2017

Report of the 2017 Assignment of Benefits Data Call

January 8, 2018

Florida Office of Insurance Regulation

David Altmaier, Insurance Commissioner

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I. Executive Summary

Pursuant to Section 624.316 Florida Statutes, the Florida Office of Insurance Regulation (Office) collected data from insurers that write certain types of personal residential property policies in Florida. A copy of this data call may be found in Appendix A. This data call is a follow-up to a data call released in February 2016. The same 25 insurers, based on policies in force as of June 30, 2015, writing Homeowners/HO-3[1] (Owners policy type or HO) and Dwelling Fire[2] (DF) policies were required to submit data to the Office. A list of all insurers that submitted data may be found in Appendix B of this report. The responding insurers represent approximately 85.5% of the HO-3 and DF policies in force as of September 30, 2017.

The analysis presented in this report shows that the trends in water losses identified in the 2016 report are continuing to escalate at an alarming rate:

	Prior Report	This Report
	From Jan. 1, 2010 to Sept. 30, 2015	From Jan. 1, 2015 to June 30, 2017
Frequency	46.3%	44.1%
Severity	28.5%	17.6%
Combined	**88.0%**	**69.5%**

	Average Annualized Change	Average Annualized Change
Frequency	8.3%	27.6%
Severity	5.4%	11.4%
Combined	**14.2%**	**42.1%**

The frequency of water claims in the most recent two-and-a-half-year period has increased 44.1%, which is just slightly less than the total increase in frequency for the almost six-year period (46.3%) studied in the prior report. The severity of water losses has also increased significantly in recent years. In total, water losses were increasing at a rate of 14.2% per year in the prior report. Since 2015, the rate has increased to 42.1% per year. These increases are occurring in all regions of the state; however Southeast Florida and Central West Florida show the highest rates of increase in water losses. These trends are evident in rate filings submitted to the Office and are resulting in significant premium increases to homeowners across the state.

[1] HO-3/Owners policies are the most commonly purchased policy that covers direct damage to the dwelling and other structures on the property unless it is specifically excluded.

[2] Dwelling Fire policies are policies that offer coverage for the dwelling but with more limited coverage than that required and available under a standard HO-3 policy. Typically, this type of policy would be written on a dwelling in which the owner does not reside.

II. Purpose and Scope

The information requested in this data call was substantially similar to that requested in the prior data call with the exception that the information in Section B was required to be broken out by HO and DF policies. To facilitate a quicker submission, the Office requested that companies only submit the data that was currently collected or stored in the insurer's claims database and not conduct a manual claim review to complete all of the requested data points. Each analysis will only include information for insurers that could supply the necessary data required for that analysis.

Insurers were required to respond by September 8, 2017. Due to the impact of Hurricane Irma, some insurers were unable to meet this deadline and additional time to respond was provided. The last of the original submissions was received by the Office on October 3, 2017.

The data call encompassed two sets of data:

- Section A - Detailed claim information for each claim for water or roof damage which was closed between January 1, 2015 and June 30, 2017
- Section B - Summary information by county for closed claims during that same period for all other perils (AOP), excluding hurricane and sinkhole, as well as open claims as of July 1, 2017, for both AOP and Water/Roof claims. Data was separated by HO and DF policies. The graphs and charts by policy type may be found in Appendix D.

This report relies upon the data provided by the insurers as being accurate and complete. It is based on the information as received and no audit of the data has been performed. To simplify this report and to be consistent with the prior report, the report will focus on water claims rather than claims from roof damage. Detailed information for 144,983 water claims (damage that resulted from water pipes bursting, leaks from appliances, etc.) was submitted as part of Section A of the data call.

Citizens Property Insurance Corporation (Citizens) has issued multiple analyses based on its own data. Citizens has concluded that "water loss claims, exacerbated by assignment of benefits, are driving higher rates in South Florida and increasingly across the state." More information may be found on the Citizens website (www.citizensfla.com). As Citizens' data has already been examined and reported on, this report will instead focus on the data provided by licensed personal lines insurers.

