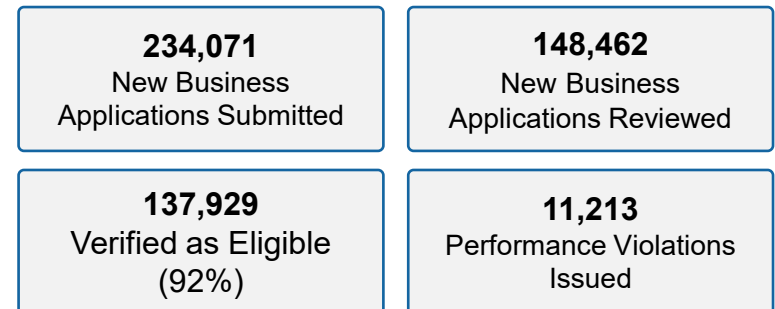
### Track B – New Business Eligibility Checked Automatically

Mid Jan 2025

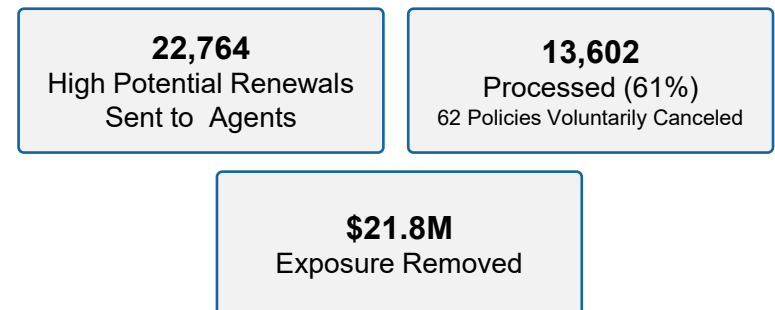
Track B – Renewal Eligibility Checked Automatically

Oct 2025

### CHIPS - New Business



### CHIPS - Renewals



# Depopulation Results



# 2023 Depopulation Update

## 2023 Depopulation Results\*

Assumption Date	Active Carriers	OIR Approved <sup>1</sup>	Requested By Carriers <sup>2</sup>	Policyholder Choice Letters Mailed <sup>3</sup>	Assumed <sup>4</sup>	Policies Assumed with TOC premium less than CPIC premium	Policies Assumed with TOC premium within 0%-20% higher than CPIC	Assumption Rate <sup>5</sup>	Exposure Removed <sup>6</sup>
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
<b>Totals</b>		<b>626,617</b>	<b>723,964</b>	<b>624,126</b>	<b>270,751</b>	<b>81,787</b>	<b>160,110</b>	<b>43%</b>	<b>\$111.3B</b>

\*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.

<sup>1</sup>OIR approval is maximum number of policies permitted to be assumed by carriers. <sup>2</sup>Sum of all policies requested by carriers, 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 carriers on Assumption Date. <sup>5</sup>Quotient of 'Assumed' divided by 'Policyholder Choice Letters Mailed' for completed assumptions. <sup>6</sup>Exposure Removed as of Assumption Date.



# 2024 Depopulation Update

## 2024 Completed Depopulations

Assumption Date	Active Carriers	OIR Approved <sup>1</sup>	Requested By Carriers <sup>2</sup>	Policyholder Choice Letters Mailed <sup>3</sup>	Assumed <sup>4</sup>	Assumed Premium Less Than Citizens Premium	Assumed Premium 0%-20% Higher Than Citizens	Assumption Rate <sup>5</sup>	Exposure Removed <sup>6</sup>
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
<b>Totals</b>		<b>354,434</b>	<b>255,027</b>	<b>217,623</b>	<b>132,445</b>	<b>35,431</b>	<b>87,791</b>	<b>61%</b>	<b>\$64.8 B</b>

## 2024 In Flight Depopulations

Assumption Date	Active Carriers	OIR Approved <sup>1</sup>	Requested By Carriers <sup>2</sup>	Policyholder Choice Letters Mailed <sup>3</sup>	Offers Less Than Citizens Premium	Offers 0%-20% Higher Than Citizens	% Offers Less Than Citizens	% Offers 0%-20% Higher Than Citizens
October 22 (PL)	9	410,008	8/26					
October 29 (CL)	4	4,250	8/26					

<sup>1</sup>OIR approval is maximum number of policies permitted to be assumed by carriers. <sup>2</sup>Sum of all policies requested by carriers, 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 carriers on Assumption Date. <sup>5</sup>Quotient of 'Assumed' divided by 'Policyholder Choice Letters Mailed' for completed assumptions. <sup>6</sup>Exposure 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
American Integrity										X	X
American Traditions						X			X		
Edison	X				X	X	X	X	X		
Florida Peninsula	X			X	X	X	X	X	X		X
Homeowners Choice					X						X
Loggerhead			X		X						
Manatee											X
Monarch National		X		X	X		X				X
Orange						X		X			
Orion180 Select											X
SafePoint				X	X	X					
Security First								X		X	
Slide			X	X	X	X	X		X	X	X
Southern Oak				X			X		X		X
TypTap						X	X				X
US Coastal							X				

