

CitizensAdvisor



Citizens bids farewell to Irma-driven 2017 hurricane season

TALLAHASSEE, FL – The 2017 hurricane season ended last week, but not before causing nearly \$6 billion in damage as Hurricane Irma ripped through South Florida and the Florida Keys in September, the first major storm to ravage the state in more than 12 years.

As the season came to a close on November 30, Citizens Property Insurance Corporation remains financially stable and has so far closed nearly two-thirds of the 62,000 Irma-related claims, including more than 42,400 claims in Miami-Dade, Broward and Monroe Counties.

Citizens continues to assist policyholders whose claims remain open or whose closed claims need to be adjusted further. Irma, which hit the Florida Keys on September 10, 2017, as a Category 4 hurricane, is expected to produce up to 70,000 claims and 1.2 billion in damages to Citizens policyholders.

“With \$6.4 billion in surplus and substantial reinsurance coverage, Citizens remains fiscally sound after responding quickly and effectively to Hurricane Irma,” said Chris Gardner, chairman of tested Citizens’ Board of Governors. “But we still have much work to do. Our focus will remain on our policyholders until we have satisfactorily handled all outstanding claims.”

Industrywide as of November 13, 2017, the storm had produced 830,788 claims and more than \$5.8 billion in property damage, according to data from the Florida Office of Insurance Regulation. Those figures will undoubtedly rise when the agency next reports industry data on December 4. Statewide, 64 percent of all Irma claims have been closed.

Many Citizens policyholders have already had their homes inspected and may also have spoken to a Citizens desk adjuster about their claim. If covered damages exceed the hurricane deductible, policyholders also have received a payment from Citizens based on those initial estimates.

This check represents a partial payment for Irma-related damages based on our initial adjustment. As repairs begin, policyholders can rest assured Citizens will make additional payments – up to the policy limits – if further Irma-related damage is discovered or market conditions render the initial settlement inadequate to make reasonable repairs on covered losses.

Policyholders with claims are encouraged to contact Citizens at any time to report additional losses or damage discovered during the recovery process. Customers can also contact Citizens to discuss any initial claims payment, the basis of the payment, and whether any additional amounts may be paid.

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December 4, 2017

Events

December 7 @ 1 p.m.
[Claims Committee](#)
Teleconference

December 12 @ 1 p.m.
[Market Accountability Advisory Committee](#)
Sheraton Orlando North

December 12 Immediately following MAAC
[Audit Committee](#)
Sheraton Orlando North

December 12 Immediately following Audit Committee
[Finance and Investment Committee](#)
Sheraton Orlando North

December 12 Immediately following Finance and Investment Committee
[Actuarial and Underwriting Committee](#)
Sheraton Orlando North

December 13 @ 9 a.m.
[Citizens Board of Governors](#)
Sheraton Orlando North

December 13 Immediately following Citizens Board of Governors
[FMAP Board of Governors](#)
Sheraton Orlando North


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"As recovery efforts continue following Hurricane Irma, Citizens wants our customers to know that we are here with you through the claims process," said Jay Adams, Citizens Chief of Claims. "We understand the challenges of identifying all covered losses to your insured property caused by a major weather event such as Hurricane Irma. We are here to help."

If you have a constituent who suffered property damage, please direct them to call Citizens at 866.411.2742 to report a claim. Representatives are available 24/7. In addition, [Christine Ashburn](#) and [Candace Bunker](#) are available to help assist in the claims process or to answer any questions you may have on behalf of your constituents. More information can be found on [Citizens website](#).

Stay Connected
With Citizens

Questions or policy info: 888.685.1555
Report a claim: 866.411.2742
www.citizensfla.com



Spotlight



Joseph Theobald

Special Investigations Unit
Director

Policies in Force

446,429

as of November 24,
2017

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Citizens sends fraud investigators to monitor Irma claims

KEY WEST, FL – Knowing that disasters bring opportunity for unscrupulous operators, Citizens created a team of fraud fighters and sent them to South Florida to combat staged, inflated or otherwise fraudulent claims in the wake of Hurricane Irma.

The destructive storm struck the Florida Keys on September 10, leaving a projected \$1.2 billion in damages to Citizens policyholders' property. As of November 1, Citizens' policyholders have filed more than 62,000 claims, making this event the second-largest claims-generating event in Citizens' history.