III. Data and Findings

Summary of the Findings for Water Claims

Based on the water claims reported by the insurers:

- The HO-3/DF frequency of water claims per 1,000 policies has increased by **44%** since 2015. This represents an average annualized increase in frequency of water claims of **27.6%** each year.
- The average severity of HO-3/DF water claims increased by **18%** since 2015. This represents an average annualized increase in the severity of water claims of **11.4%** each year.
- The combined impact of changes in frequency and severity result in an average **42.1%** increase in water losses each year.
- Southeast Florida has the highest frequency and severity of HO-3/DF water losses, however the highest combined change in frequency and severity occurred in Central West Florida. All regions are seeing significant increases in water losses.
- Claims with an assignment of benefit (AOB) have a higher severity than claims without an AOB (generally at least 85% more).
- There has been a significant increase in the use of AOBs since 2015, from 12.8% of water claims to 17.0% of water claims. This increase in the use of AOBs is being seen across the central and southern regions of the state, while the northern regions have experienced declines in the use of AOBs for water claims.

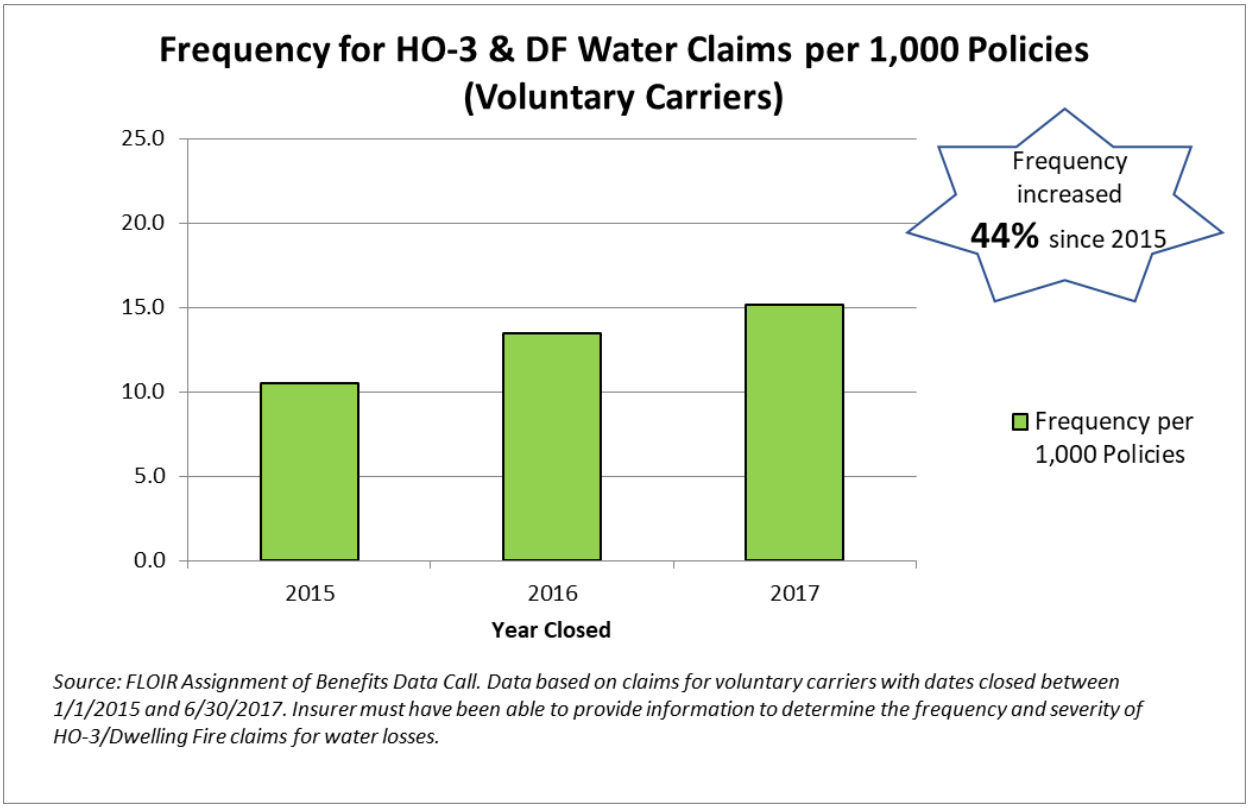
While the data was required to be submitted by the same insurers, it should be noted that there is a different mix of insurers included in this report since there were several insurers that voluntarily provided information for the prior report that were not included in this report There were also some insurers with data that was excluded in the prior report that could be used in this report. Notwithstanding these changes in the mix of insurers reporting data, it is appropriate to compare the trends or changes in the data reflected in the prior report for the period of January 1, 2010 to September 30, 2015, and that which occurred between January 1, 2015 and June 30, 2017.