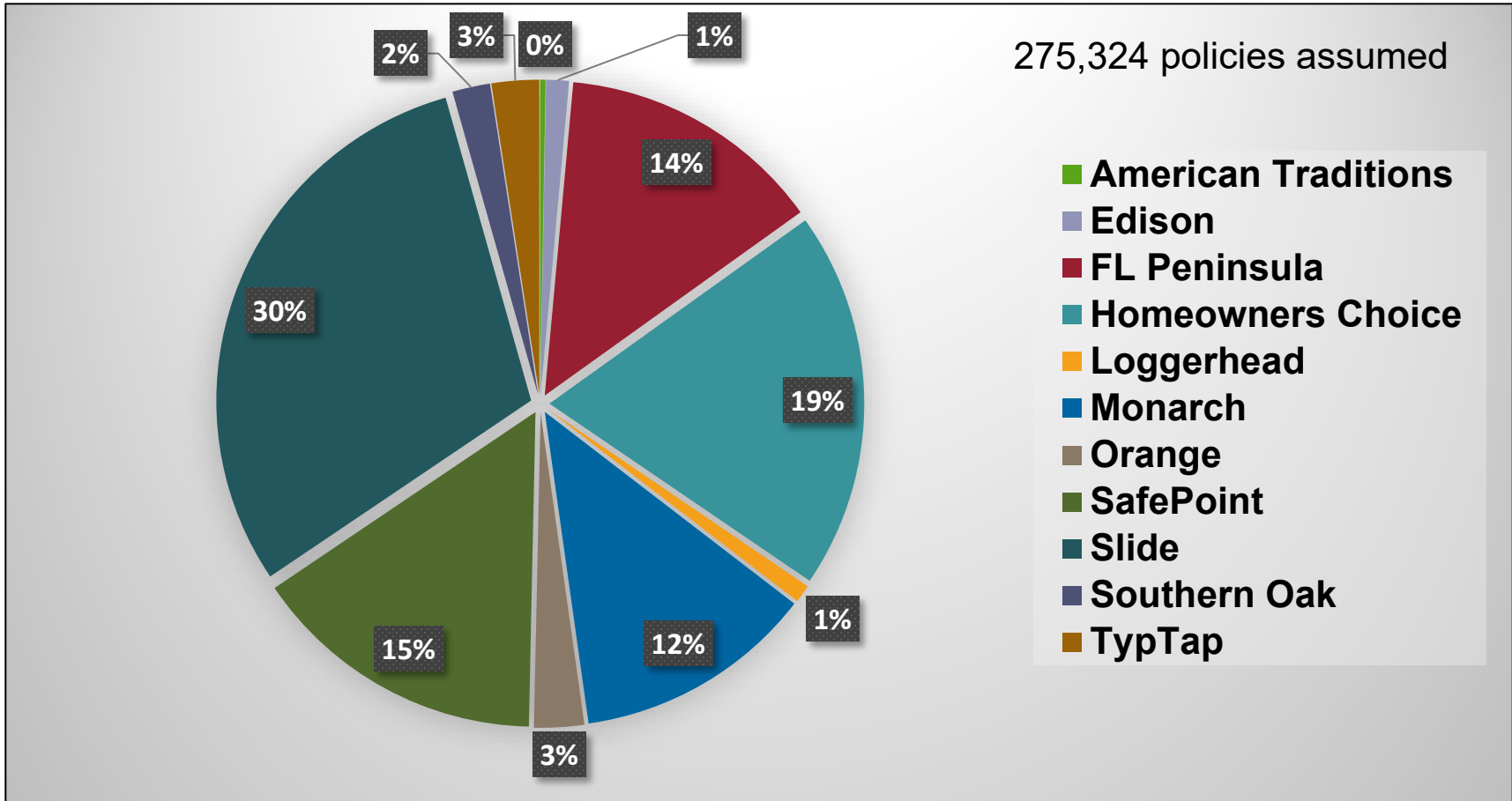




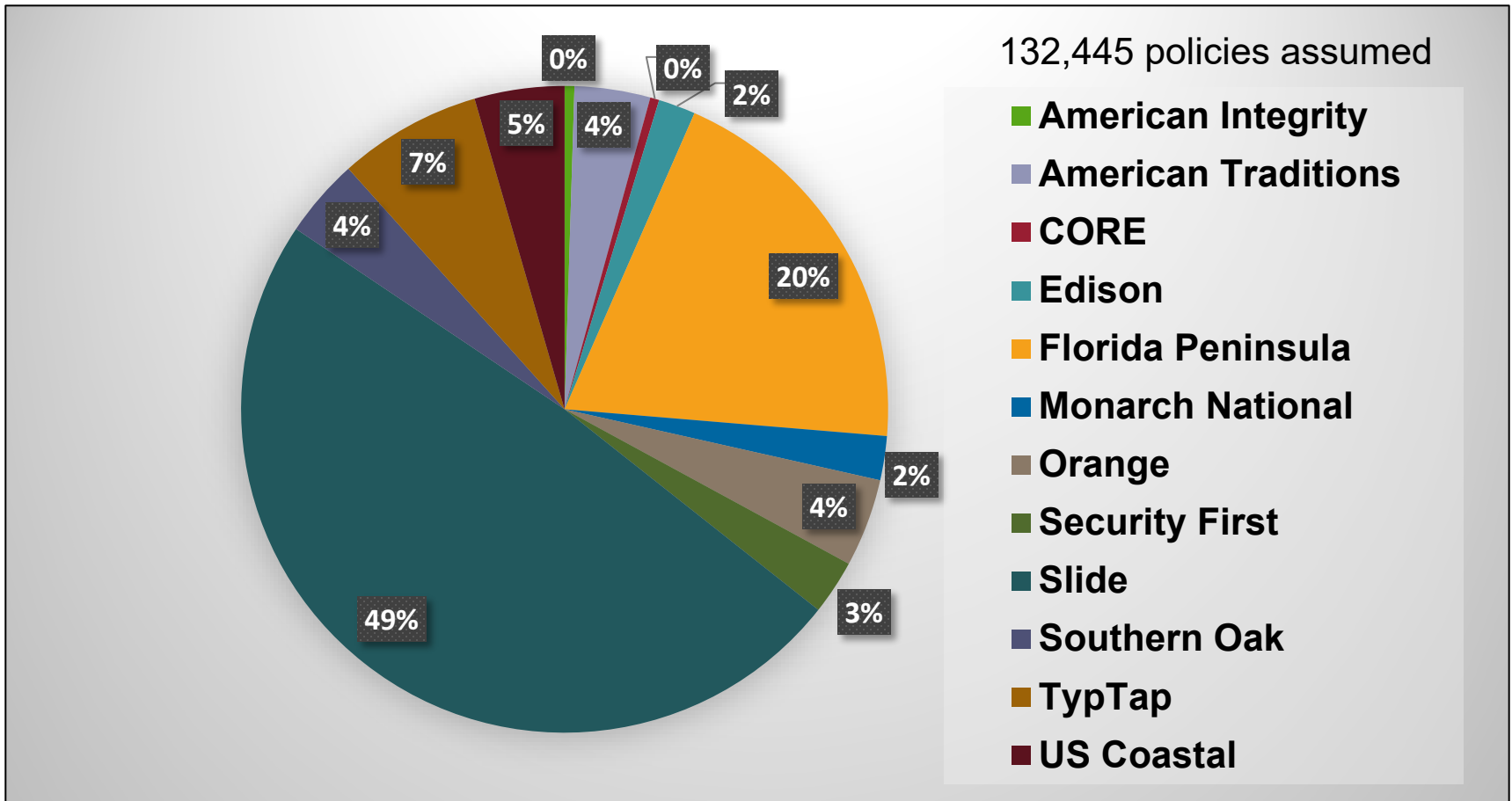
# Depopulation Carrier Participation Commercial Lines

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

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



