

# Lisa Miller & Associates®

Business Development, Government Consulting, Public Relations

**Citizens Market Accountability Advisory Committee Conference Call of 11-19-25:** (meeting agenda and supporting documents/reports available at <https://www.citizensfla.com/-/20251119-maac>) Meeting started at 11am.

Market Accountability Advisory Committee (MAAC) Members:

- Dave Newell – Chair
- Lori Augustyniak
- Lee Gorodetsky
- Julio Dominguez - Policyholder Representative
- Marshall Martin
- Allen McGlynn
- Sheryl Parker – OIR Representative
- Lissette Perez
- Greg Rokeh
- Scott Rowe
- Stacey Tomko
- Jeremy Pope – Staff

## **Approval of Prior Meeting's Minutes**

[Prior MAAC Meeting Minutes 9.17.25](#)

**APPROVED**

**Underwriting Market Update** (by Stephen Mostella, VP of Underwriting)

[Underwriting Market Update](#) (slide deck that provides details of the below)

Mostella reported that Citizens' total policy count was 568,000 at the end of October 2025, continuing its steady decrease – 17% since the start of the year. By the end of Q3 (September 2025):

- Personal Lines (Multi-Peril and Wind Only) policy counts fell 17.8%, with Total Insured Value (TIV) falling by nearly 20.6% to \$243.4 billion due to depopulation.
- Residential policies in total have declined 39% since September 2024, with just under 12,000 new policies per month now being written. The largest declines have been in homeowners (-62%) and condominium policies (-55%).

- Commercial Lines (Multi-Peril and Wind Only) policy counts fell 22.4%, with TIV falling by 47%, to \$42 billion. The majority of the decrease was from commercial residential policies (down 28%).
- Commercial policies in total declined 65% from September 2025, with just 46 new policies per month now being written. With it came a decline in total insured value (56%) and building count (45%) in the same period.

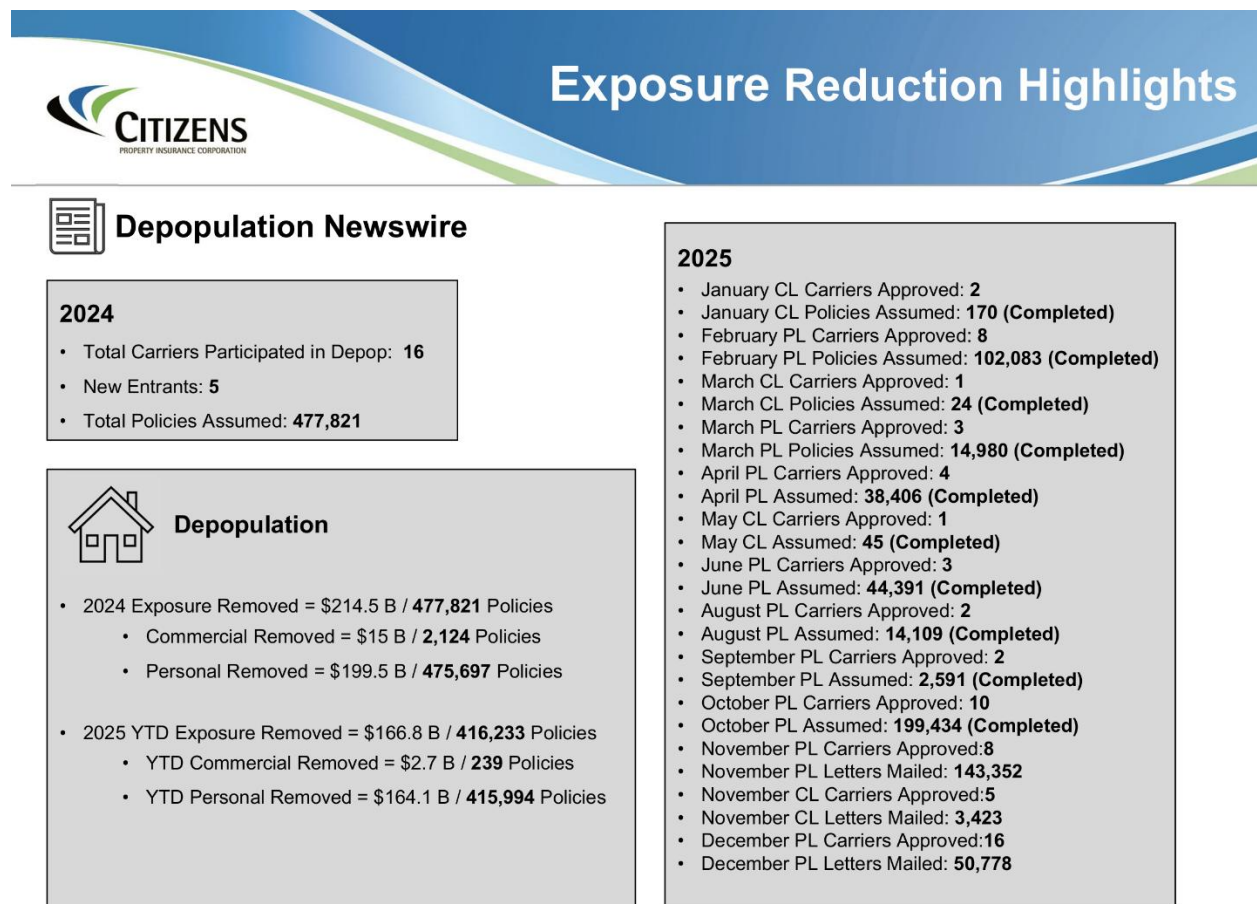
His linked slide deck above contains further details and data breakouts, including by home and roof age.

