

# Overview of Citizens Depopulation Program

Senate Banking & Insurance

September 24, 2013

Richard Koon,  
Deputy Commissioner of Property & Casualty

# Today's Discussion Topics:

- Overview of the OIR Review Process
- Review of the impact of depopulation
- Outlook on future depopulation efforts



# Depopulation Framework

- Citizens develops a depopulation program which allows for private market carriers to assume policies
- OIR has developed a review process which companies undergo in order to participate in an assumption



# Components of a Depopulation Application

- Depopulation plan
- Catastrophe modeling
- Reinsurance information
- Financial Projections
- Geographical distribution of policies
- Summary of management experience
- Any additional information requested by the OIR



# The Review Process

- Review of depopulation application is coordinated by the OIR Takeout Analyst & Chief Analyst
  
- Information and input is solicited from:
  - Market Conduct Unit
  - Financial Analyst
  - Forms Analyst
  - Rate Actuary
  - Company Admissions Unit

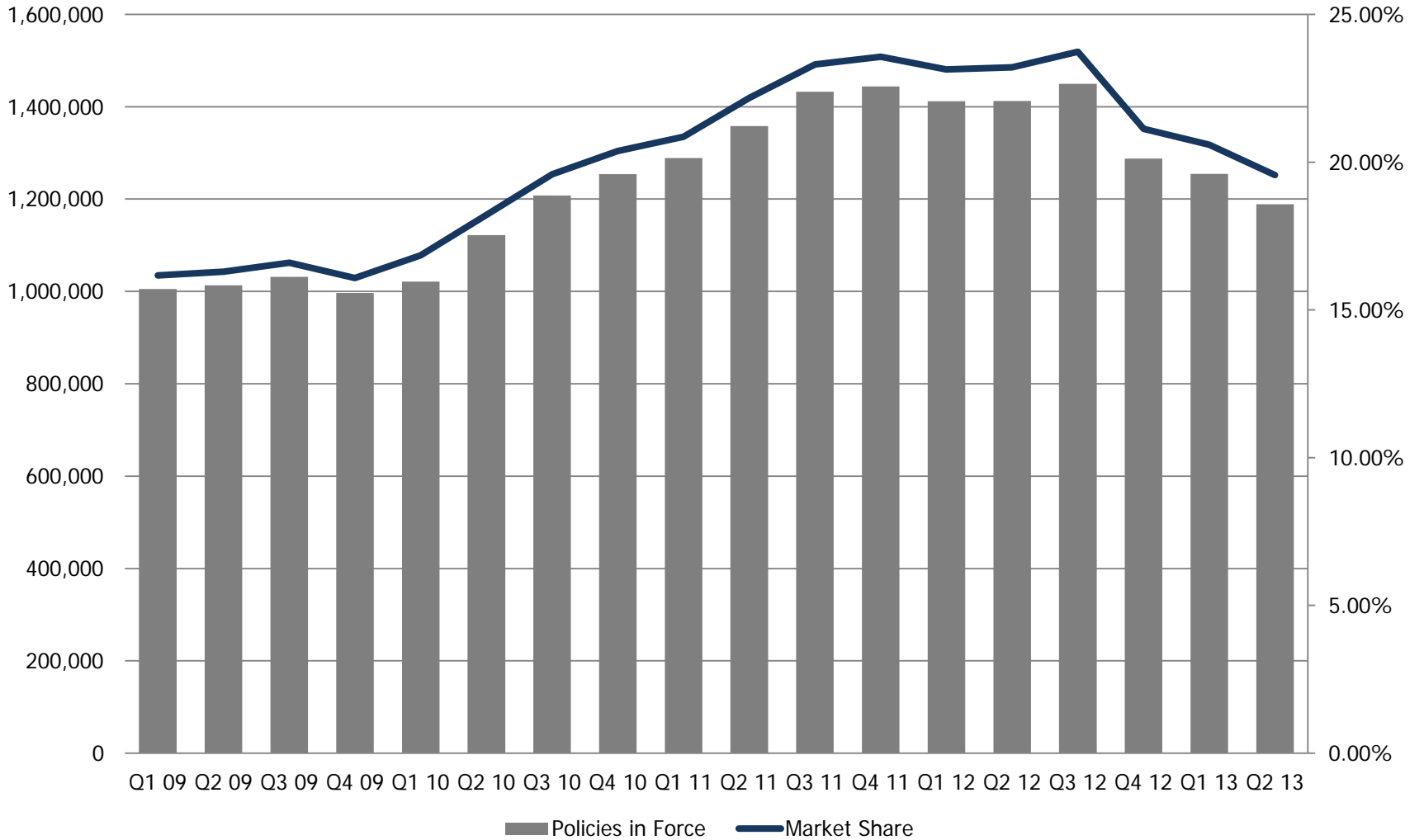


# Approval of a Depopulation Application

- Completed via consent order - one for each assumption date
  
- Common consent order provisions:
  - Opt out window (30 days before, 30 days after)
  - Communication with consumers
  - Adherence to Citizens depopulation calendar
  - Maintenance of reinsurance
  - Continue to provide similar coverage
  - Provide coverage comparison chart
  - 14-day review period for agents
  