## % of Policies Assumed by Company (As of 6/25/2024)





# 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
<b>Totals</b>	<b>4,573</b>	<b>17,239</b>	<b>8,836</b>	<b>99,773</b>	<b>92,886</b>	<b>52,017</b>	<b>275,324</b>

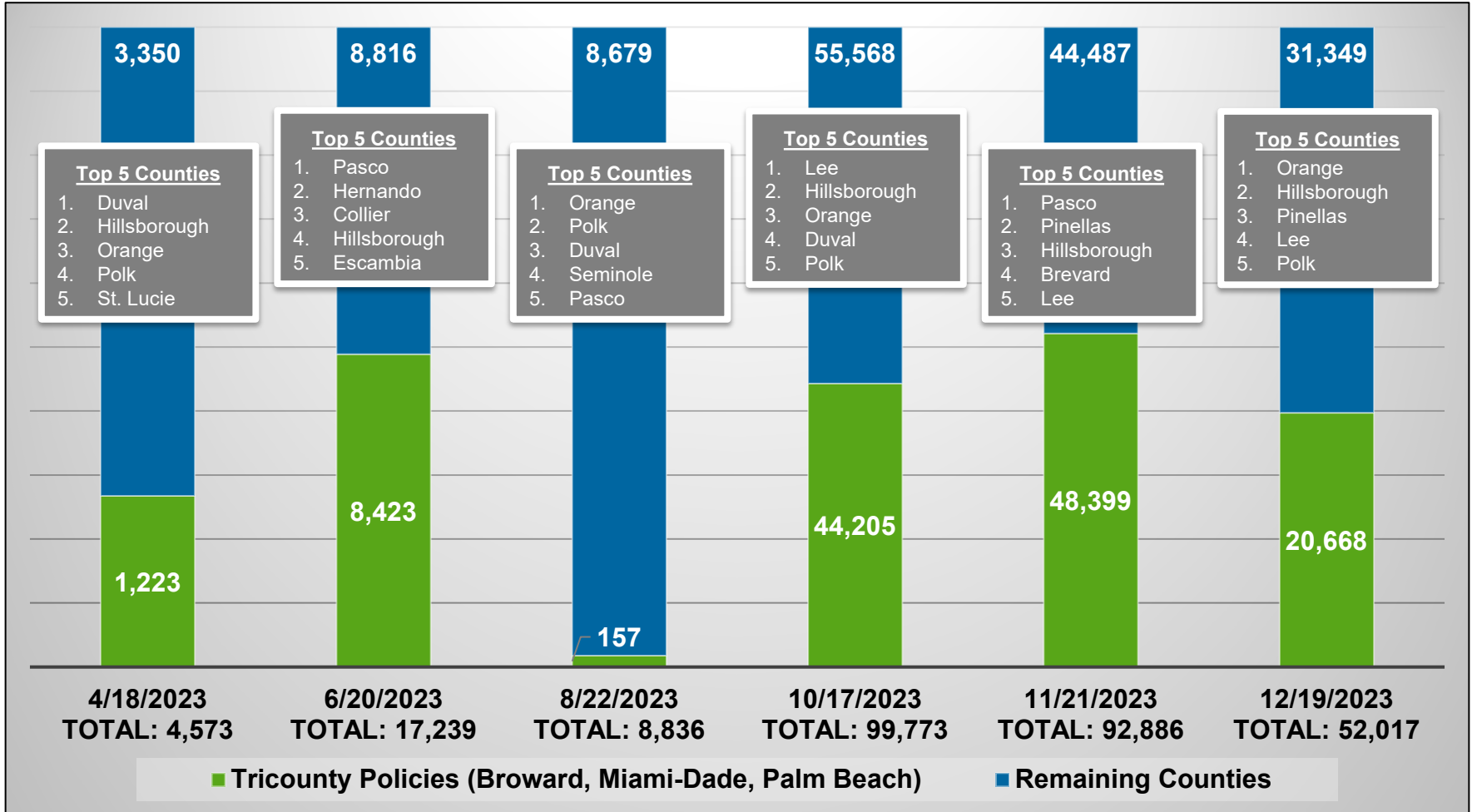
## Policies Assumed in 2023 by Business Line