**Depopulation, Clearinghouse & FMAP Update** (by Jeremy Pope, Chief Administrative Officer and Carl Rockman, VP of Agency & Market Services)

[Depopulation, Clearinghouse and FMAP](#) (slide deck)

### Depopulation

Pope began with what he termed “significant activity” over the past two months on Citizens’ depopulation efforts in returning policies to the private insurance market. He shared the graphic below, representing data through the end of October, that includes the nearly 200,000 policies removed in the October takeout and – hot off the press – another 128,253 policies from the 143,352 offers shown below in the current November takeout.



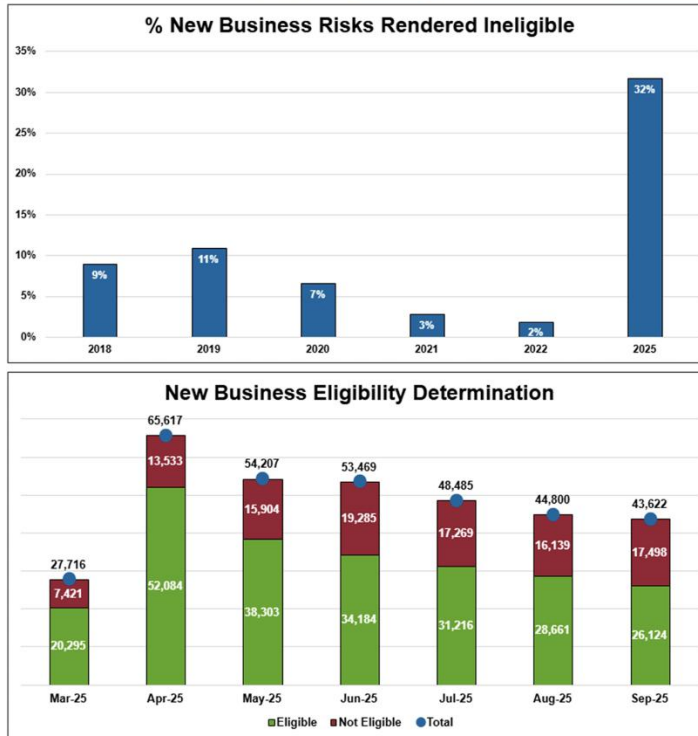
Pope said through October, Citizens had removed just over 416,000 policies with associated exposure of nearly \$167 billion this year, “again, shifted from Citizens into the private market, and in many cases, with enhanced coverage as well that those carriers are providing.” Pope said he can now add November’s 128,253 personal lines policies to that total – and expects November’s commercial lines takeout numbers will be close to the 3,423 offers shown in the above chart, “which is huge,” he added. Depopulation will continue in 2026, with a commercial lines takeout beginning January 20 and a personal lines takeout starting on February 17.