Frequency Analysis

The first analysis involved examining the changes in frequency[3] of water claims. Frequency was calculated based on the number of claims divided by "earned house years"[4] in thousands. The number of earned house years by county was provided in Section B of the data call.

[3] Frequency is the likelihood that a loss will occur. It is calculated as the number of claims that occur divided by exposure base. In this report, the frequency is expressed as the number of claims that occur per every 1,000 policies.
[4] "Earned house years" is an exposure base used in personal residential ratemaking. It represents one house insured for one year.

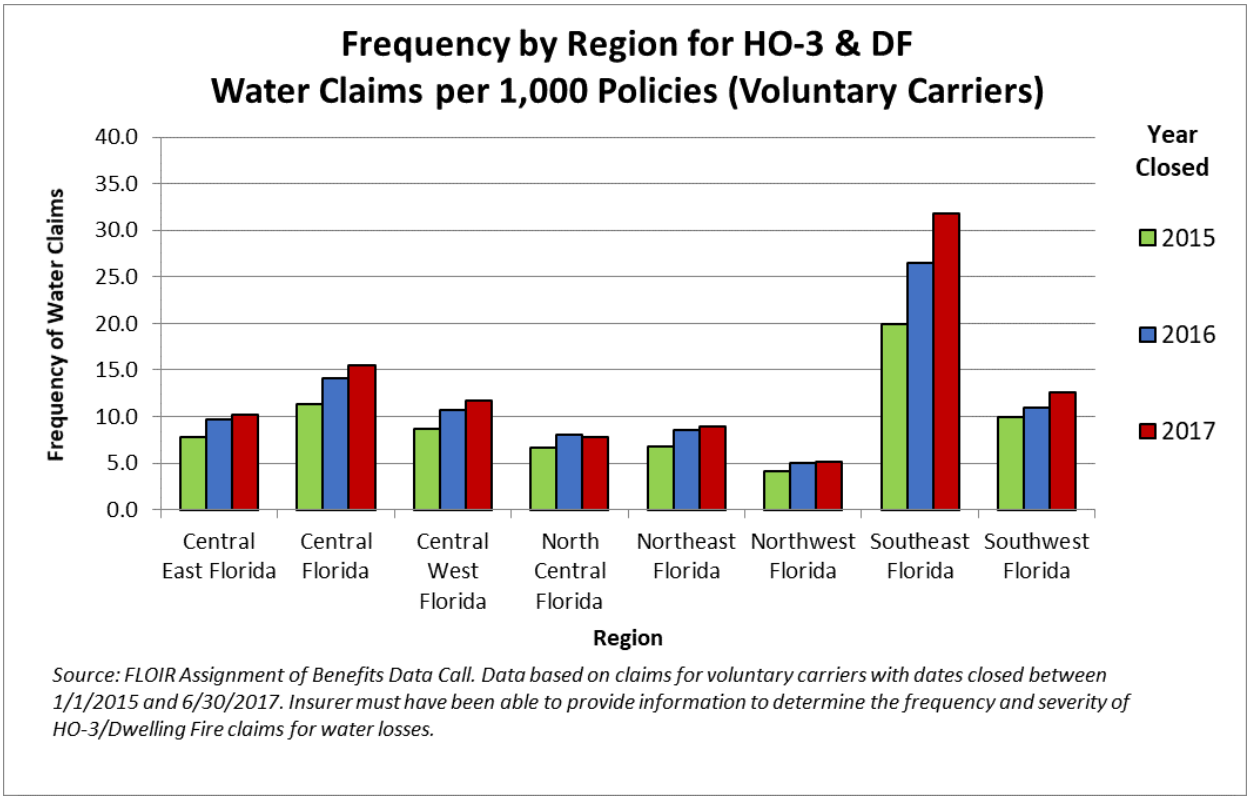
The chart below shows that the HO-3 & DF frequency of water claims per 1,000 policies has increased by **44%** since 2015. This 44% increase in frequency in just a two-and-a-half-year period compares to the 46% increase in frequency shown in the prior report for the approximately six-year period between January 1, 2010 to September 30, 2015.