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							
<b>Totals</b>	<b>4,573</b>	<b>17,239</b>	<b>8,836</b>	<b>99,773</b>	<b>92,886</b>	<b>52,017</b>	<b>275,324</b>

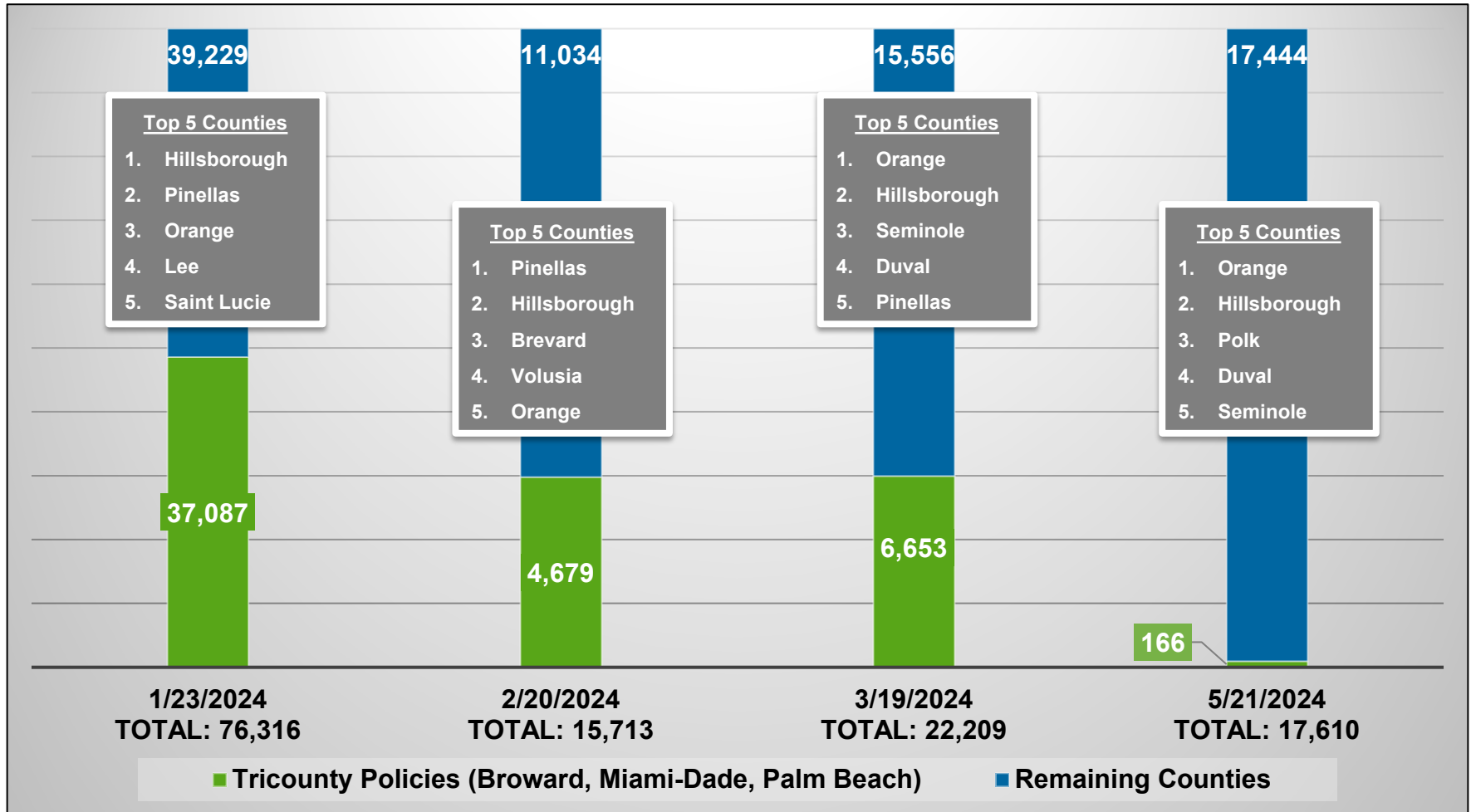
Policies Assumed in 2024 by Company Name								
Company Name	JAN	FEB	FEB (CL)	MAR	APR (CL)	MAY	JUN (CL)	Totals
American Integrity						646		646
American Traditions				5,012				5,012
CORE			321		150		126	597
Edison	1,081	678		699				2,458
Florida Peninsula	14,793	6,577		4,779				26,149
Monarch National	2,917							2,917
Orange		5,832						5,832
Security First		2,626				979		3,605
Slide	38,657			9,943		15,985		64,585
Southern Oak	3,443			1,776				5,219
TypTap	9,478							9,478
US Coastal	5,947							5,947
<b>Totals</b>	<b>76,316</b>	<b>15,713</b>	<b>321</b>	<b>22,209</b>	<b>150</b>	<b>17,610</b>		<b>132,445</b>