As a result, Pope said Citizens is now forecasting a just updated year-end policy count of about 395,000 policies. “Wow, those are significant numbers,” commented Chair Newell, “especially in the commercial space, is significant for sure.” Pope acknowledged the “crazy activity, all signs of a vibrant private market,” and gave a nod to the role that insurance agents have played in the success. “There’s absolutely no way for Citizens to be able to execute our Depop program without our partnership with our agency partners. There’s just no way to do it. You guys are the ones that are talking to the front lines and leading groups on the front lines with our mutual client, our consumer, helping them make the best choice. So just a big thank you for that continued partnership and helping us fulfill our mission as an organization. We really do appreciate it,” said Pope.

#### New Business Clearinghouse

In conjunction with its ongoing depopulation program, Citizens continues to implement its new policy clearinghouse called “Citizens Reimagined,” by EZLynx. It has two parts: one for new business into Citizens and the other is for renewals. Insurance agents have been required to use it since November 2024 in placing new business with Citizens, with full implementation in April 2025. The next stage, involving Citizens’ policy renewals, began in late September. The Clearinghouse is designed to divert ineligible applicants and existing policyholders from Citizens into the private (voluntary) insurance market. Those Citizens policyholders who receive a private market offer that’s within 20% of their Citizens premium are no longer eligible to remain with Citizens. This will help Citizens further reduce its policy count, exposure, the risk for future assessments in bad storms for both Citizens and non-Citizen’s policyholders, and reduce the risk to Florida taxpayers in this legislatively created and state-backed insurance company.

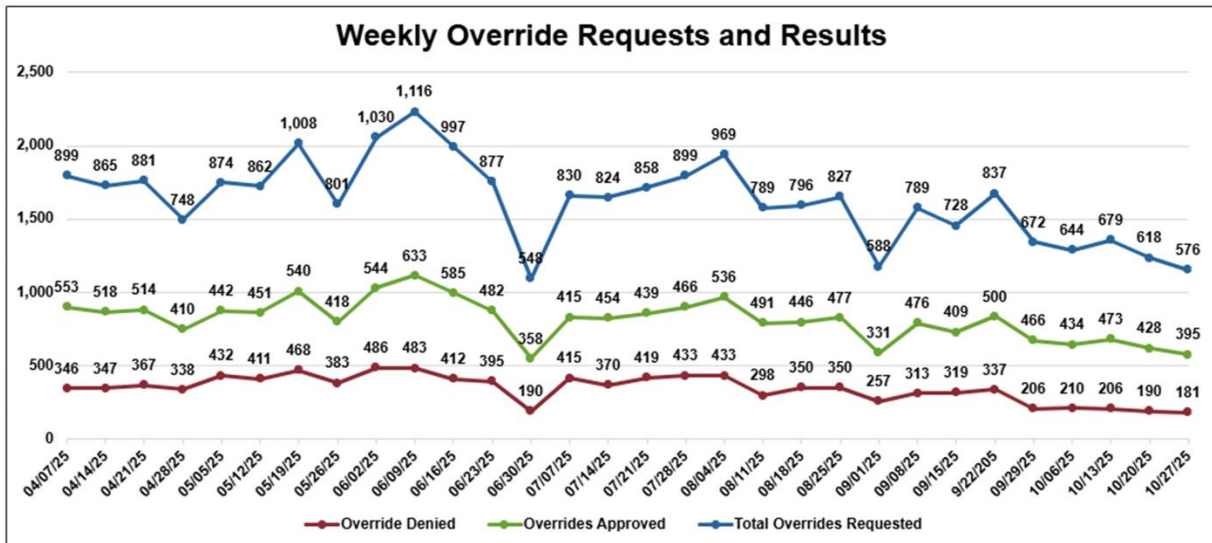
Carl Rockman continued the presentation by sharing performance metrics of the Clearinghouse to date. He noted there are 24 carriers participating in new business and another 13 participating in renewal business on the Clearinghouse. Referencing the chart below, he said 32% of the new business coming in is getting an offer within 20% of Citizens, meaning they are ineligible to become Citizens’ customers. “That’s an incredibly significantly good number in terms of integrity at the point of sale. Again, more carriers participating are driving that number, but we’re very pleased,” Rockman said. “More significantly though, are the volume (as) we are seeing a little bit of a decline in demand coming to us. We attribute some of that to carriers’ openness and markets’ availability. Agents may be going directly to carriers now, versus having to come to Citizens, which is also a good sign,” he added.