Seeing the potential for large-scale fraud even before the storm made landfall, Citizens' Special Investigations Unit (SIU) Director Joseph Theobald reassigned staff and enhanced analytics efforts. After landfall, Theobald designated Claims Manager Gerald Green to lead a quick-strike team of Miami area-based investigators to focus on fighting fraud.

Within 24 hours, the team began responding to tips coming in to Citizens and the National Insurance Crime Bureau (NICB) hotlines, going into the field to inspect suspicious claims and interviewing witnesses. Citizens' SIU established a presence in a satellite office that the company opened in Key West after Irma.

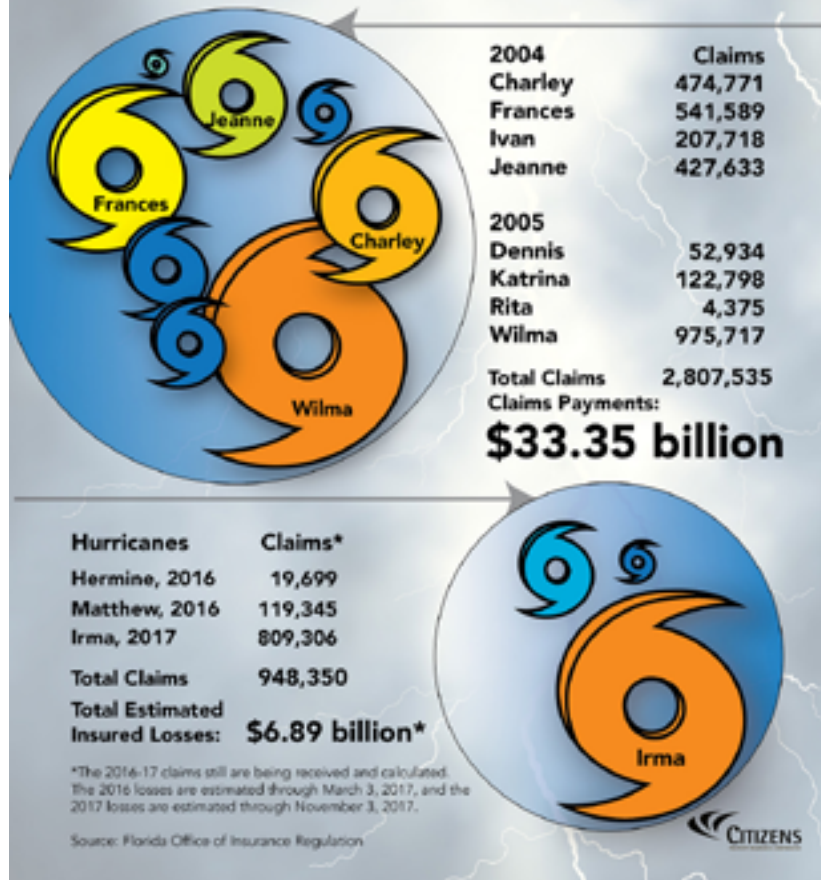
As of October 25, the unit had received dozens of hotline tips, investigated more than 100 claims and already referred eight cases to the Florida Division of Investigative and Forensic Services (DIFS) for further investigation and possible criminal charges.

SIU's analytics group enhanced reporting for Irma claims to identify geographic areas with a higher potential for fraud. Group members developed a mechanism to notify the company if any Irma claims are reported on an insured property that already is involved in a fraud investigation. The team is sharing potential fraud information with the NICB and the DIFS.

In the immediate aftermath of Irma, SIU officials sent communications to adjusters asking them to notify Citizens of any suspected fraud, including violation of fee caps, deceptive solicitation and other violations of state law. Referrals are being handled by desk and outsourcing unit employees whose workload was shifted from anticipation of Irma's landfall to handling more fraud cases.

"Once again, our people showed their willingness to respond quickly, aggressively and effectively, I believe, to the potential for insurance fraud after such a major claims-generating event," Theobald said. "Disasters are magnets for bad actors."

Florida Hurricane Seasons: 2004-05 vs. 2016-17



News Links

[Citizens Property has closed 70 percent of Hurricane Irma claims](#)
Politico

[Citizens insurance says finances are solid after Irma](#)
The Ledger

[Citizens Insurance used unlikely recruits for Irma claims response](#)
Sun Sentinel

[So long, 2017 hurricane season, and good riddance](#)
Tampa Bay Times

[Florida's Hurricane Irma Recovery: The Cost, The Challenges, The Lessons](#)
Insurance Journal

[Citizens paid premiums to entice adjusters after Hurricane Irma](#)
Florida Politics