Policies Assumed in 2024 by Business Line							
Business Line	JAN	FEB	MAR	APR	MAY	JUN	Totals
Personal Lines	76,316	15,713	22,209		17,610		131,848
Commercial Lines		321		150		126	597
<b>Totals</b>	<b>76,316</b>	<b>16,034</b>	<b>22,209</b>	<b>150</b>	<b>17,610</b>		<b>132,445</b>

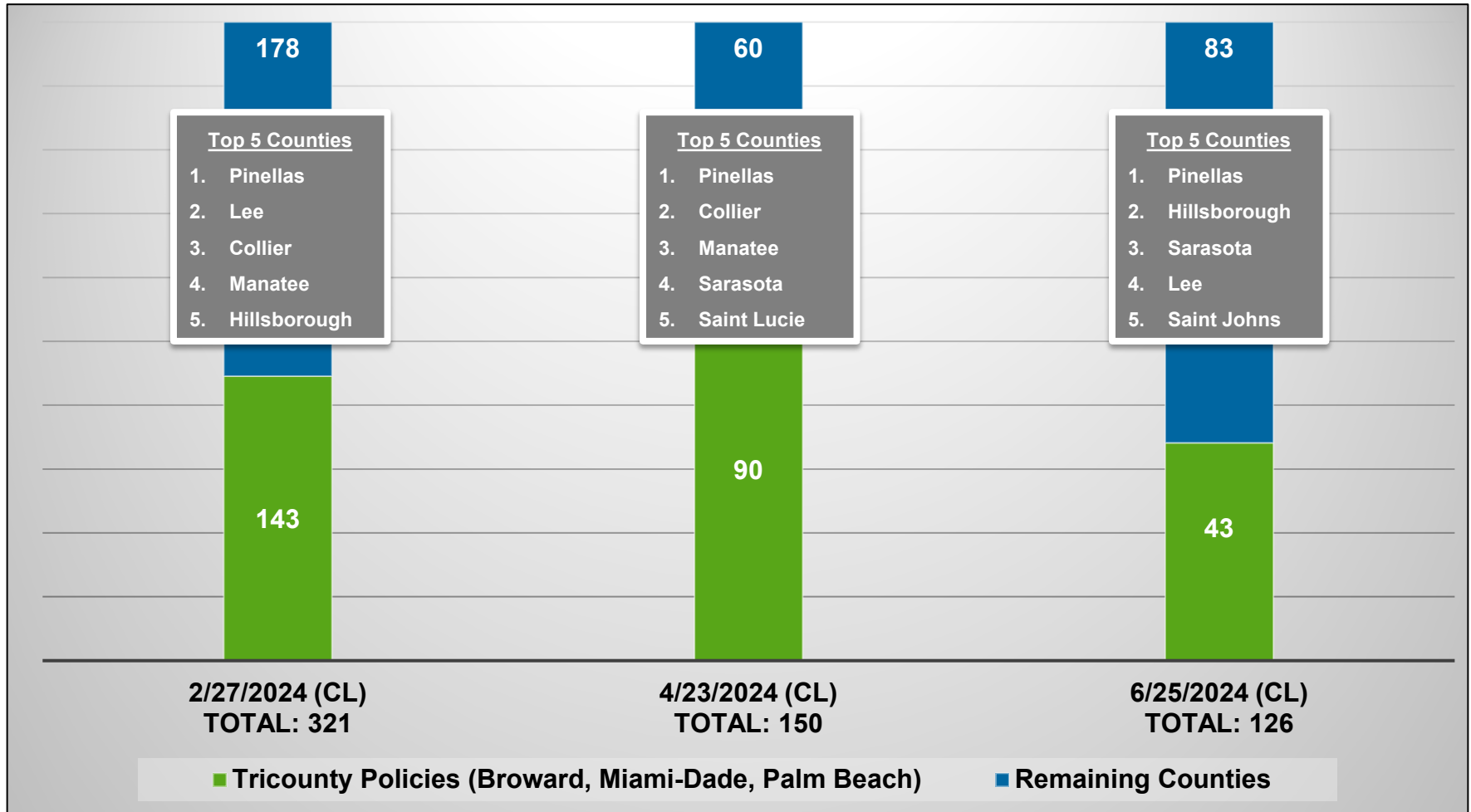
## Tri-County Policies Assumed - 2023



## Tri-County PL Policies Assumed - 2024



## Tri-County CL Policies Assumed - 2024







# Assumed Policies Returning As New Business

2023/2024 Personal Lines – Assumed Policies Returning As New Business					
Assumption Month	Number Of Participating Carriers	Assumed <sup>1</sup>	Returning New Business	Return Rate <sup>2</sup>	Exposure Returned <sup>3</sup>
June	1	17,239	865	5.02%	\$374.56 M
August	2	8,836	481	5.44%	\$239.73 M
October	5	99,773	2,477	2.48%	\$1.27 B
November	7	92,886	749	0.81%	\$377.84 M
December	7	52,017	536	1.03%	\$286.36 M
January	7	76,316	1,336	1.75%	\$686.80 M
February	4	15,713	86	0.55%	\$61.15 M
March	5	22,209	101	0.45%	\$61.64 M
May	3	17,610	15	0.09%	\$8.38 M
<b>Totals</b>		<b>402,599</b>	<b>6,646</b>	<b>1.65%</b>	<b>\$3.37 B</b>

Data As Of: 8/19/24

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

<sup>1</sup>Policies assumed by carriers on assumption date.

<sup>2</sup>Quotient of 'Assumed' divided by 'Returning New Business' for completed assumptions.

<sup>3</sup>Exposure 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	216,770	131,848	61%

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

\*\* 2024 data is as of 5/21/24



# 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	853	597	70%

\*2024 data is as of 6/25/24

# Depopulation Timelines

## 2024 Personal Lines Depopulation Calendar

Assumption Date	OIR Approval Date	<i>Depopulation Packets sent and Policy Selected for Assumption emails sent</i>	Policyholder Choice Deadline
1/23/2024 <input checked="" type="checkbox"/>	10/31/2023	12/1/2023	1/9/2024
2/20/2024 <input checked="" type="checkbox"/>	11/30/2023	12/29/2023	2/6/2024
3/19/2024 <input checked="" type="checkbox"/>	12/29/2023	1/29/2024	3/7/2024
5/21/2024 <input checked="" type="checkbox"/>	2/29/2024	3/28/2024	5/6/2024
7/23/2024 <input checked="" type="checkbox"/>	4/30/2024	5/29/2024	7/8/2024
9/17/2024 <input checked="" type="checkbox"/>	6/28/2024	7/26/2024	9/3/2024
10/22/2024	7/31/2024	8/28/2024	10/7/2024
11/19/2024	8/30/2024	9/26/2024	11/4/2024