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.

This represents an average annualized increase in frequency of water claims of **27.6%** each year. This can be compared to the 8.3% average annualized increase shown in the prior report.

The chart on the next page examines the changes in frequency of water losses by region for voluntary carriers. A breakdown of the counties that comprise each region may be found in Appendix C.



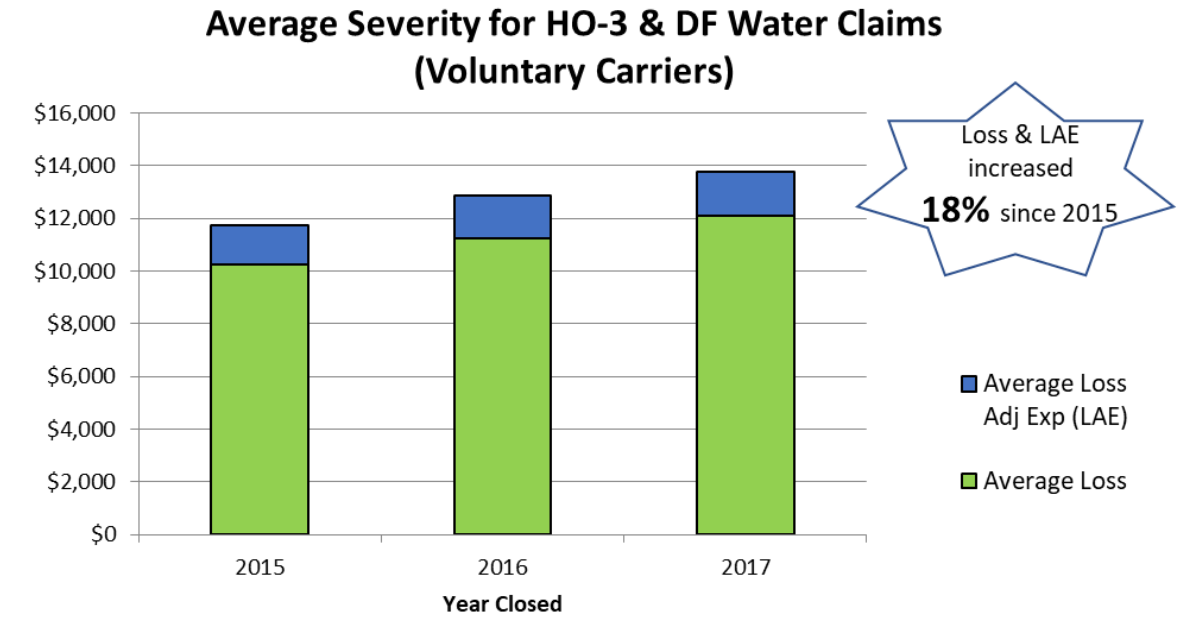
Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.

Southeast Florida has, by far, the largest frequency of water claims than any other region of the state. Between claims closed in 2015 and claims closed in the first two quarters of 2017, Southeast Florida experienced an increase in water claim frequency of 60%. While this is a significant increase in claim frequency, all regions of the state experienced double-digit increases between 2015 and 2017.