Noting that the new Clearinghouse in some cases doesn't ask all of the questions necessary to determine eligibility for a Citizens policy based on property condition, Rockman said the system has a program where agents can submit overrides for approval (see chart below). "This gives you an example of the volume of overrides we get per week. It's roughly about 6% of the business that ends up coming to us has some type of override to it. Our velocity and time service on these is less than a day, and we're very, very committed to that. Agents need decisions on these overrides quickly," said Rockman.



## Weekly Override Requests and Results

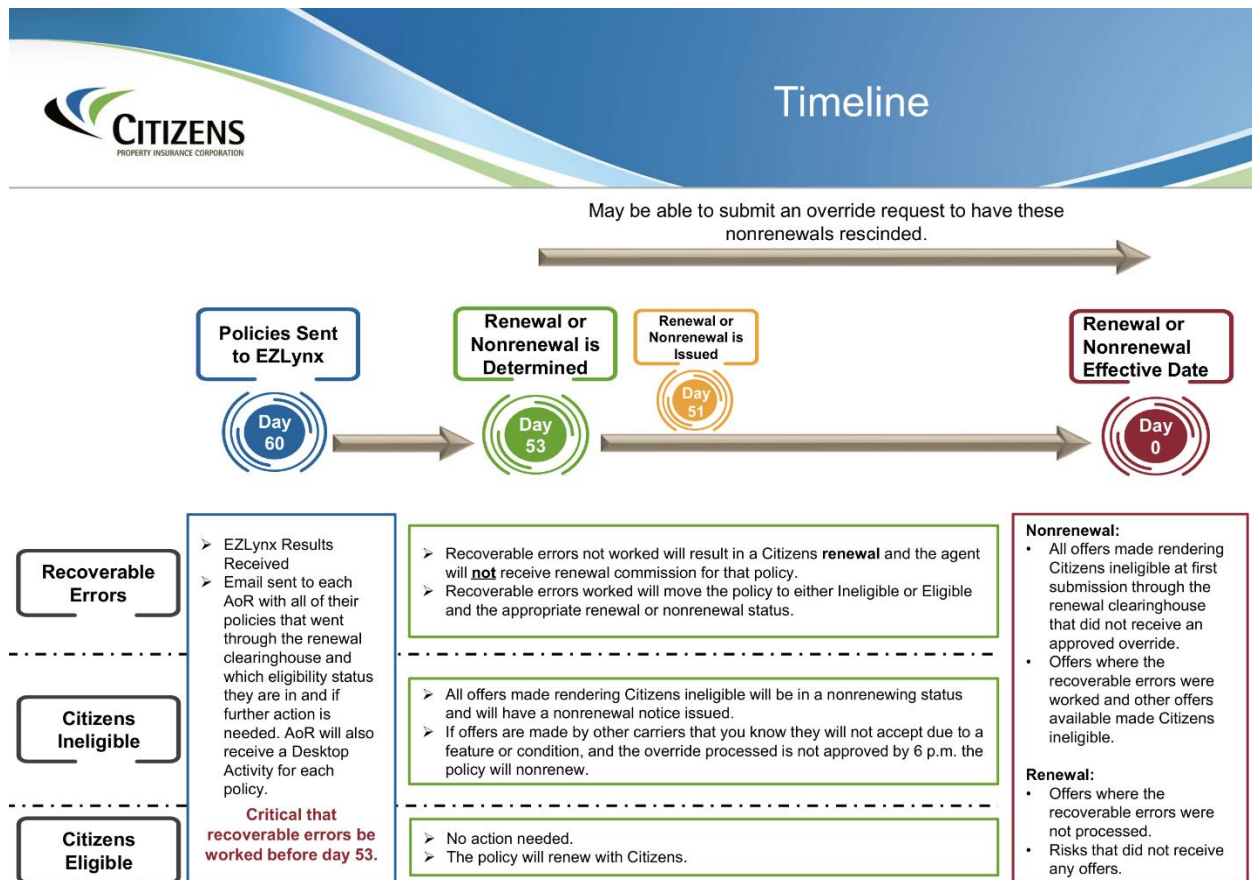


Under the new Clearinghouse system, Coverage A averted has increased from \$2.6 billion in March to \$34.5 billion in July to \$50.8 billion by September, Rockman said. “It all comes down to what isn't coming to Citizens.”