12/17/2024	9/30/2024	10/28/2024	12/5/2024

## 2024 Commercial Lines Depopulation Calendar

Assumption Date	OIR Approval Date	<i>Depopulation Packets sent and Policy Selected for Assumption emails sent</i>	Policyholder Choice Deadline
2/27/2024 <input checked="" type="checkbox"/>	11/30/2023	1/5/2024	2/13/2024
4/23/2024 <input checked="" type="checkbox"/>	1/31/2024	3/6/2024	4/13/2024
6/25/2024 <input checked="" type="checkbox"/>	3/29/2024	5/3/2024	6/12/2024
8/26/2024 <input checked="" type="checkbox"/>	5/31/2024	7/5/2024	8/13/2024
10/29/2024	7/31/2024	9/5/2024	10/15/2024

# 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	381	50	502	9.9%	54M
<b>2024 Total</b>	<b>381</b>	<b>509</b>	<b>5,098</b>	<b>9.9%</b>	<b>\$494M</b>

Data as of 7/31/24



# CHIPS Results



# Clearinghouse Interim Program

## 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.

<b>New Business Program Results</b>						
	<b>2023*</b>	<b>Q1 2024</b>	<b>Apr 24</b>	<b>May 24</b>	<b>June 24</b>	<b>July 24</b>
<b>Total New Business</b>	104,281	93,324	35,813	37,845	33,340	33,749
<b>Total New Business Reviewed</b>	71,276	68,723	20,187	19,944	21,796	17,812
<b>Policies Verified as Eligible</b>	61,926	61,976	19,182	18,890	20,799	17,082
<b>% Verified as Eligible</b>	86.86%	90.18%	91.93%	94.72%	95.43%	95.90%
<b>Performance Violations Issued for "Ineligible Risks"*</b>	6,081	6,747	1,685	1,054	997	730

\*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.

<b>Renewal Program Results</b>						
	<b>2023</b>	<b>Q1 2024</b>	<b>Apr 24</b>	<b>May 24</b>	<b>June 24</b>	<b>July 24</b>
<b>Number of High-Potential Renewal Activities</b>	13,564	8,585	3,055	4,247	3,233	3,644
<b>Number of Activities Processed</b>	7,550	5,176	1,878	2,259	1,967	2,322
<b>% Activities Processed</b>	55%	60%	61%	61%	61%	64%
<b>Number of Policies Voluntarily Cancelled (found other coverage)</b>	13	22	8	11	14	7
<b>% of Policies Voluntarily Cancelled (found other coverage)</b>	0%	<1%	< 1%	< 1%	<1%	<1%
<b>Coverage <u>A</u> Exposure Removed from Citizens</b>	\$5.8M	\$6.5M	\$ 4.2M	\$ 4.0M	\$4.4M	\$2.7M

# 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: Citizens Introduces New Solution for Verifying Eligibility

May 6, 2024

Citizens has selected Applied Systems' EZLynx® Rating Engine as the new solution for the clearinghouse program which helps validate price eligibility before applying for or renewing a policy with Citizens.