Severity Analysis

The second analysis involved examining the changes in severity[5] of water claims. Using the same subset of policies, the average severity of HO-3/DF water claims during this period increased by **18%** since 2015. This 18% increase in severity in just a two-and-a-half-year period compares to the 28% increase in severity shown in the prior report for the approximately six-year period between January 1, 2010 to September 30, 2015:

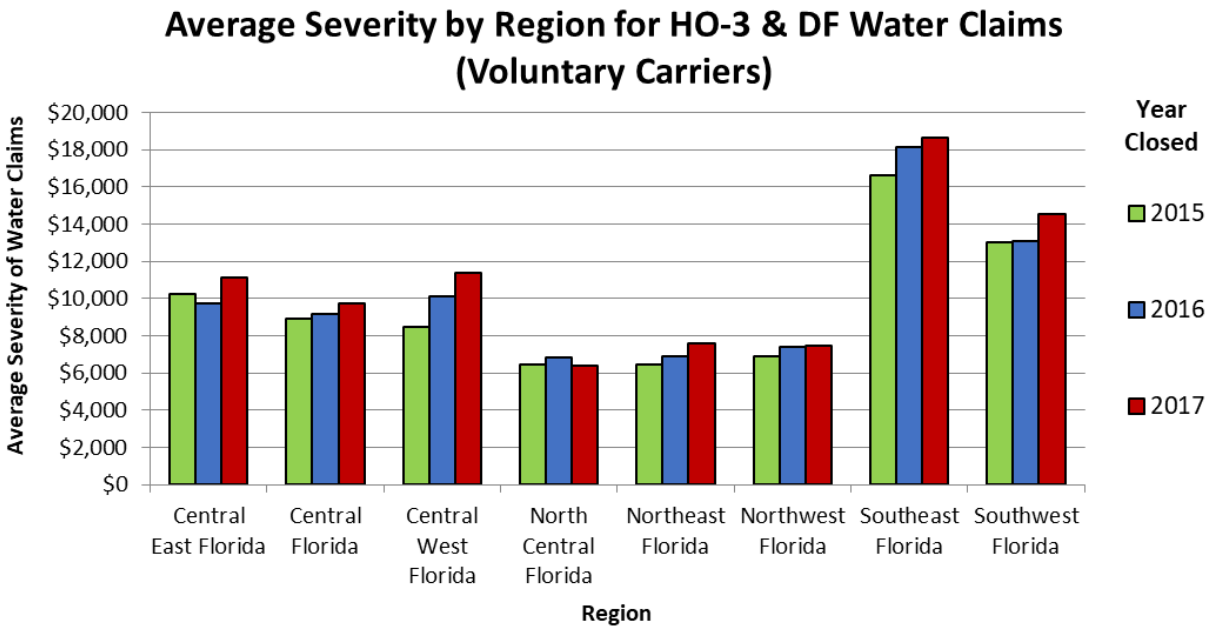
[5] Severity is the amount of losses paid for a claim.



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.

This represents an average annualized increase in the severity of water claims of **11.4%** each year. This can be compared to the 5.4% average annualized increase shown in the prior report.

The chart on the next page examines the changes in severity of water losses by region for voluntary carriers. Again, the breakdown of the counties that comprise each region may be found in Appendix C.



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.

Southeast Florida also has the highest average severity of water claims, but the highest increase in claim severity by region (35%) occurred in Central West Florida. All regions, except for North Central Florida, experienced an increase in claim severity of at least 8%. North Central Florida experienced a decrease in claim severity of 0.9%.

Combined Impact of Frequency and Severity Changes

The combined impact of changes in frequency and severity result in an average **42.1%** increase in water losses each year compared to the average 14.2% increase in water losses each year from the prior report.