### Policy Renewals on the New Clearinghouse

The renewal portion of the Clearinghouse is set up to shop the agent’s business 60-days prior to renewal to see if there's an offer in the private market within 20% of Citizens’ renewal premium. If there is, the policy is non-renewed; if there isn't, then the policy can renew with Citizens. “If it isn’t eligible to renew at Citizens, the agents have a short window to remarket that, either to the company making the offer or to an alternate market,” Rockman said.

He told the committee that what staff has discovered, both in its pilot programs and now in the recent rollout, is a phenomenon called ‘recoverable errors’ involving missing data. “Sometimes it's policy data, sometimes it's credentialing, but we are seeing most of the policies having a recoverable error in renewal. We're obviously addressing that, both with carriers, with our partners that apply, and just in the process itself,” Rockman told the committee, referring to the timeline chart below.



Rockman said that of the 380 policies that Citizens used in its pilot programs testing the renewal Clearinghouse, 354 had some type of recoverable errors. "We're going to work diligently to try reducing the volume of recoverable errors. But this may be with us for at least the short term, just because of the question set that the carriers need in order to fully evaluate the risk," he told the Committee. However, "the vast majority of time, once the recoverable error is worked, the policy renews with Citizens," Rockman added. His [slide deck](#) (pages 13-14) contains further details.

Rockman said Citizens has staggered implementation of the renewal clearinghouse in groups of 1,800 agencies and is about to launch the final group. About 7,800 agents have completed mandatory training so far, representing 41% of Citizens agents. The remaining 11,000 agents will have until January 9, 2026 to do their training. Citizens has also conducted seven webinars so far with more coming after the Thanksgiving holiday. "So we do encourage agents, should you need a little extra support, little extra knowledge on the remote Clearinghouse, get into those webinars, along with tapping into our agency manager network," Rockman advises.

### Agent Penalties Under the New Clearinghouse

Rockman acknowledged that the renewal clearinghouse is a new process for agencies but was firm that learning the new system and following it is important in getting Citizens' policies back into the private market.

### Questions



**Lissette Perez Q:** “Can you give us some examples of what those recoverable errors may be?”

**Rockman A:** “One of the recoverable errors has to do with credentialing. It's really about the appropriate credential for that agent to connect to the carriers and EZLynx. Credentialing is relatively stable, but on occasion, there'll be a little glitch where the agent may need to reset a password or maybe contact the carrier. Those are common in the recoverable error world, and candidly, easily remedied, but it is a little bit of a pain on the credentialing side. Another common one are information on the home like age of water heater, for example, where it's not necessarily in our data set, but the carriers want to know about the age of water heater. We've told the agents that you can go back into our records, pull that age off of the most recent four point that you have, plug that in, and plug that into EZLynx in the Clearinghouse, and that will do the recoverable error. There's a small segment of them that might require a customer contact, but the vast majority of recoverable errors are either credentialing or information that the agent can obtain in the Policy Center record that they can just go to plug in the data and move forward. So we're going to monitor this and make sure there's not an undue burden to have to contact customers on these recoverable errors.”

**Lissette Perez Q:** “How does the agent know that there's an error?”

**Rockman A:** “Every day the agents are getting an email from us, saying ‘You now have renewals in the renewal Clearinghouse, please engage,’ and once the agent clicks on the link that's included in that email, they're brought to a panel in the Clearinghouse in EZLynx, and there is where it gets identified as a recoverable error.”

**Chair Newell Q:** “You mentioned the 354 is kind of an outlier. Is there any thought of maybe suspending or delaying the full implementation until maybe you get a better read on those recoverable errors, being such a large number of the pilot program?”

**Rockman A:** “Not at this time. I'm not looking at necessarily delaying the rollout because of the volume of recoverable. **One thing we have communicated to the agents is our intention to withhold commissions if the recoverable error is not worked.** When there's a recoverable error, if the agent doesn't fill in that information, the carriers can't evaluate it and my clock is ticking, which means I'm going to have to renew that policy. I'm going to have to offer that customer a renewal, unless there's an offer within 20%. So if the agents fail to work recoverables, I can't send that information to the market to get a decision, and I have to renew the customer. So that's one of the consequences of not working the recoverable error. We've signaled the agents our intention to hold back commissions if they don't work them, but we've communicated we are taking a very slow approach. We need to better understand the volume, better understand what these things are before we move to that stage. And we've committed in our webinars to the agents and we commit here, that we'll be doing a lot of communication to agents before we move to that step. But we are looking at first quarter of next year, once the recoverable errors settle down, once we understand them, maybe work to improve them, we'll potentially be moving to a place where if the agent doesn't engage, the agent may lose commission on that one particular policy.”