- Post application monitoring



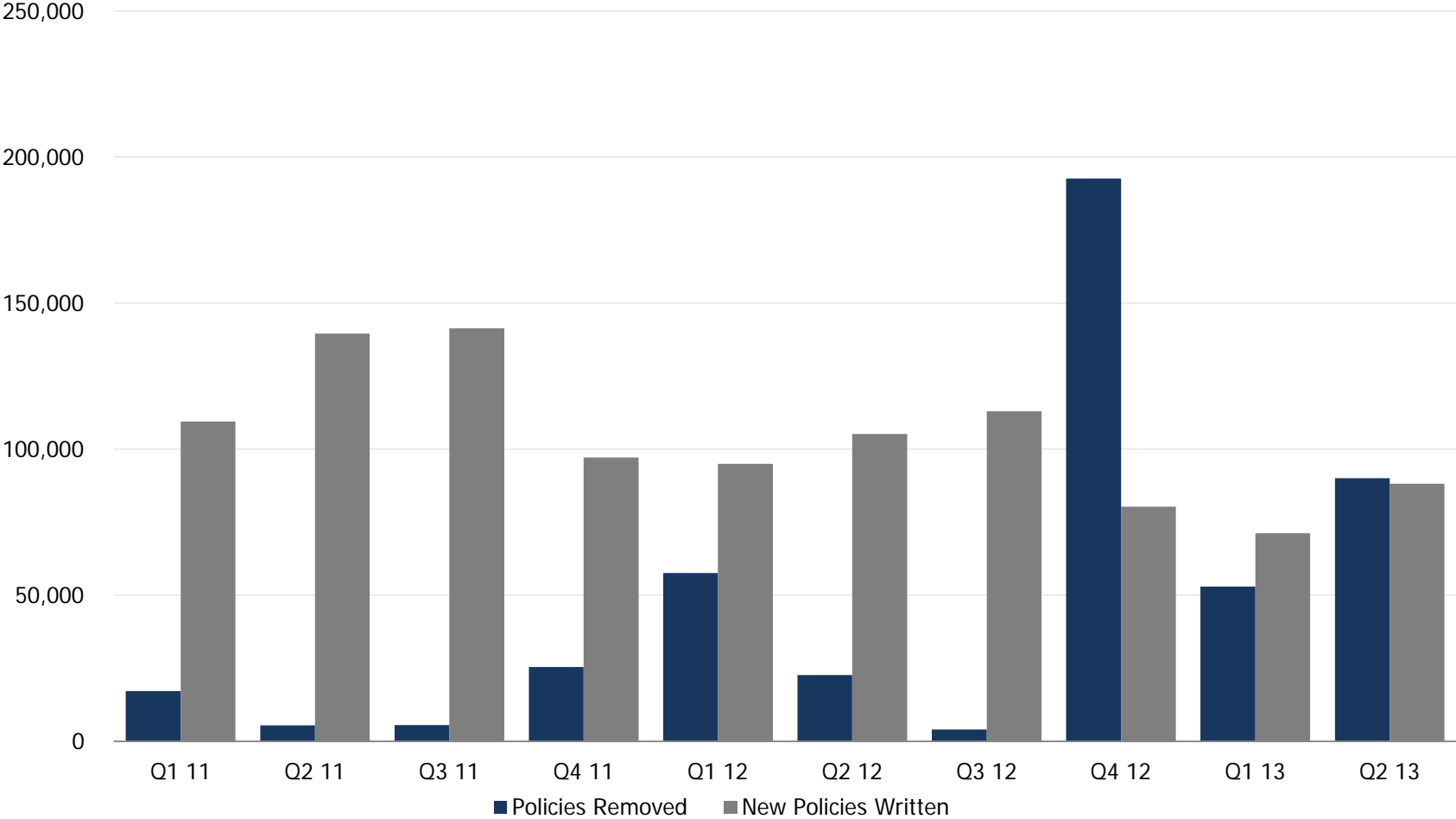
# Citizens Size in the Marketplace



Source: OIR Quarterly & Supplemental Reporting System – Next Generation (QUASR-ng)



# Policies Removed vs. New Policies Written



Source: OIR Quarterly & Supplemental Reporting System – Next Generation (QUASR-ng) & Citizens Website



# Questions?

## Contact Information:

Richard Koon

(850) 413-3140

[Richard.Koon@flair.com](mailto:Richard.Koon@flair.com)