EZLynx Rating Engine will provide Citizens-appointed agents with an easy-to-use comparative rater that delivers real-time homeowners quotes from participating carriers that you are appointed with.

Beginning mid-June, agents and credentialed agency staff will use EZLynx Rating Engine as part of the standard rate, quote, and bind process for the following policy types:

- Citizens Homeowners 3 – Special Form (CIT HO-3)
- Citizens Homeowners 6 – Unit-Owners Form (CIT HO-6)
- Dwelling Property 1 – Basic Form (CIT DP-1-D)
- Dwelling Property 3 – Special Form (CIT DP-3-D)

Agents who are not currently subscribed to EZLynx will be provided a no-cost limited access EZLynx account. If you are a current EZLynx subscriber, Citizens rates will be provided on your current platform. EZLynx must be used to determine eligibility for the Citizens policy forms listed above. Proof of eligibility for all policy forms not listed above will still fall under the current eligibility requirements outside of EZLynx.

For agencies that are not currently subscribed to EZLynx, Applied Systems will offer the option to upgrade their limited access EZLynx account to a complete EZLynx account to expand their access to rate auto or add agency management system access.

Look for additional communications soon to announce training opportunities for agents to use the EZLynx Rating Engine and details about credentials for Citizens-appointed agents and credentialed agency staff.

Appointed agents can submit questions to Citizens by replying to this email or logging in to the Agents website and choosing the *Contact Us* link on the top of the page. Citizens will respond within five business days. Agents also can contact the Customer Care Center at 888.685.1555.

### Training for New Clearinghouse Process

June 5, 2024

As announced on [May 6](#), Citizens now will use the Applied Systems' EZLynx® Rating Engine for the Property Insurance Clearinghouse program. This program is designed to help agents find private-market insurance company offers before applying for or renewing a property insurance policy with Citizens.

Beginning late June, Citizens-appointed agents who currently subscribe to EZLynx will be able to compare Citizens' rates with participating carriers on your current platform for the below policy types.

Beginning late June and continuing through August, Citizens-appointed agents and credentialed agency staff who do not currently have access to EZLynx will receive a [Welcome to EZLynx!](#) email providing their EZLynx username.

Once new users log in and acknowledge the *New User Agreement*, agency staff will be able to begin quoting and comparing Citizens' rates with participating carriers for the following policy types:

- Citizens Homeowners 3 – Special Form (CIT HO-3)
- Citizens Homeowners 6 – Unit-Owners Form (CIT HO-6)
- Dwelling Property 1 – Basic Form (CIT DP-1-D)
- Dwelling Property 3 – Special Form (CIT DP-3-D)

For more information on the new clearinghouse process please see the [FAQs](#), and enter *EZLynx* or *clearinghouse* in the *Search* field.