**Lori Augustyniak Q:** “Is there something that the agents can be proactive on to help avoid the recoverable errors?”

**Rockman A:** “We're looking at that, Lori. I don't know that that's anything they could be proactive on.”

**Lissette Perez Q:** “These policies that are now going through the Clearinghouse, did they already go through the Depop process as well?”

**Rockman A:** “Yes, they have been looked at by carriers for depopulation, but for whatever reason, they've not been offered an assumption or tagged. So we definitely don't want to send anything through the Clearinghouse that's been assumed or that's in the marketing process, and we're not doing that. So what's left here, is policies that might be marginal that the carriers have passed on. Or what tends to happen is it might be a policy that had an older roof when it came to us, and now it's got a newer roof, and that's showing up now in the data, and it hasn't been able to be shopped in the Depop world yet. So I think we're picking up some marginal business that might be slipping through the cracks on Depop, but Depop is clearly the big driver for our success. But the renewal Clearinghouse allows us to niche some of these that might have been missed by the Depop carriers, and allows us to continue to move business out the private market. But there's no Depop mixed into the renewal Clearinghouse. It kind of stands alone.”

**Lisette Perez Q:** “I was just curious as to why it would qualify under the Clearinghouse if it didn't qualify under Depop?”

**Rockman A:** “Sometimes it's just coincidental or sometimes the risk has changed. Maybe there was some characteristic that the Depop carriers passed on, but then the conditions on the home changed, right? And that's where the renewal Clearinghouse can pick it up as eligible for that company.”

**Lisette Perez Q:** “And that makes sense why you would have the recoverable errors?”

**Rockman A:** “Yes, exactly. But again, we're really looking at this recoverable error. If there's one thing that we've seen on this renewal Clearinghouse, it's the volume. We're looking at it. And again, when I've singled that commission opportunity or commission idea, we're going to be very diligent about our approach there and make sure that we're really understanding this piece before we lock that out.”

**Lee Gorodetsky Q:** “It does seem, at least to me, that whatever we have left with Citizens seems to be DP-3 type policies. Are those the ones that just aren't being taken?”

**Rockman A:** “Yeah, DP-3 and what's also happening is lower Coverage A. We're getting into the 400,000 and below range for us. Those are more modest homes and it looks like that's a market that we may be here to serve if the larger carriers don't really have an appetite or don't see that as part of their market mix. So yeah, definitely, our business is really shifting into those more modest homes, and that's typically been maybe a place where people have had a need to find insurance, and we're here to serve that, clearly. But we're definitely seeing a shift in our Coverage A, based on the significantly improving market across the state.”

