



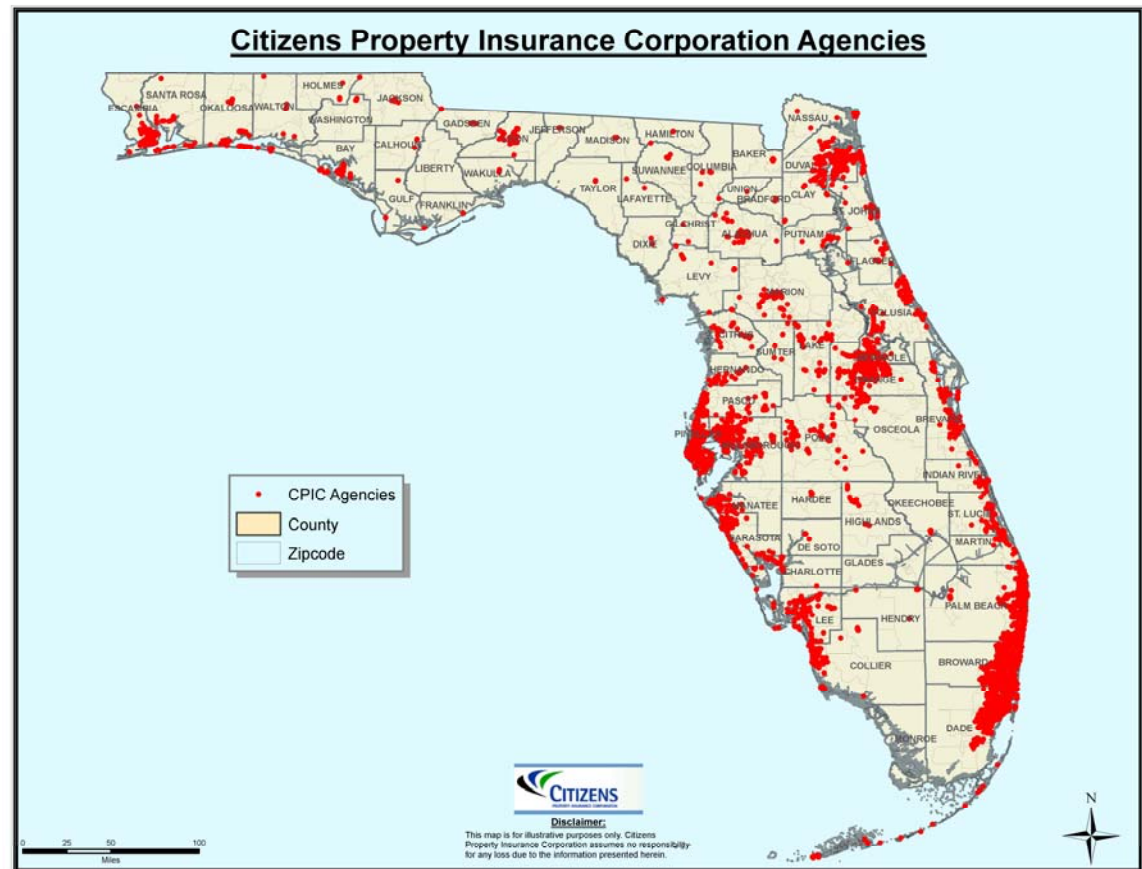
Agency Management

February 1, 2008 Meeting with the Claims Task Force



Overview

- Over 8,900 agents, at 6,000 + locations
- Multiple LOBs with varying rules
- Frequent changes
- Communication issues





Agent Appointment

- FL Statute (627.351) defines appointment requirement
 - Must be licensed resident or nonresident agent (220, 2044, 920, 9044 license types allowed)
 - At the time of initial appointment with Citizens, must hold an appointment with an insurer that is authorized to write and actually writing personal lines residential property coverage, commercial residential property coverage, or commercial nonresidential property coverage within the state.
- Appointment Agreement
 - Adds following requirements (in addition to statutory requirement):
 - E&O coverage (\$500k per occurrence/\$1 million annual)
 - No brokering or advertising
 - Retention of documents (5 years)
 - Primary agent
 - Adherence to Citizens rules



Agent Training

- Certification
- Classroom Training
- Online Training
 - Systems
 - Mitigation
- One-on-one Agency Field Training/Review
- Website
 - Manuals/Forms
 - FAQ's
 - “Cheat sheet” for submissions/eligibility (all LOBs)



Agent Compliance

- Audits
 - Trigger-based
 - New agents
 - Missing information/binding violation reports
 - Claims (non-cat) report
 - Referrals (UW, Claims, etc)
 - Consumer complaints
 - DFS
 - Direct (consumers & agents)
 - Random/Periodic



Agent Compliance, con't

- Audit results
 - Clean
 - Provide feedback to principal
 - Additional action required
 - Provide feedback to principal & require (online) training
 - Re-audit (3-9 months post original)
 - Self audits
 - Training call
 - Onsite audit/training
 - Suspension
 - Termination

2007 Compliance Statistics	
Audits/reviews	1,071
Onsite visits	76
Self audits	122
Suspensions	101
Terminations	9



Staffing

Staffing Comparison*		
Unit	2007	2008
Compliance/Training	6	18
Education/Communication	4	5

*January 2007 vs. January 2008 - Budgeted Positions



Questions?