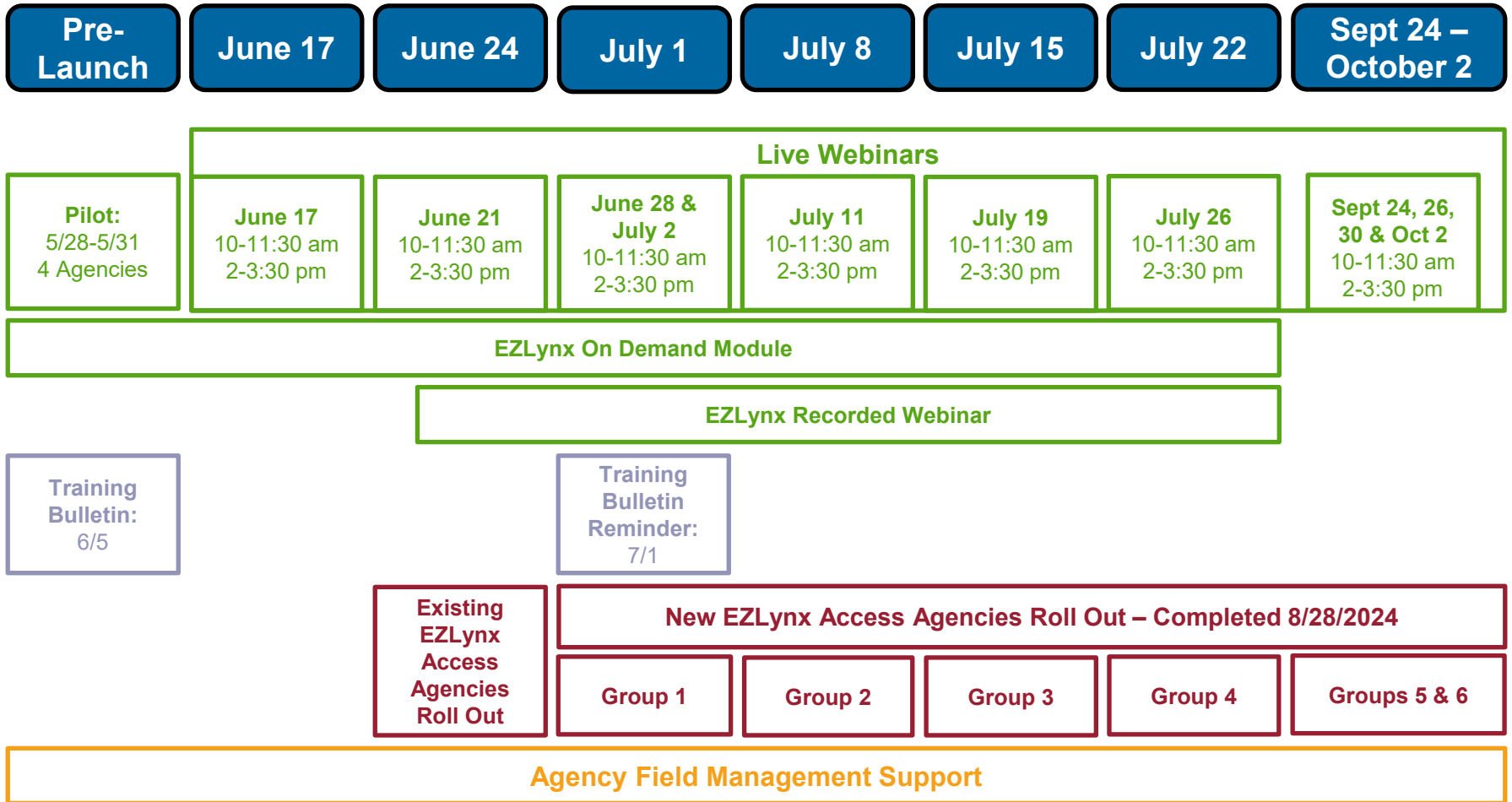
#### Learning Opportunities

Citizens and representatives from EZLynx will conduct free webinars on the following dates regarding the new process for agents and credentialed agency staff. A recording of the webinar also will be available after June 21. Register for the webinar via the link and follow the instructions below.

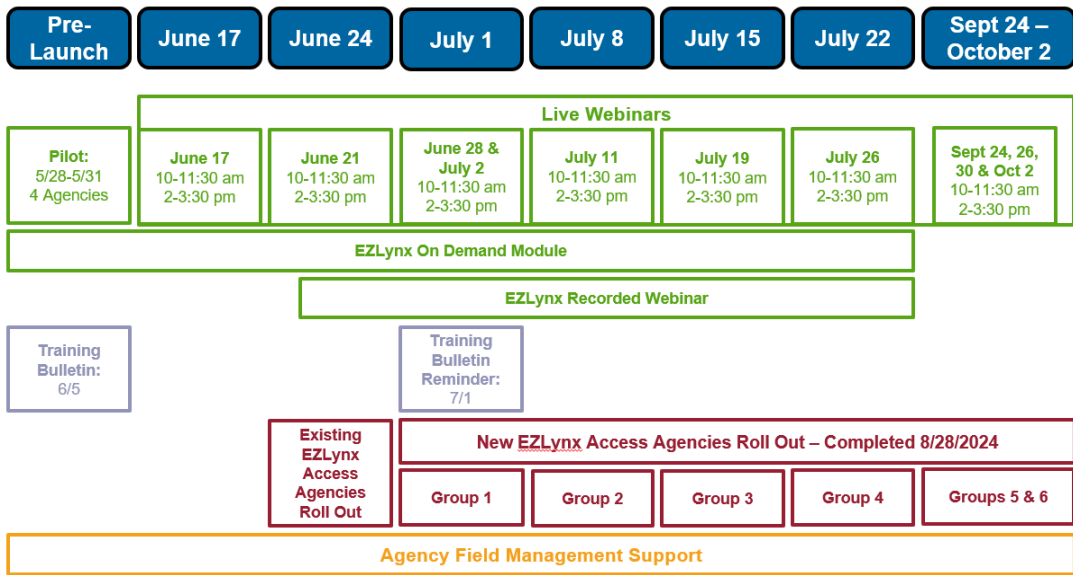
This course will be an introduction to using the Applied Systems' EZLynx Rating Engine and will prepare agents to access and quote in EZLynx in order to establish statutory eligibility with Citizens.

In this session, we:

- Define the EZLynx brand and illustrate the role it will play in verifying statutory eligibility.
- Summarize the implementation timeline and differentiate functionality in each phase.
- Access EZLynx and use the quote comparison to establish statutory eligibility.

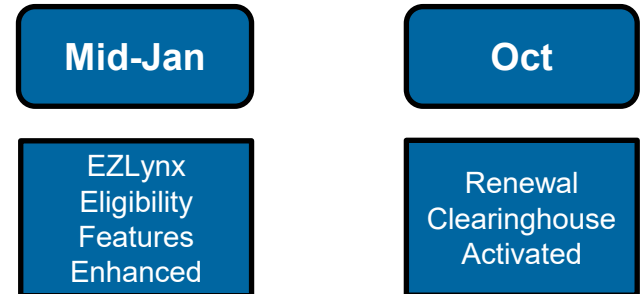


## 2024



- Eligibility check is manual
- Agent is not blocked from PolicyCenter
- Agent will submit proof of eligibility from EZLynx as required document

## 2025



- Eligibility check is mechanized
- Agent blocked for policy non-renews from PolicyCenter if risk not eligible