	Change from 2015 - 2017			Average Annualized Trend		
Region	**Frequency**	**Severity**	**Combined**	**Frequency**	**Severity**	**Combined**
Central East Florida	32.2%	9.3%	44.4%	20.4%	6.1%	27.8%
Central Florida	36.8%	8.7%	48.8%	23.3%	5.7%	30.3%
Central West Florida	35.8%	34.6%	82.7%	22.6%	21.9%	49.5%
North Central Florida	16.3%	-0.9%	15.2%	10.6%	-0.6%	9.9%
Northeast Florida	32.5%	16.9%	54.9%	20.6%	11.0%	33.9%
Northwest Florida	25.9%	8.3%	36.4%	16.6%	5.5%	23.0%
Southeast Florida	59.9%	11.9%	79.0%	36.8%	7.8%	47.4%
Southwest Florida	27.0%	11.8%	42.0%	17.3%	7.7%	26.4%
Statewide	44.1%	17.6%	69.5%	27.6%	11.4%	42.1%

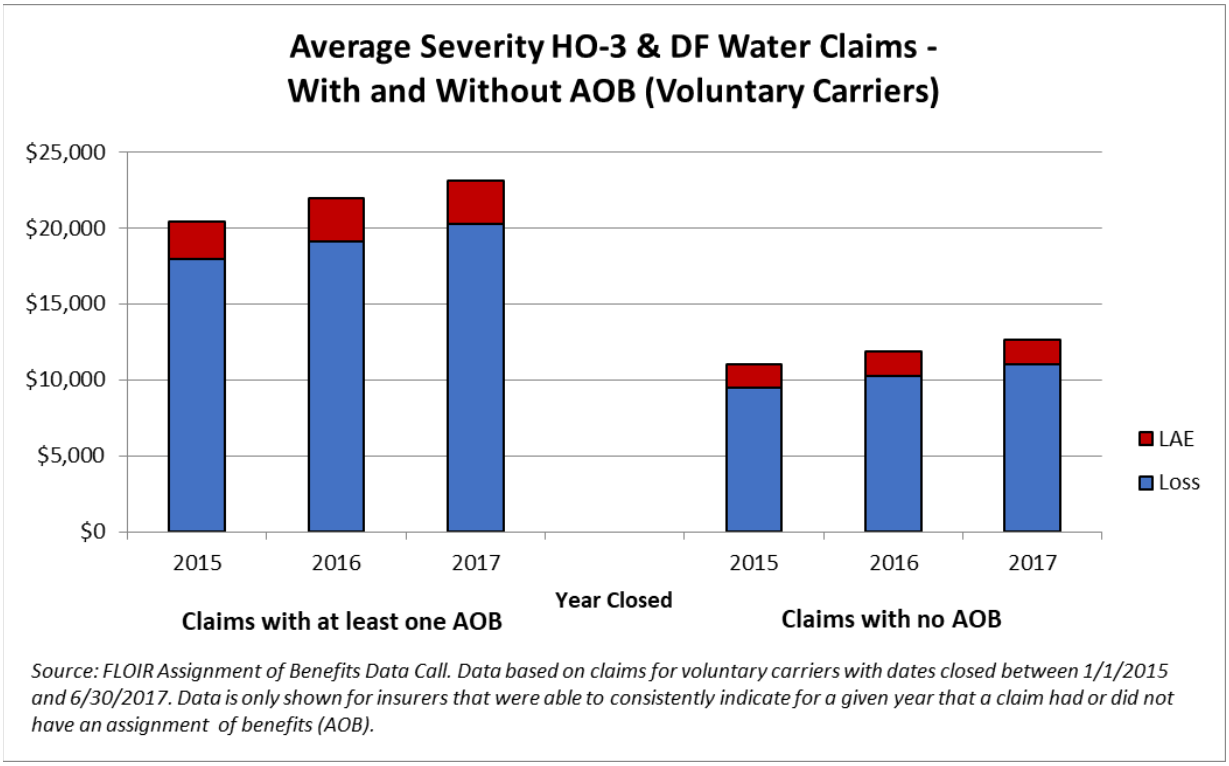
Assignment of Benefits

Many insurers have attributed the rising costs of water claims to an increase in the use of assignment of benefits (AOBs) in which the insured assigns its rights and benefits under its insurance policy to a third-party contractor, water mitigation company, etc. In the prior data call, very few of the insurers were able to consistently track the use of AOBs over the period of the data call. This year, most of the insurers could provide this information.

