



INFORMATIONAL MEMORANDUM
OIR-05-011M
ISSUED
July 20, 2005
Florida Office of Insurance Regulation
Kevin M. McCarty, Commissioner

To All Property and Casualty Insurers in the State of Florida

Hurricane Dennis Reporting Requirements

NOTE: This Informational Memorandum supercedes Informational Memorandum OIR-05-010M, issued July 15, 2005.

Due to the recent adverse impact of Hurricane Dennis on many areas of Florida, all property and casualty insurers transacting direct business in Florida, including surplus lines carriers, are required to submit to the Florida Office of Insurance Regulation ("Office"), certain information for claims resulting from Hurricane Dennis and the financial impact of Hurricane Dennis.

The information shall be submitted via the Office website at <https://apps.fldfs.com/disasterreporting/home.aspx>.

Be advised, **disaster reporting for the 2004 hurricane season will remain on the current monthly reporting schedule.**

Information regarding Hurricane Dennis may be submitted beginning at 8:00 AM EDT on Thursday, July 21, 2005. Each insurer's initial submission shall be completed no later than 5:00 PM EDT on Wednesday, July 27, 2005. Please have the Florida Company Code(s) available for your company/companies when accessing the system. Information for Hurricane Dennis shall be submitted on the same basis as the 2004 disaster reporting (individual company or group basis).

Each insurer shall continue to provide the required information under both the Weekly Disaster Reporting and General Claims Reporting to the Office on a weekly basis not later than 5:00 PM EDT each Wednesday, until it receives notice from the Office regarding changes to the reporting schedule. The required information under the LOB Reporting shall be submitted on a monthly basis, not later than 5:00 pm on the fifth (5th) workday of the each month, for the immediately preceding month. For example, the first report shall be for the month of July and shall be submitted to the Office not later than 5:00 pm on August 5th. Each submission shall contain the cumulative results experienced by the insurer from Hurricane Dennis and not information for only the previous week's reporting period.

If a company has no exposure in the state of Florida, under the "Weekly Disaster Reporting" report type, select "The Company/Group has no property exposure in Florida." Continue through the end of the reporting process. Once this has been done, the company will not need to report again for Hurricane Dennis, unless the company gains direct exposure in Florida during the required reporting timeframe.

If the company has exposure in the state of Florida but has not received claims as a result of Hurricane Dennis, under the "Weekly Disaster Reporting" report type, select "The Company/Group has property exposure in Florida but has received no property claims as a result of Hurricane Dennis." Continue through the end of the reporting process. Once this has been done, the company will not need to report again for Hurricane Dennis, until the company receives one (1) or more claims during the required reporting timeframe.

If a company has exposure in the state of Florida and has received claims as a result of Hurricane Dennis, the following information must be submitted:

Under the “Weekly Disaster Reporting” report type:

Claims Information for areas in which claims have occurred

1. Number of Claims Reported to Date, by County;
2. Number of Claims Determined to be a Total Loss, by County (Total loss is defined as a claim that requires settlement of the maximum amount of insurance on the covered property.);
3. Total Claim Payments to Date, by County (Claim payments include additional living expenses (ALE), business interruption (BI), structure coverage, and contents coverage.);
4. Estimated Case Reserves, by County (Case reserves include additional living expenses (ALE), business interruption (BI), structure coverage, and contents coverage. Reserves include case reserves and allocated loss adjustment expenses only).

Financial Projections

5. Best Estimate of Expected Gross Loss resulting from each hurricane;
6. Projected Net Retention resulting from each hurricane (net of all reinsurance, include Florida Hurricane Catastrophe Fund coverage);
7. Identification of the Model used in calculating the Expected Gross Loss and Net Retention;
8. Estimated Total Dollar Amount of Deductibles for All Residential Claims Reported to Date for each hurricane. *

General Information

9. Location, contact information and hours of operation for any mobile response units that are currently assisting with each hurricane;
10. Number of adjusters assigned to areas adversely impacted by each hurricane; and
11. Contact information for the individual submitting the information.

*The deductible should be for personal residential property claims only. Do not include deductibles for auto physical damage claims or commercial property claims.

Under the “General Claims” report type:

For the purposes of this report,

- “Adjusted” is defined as a claim that has been evaluated and for which a settlement offer has been made to the claimant.
- A “closed claim” is defined as a claim that has been settled, the claimant has received payment, and no additional payments for this claim are expected to be incurred by the insurer.
- Aging should begin with the date the claim was reported.
- For Item 7 through 13, include only claims that are still open or have been reopened, not those claims which have been closed. If a claim has been closed and then reopened, do not report them in both categories; report it as an open claim only.

1. Total number of claims reported to date;
2. Total number of claims where the company has made contact with the policyholder;
3. Total number of adjusted claims (includes claims that have been adjusted as a result of desk reviews or on-site examinations);
4. Average number of days to adjust the claims reported in Item 3 above;
5. Number of closed claims where no additional payments to the policyholder are anticipated;
6. The average number of days to close the claims reported in Item 5 above;
7. Number of claims open for less than thirty (30) days;
8. Number of claims open for thirty (30) days or more than thirty (30) days and less than sixty (60) days;
9. Number of claims open for more than thirty (30) days and less than sixty (60) days, where only additional living expense (ALE) payments have been made to policyholders;

10. Number of claims open for more than sixty (60) days and less than ninety (90) days;
11. Number of claims open for more than sixty (60) days and less than ninety (90) days, where only additional living expense (ALE) payments have been made to policyholders;
12. Number of claims open for more than ninety (90) days; and
13. Number of claims open for more than ninety (90) days, where only additional living expense (ALE) payments have been made to policyholders.

Under the “LOB Reporting” report type:

The following information should be provided for these specific lines of business: Fire and Allied Lines, Farmowners, Homeowners, Mobile Homeowners, Commercial Multi-Peril, Commercial Auto Physical Damage, Private Passenger Auto (PPA) Physical Damage, and Other Lines.

1. Total number of claims reported to date;
2. Total number of claims determined to be a total loss (Total loss is defined as a claim that requires settlement of the maximum amount of insurance on the covered property.);
3. Total dollar (\$) amount paid to policyholders for Additional Living Expenses (ALE) paid.
4. Total dollar (\$) amount of contents coverage paid.
5. Total dollar (\$) amount of structure coverage paid.
6. Total dollar (\$) amount of claim payments made to date. This column should equal the total of Items 3, 4, and 5 above; however, for some certain lines of business, there are types of payments that are not categorized above. Said payments, while not included in the breakdown of payment types, should be included in the Total Claim Payments made to date.

The specified lines of business are consistent with those defined by the National Association of Insurance Commissioners (NAIC) and detailed in the statutory financial statements of the company.

The Office will issue further instructions regarding the new method of electronic disaster reporting for the 2005 hurricane season at such time as the application is available for use by companies.

If you have any questions regarding the reporting process, please contact the Market Research Program, Data Collection Unit at (850) 413-3147 or DisasterReporting@fldfs.com.