

Independent Adjusters and Training Update and Action Plan

Utilize Computer Based Training (CBT) to certify all adjusters prior to hurricane season and/or before they arrive in Florida

- Citizens has begun to implement its web-based training. The first of five classes is available online at Citizens' Adjuster webpage.
- Citizens' comprehensive training program, which consists of 14 Learning Management System (LMS) classes, is set to go live within the next 6 weeks. This web-based program will ensure that all adjusters have access to training prior to deployment.
- Citizens delivered, to all 45 contracted Independent Adjusting (IA) firms, electronic copies of the required training courses and associated materials. The firms are required to train all adjusters, 3,000 of which must be trained by July 31, 2007.
- On July 10th and 11th Citizens Training and Quality Assurance Departments hosted a "train the trainer" seminar for more than 160 attendees, representing 44 of the 45 contracted firms.
- All 45 firms must certify, via signed Affidavit, that the training was completed in the specified timeframe. The Affidavit must be signed no later than July 31, 2007 and must be received by Citizens no later than August 3, 2007.

Establish a First Response Team of out-of-state independent adjusters who are highly trained in all of the identified areas prior to hurricane season

- Citizens is reviewing how to best develop and implement a First Response Team and integrate it into the claims business model. Once this review has been completed it will be shared with the Task Force.
- Citizens current First Response Team consists of the following:
 - Citizens has trained over 100 internal employees in preparation for the 2007 storm season. These individuals have committed to deploy, serving in a variety of roles, following a catastrophic event.
 - The newly developed field operations team will also be available, on the ground, following an event.
 - Citizens has the capacity to deploy six Mobile Emergency Operations Centers for immediate needs of our customers.

Enable First Responders to mentor other contracted independent adjusters in the field

- Currently, Citizens' Team Leads, who must have a minimum of 5 years experience, act as mentors to the Citizens' field adjusters.

Establish a Second Response Team to begin training and be certified prior to arriving in Florida

- Citizens plan requires that the second response team (i.e. the second wave of independent adjusting resources) will be trained and certified prior to deployment.
- Citizens currently requires Certification, from the IA firms, that their adjusters have completed the Citizens training program. The comprehensive learning management system now being developed will record certification at the individual adjuster level.

Develop consistent claims forms and reporting processes

- The first step towards consistent claims forms has been completed. Citizens has developed a group of standardized letters and forms for use by all claims employees and IA's.
- Citizens has implemented a single adjusting platform that will allow for one consistent estimate type/style with quality, region specific data.
- Citizens has now has a consistent claims reporting and tracking system for all claims.

Require all adjusters to download claims information and pictures directly to Citizens on a daily basis to eliminate lost records and repeat inspections

- Citizens requires all adjusters to upload all claims electronically once the information is compiled. The goal is to reduce the time between the inspection and submission of the file to Citizens.
- Citizens continues to improve its electronic claims file system in an effort to minimize lost documentation.

- Policyholders, agents, adjusters or other related parties may directly submit information in an electronic format (email or fax), which will then be added to the electronic claim file.

Develop criteria for assigning authority to field adjusters to settle claims to relieve in-house bottle neck

- Allowing IA's access to Citizens checkbook creates significant exposure and financial risk
- Some large insurance companies do give limited check authority to field adjusters. However, in most cases those adjusters are staff employees which provides for more accountability and internal controls.
- Citizens will continue to improve its internal claims settlement processes to enhance its payment cycle times for its policyholders.
- The greatest need for immediate money is generally for Additional Living Expenses (ALE). In cases of covered losses requiring ALE, advances will be issued. Adjusters or policyholders will be encouraged to visit the Citizens Mobile Emergency Response Vehicle (MERV) deployed in their area to obtain payment immediately.