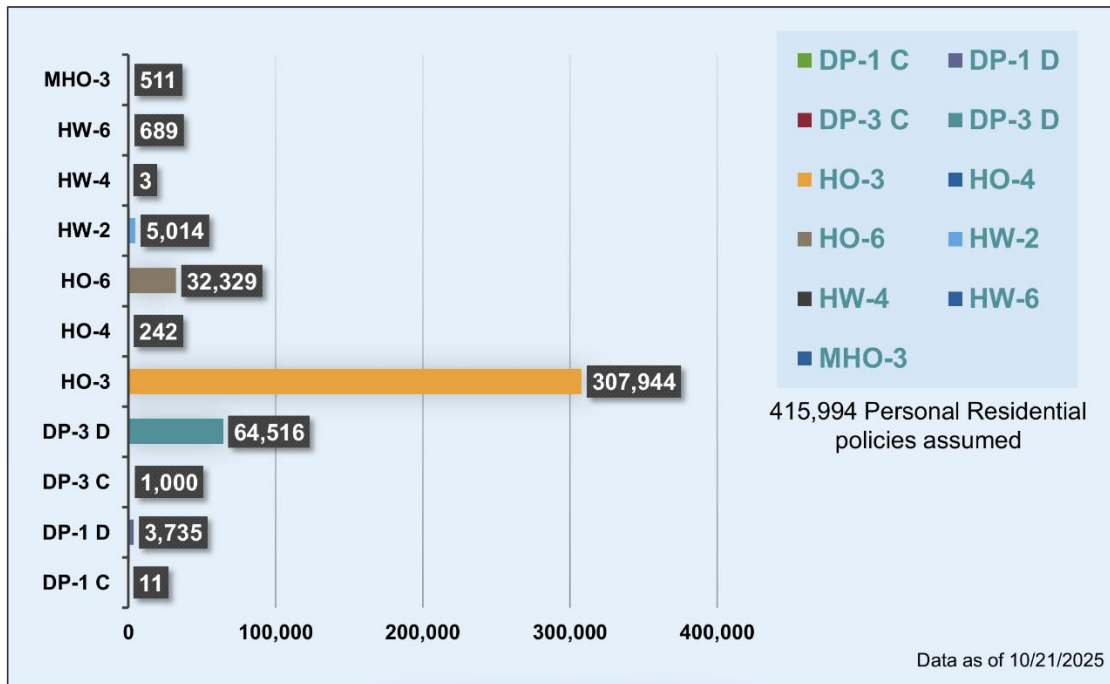
### Depopulation

Rockman went into a deeper dive into depopulation results, including historical data and a list of carriers that have taken part in takeouts over the past two years, including the percentage of policies assumed by each. Also, the policies assumed by policy type, below. Rockman said the percentage of policies assumed by the private market that end up returning to Citizens has remained steady at about 2%. You can read more on pages 15-35 of his slide deck.





## Personal Lines Policies Assumed by Policy Type - 2025



### FMAP

The Florida Market Assistance Plan is a referral program that shares leads with participating insurance agents to place business outside of Citizens. "It's rather small compared to the Clearinghouse and Depop, but we do like to remind everybody that it exists," said Rockman. Among the 462 agents participating, 28% of consumer requests were converted so far in 2025, which if it holds would be twice the rate of conversions in 2024 and many more than the mostly single-digit percentages the previous three years.

### **Agency Management Services Update (by Carl Rockman, VP of Agency & Market Services)**

[Agency Management Services Update](#) (slide deck)

Rockman said the number of agencies selling Citizens' policies has fallen by 143 so far in 2025 to 5,679. At the same time, the number of agents has increased by 1,321 (to 13,853) and the number of LCRs has increased by 1,683 (to 4,794). Rockman said he attributes the agency decline to consolidation and the agent and LCR count increases to increased credentialing. "I don't see this as necessarily increased demand for Citizens, but we are reporting increased agent counts, both statewide and then a bit in the Tri County area. If you compare this chart to last year, you'll see a lot less reliance on citizens."

### Performance Violations & Late Submission Program

Rockman reminded the committee of recent changes to how Citizens will be handling performance violations by its agents going forward, as well as late submissions. Late submission violations occur

when all required documents are not submitted to underwriting within 15 calendar days of the requested effective date on a bound-approved or bound-unapproved new-business submission. He shared a recent Agent Update bulletin sent to agents notifying them of the changes (page 4) and a summary of the changes (page 5). “The biggest change in this program is in our performance violation ones and twos. Those are the most severe performance violations. They have to do with eligibility and insurability condition of the property. We've moved to a system where upon three violations, you get a warning notice. Three more, you'll be suspended. And one more after that, we will move in a different direction with the agency,” Rockman explained. “We're feeling very good about raising the awareness about this soft launch period.”

#### Virtual Assistants

Rockman said Citizens continues to receive inquiries around the use of virtual assistants to support an agency's business with Citizens. “We had had lots of discussion here, internally and with stakeholders, around the use of virtual assistants. It's incredibly tough for us to support a virtual assistant platform just due to security standards, licensing requirements, and there's a lot that went into the decision,” Rockman said, noting Citizens has issued an Agency Update (page 7) explaining its position and issuing guidance to agents.

#### **New Business - Lori Augustyniak:**

Carl Pope led a series of thanks and well-wishes for committee member Lori Augustyniak of the Professional Insurance Agents (PIA) of Florida. She is rotating off of the committee as incoming PIA Florida President Kim Goodwin comes aboard in January. “Lori's been part of the committee since early 2023. On behalf of our organization, just a huge thanks for how engaged she's been, not just with this committee, but also her peer group. The industry has been very active, has helped us by bouncing various ideas off, sending various things, and we appreciate it,” said Pope.

**Meeting Adjourned at 11:52am**