

**DEPARTMENT OF FINANCIAL SERVICES
PROPERTY INSURANCE MEDIATION PROGRAM**

The department is authorized to create and administer a mediation program that provides policyholders a forum to have their disputed property insurance claims mediated with their insurers (see sections 627.7015, Fla. Stat., and rules 69J-2.002 and 2.003, F.A.C.) The program was first created in 1992 after Hurricane Andrew, and was subsequently expanded in scope to accommodate non-hurricane disputes, as well as disputes involving properties such as condominiums. Mediation is available to the policyholder once a claim has been filed and a dispute has arisen over payment of the claim.

The department's program was relatively small until after the hurricanes of 2004 and 2005. As a consequence of those hurricanes, more than 21,000 Floridians have requested mediations with their insurers. Nearly 90% of those cases have reached partial or full settlement of their disputes through the mediation process.

Mediation provides an opportunity for a policyholder and an insurer to meet in a non-binding, non-adversarial setting to try and resolve their differences and reach a settlement. The guiding principle of mediation is that the decision whether to settle is left entirely to the parties. The neutral mediator makes no decisions, determinations, or findings, but rather facilitates the discussion towards resolution. If a case does not settle at mediation, there is no adverse consequence for either party, and each party can pursue any other legal process available, including appraisal.

The department's mediations are conducted by mediators who have been certified by the Florida Supreme Court. In order to make the mediation process as accessible as possible for policyholders who needed mediations after the hurricanes of 2004 and 2005, mediations were scheduled around the state at places and times convenient for policyholders.

Finally, according to statute and court rule, mediation is entirely confidential. Neither party can disclose any communication that occurred at the mediation. This confidentiality fosters open communication, and removes certain barriers to reaching settlement.