The data in the AOB portion of the analysis involved 110,255 claims. While this is a large number of claims for such analysis, there are areas of the state where the data associated with AOB claims is less likely to be fully credible due to the small number of claims utilizing AOBs.

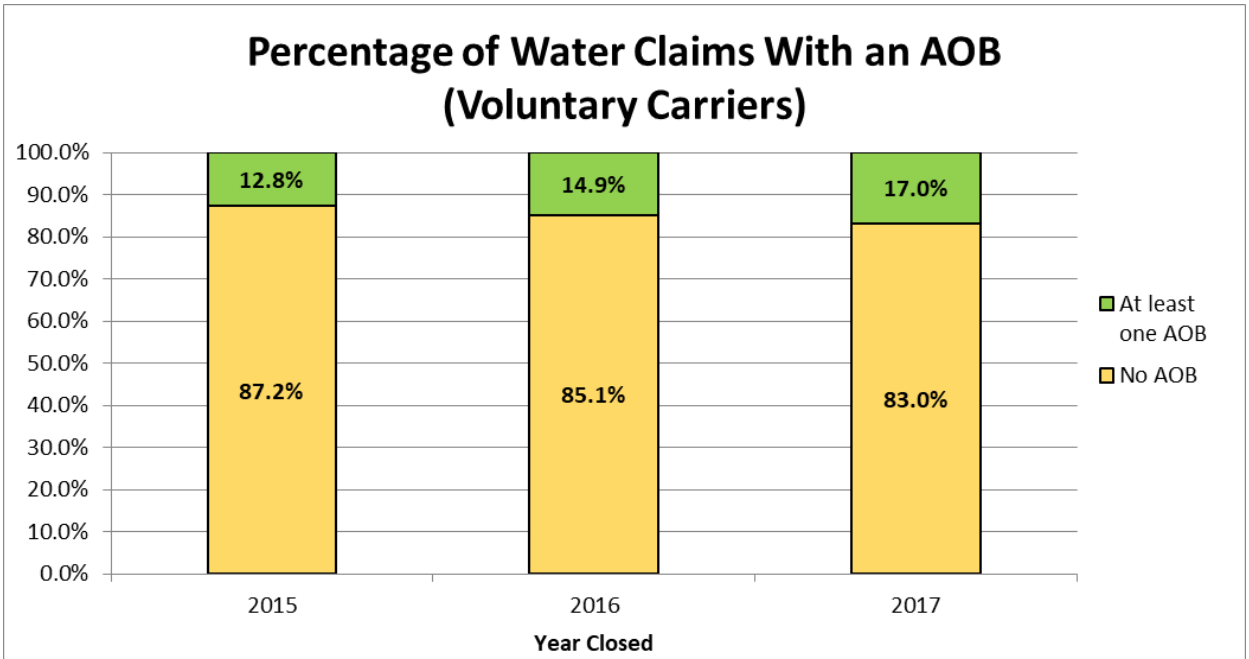
The chart on the next page compares the average severity for water claims where there is at least one AOB associated with the claim or when there are no AOBs associated with the claim. The data shows that claims with an AOB have a much higher severity than claims without an AOB (generally at least 85% more). The reason for the higher severity of losses for a claim with an AOB cannot be determined from the information collected in this data call. One partial explanation may be that the AOBs could be generally used on the more serious claims. Others might argue that the costs are inflated for claims with an AOB.

The average severity for claims with an AOB and the average severity for claims without an AOB have both increased at approximately the same rate between 2015 and 2017. However, in the prior report these average severities remained relatively stable between 2010 and 2015.



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Data is only shown for insurers that were able to consistently indicate for a given year that a claim had or did not have an assignment of benefits (AOB).

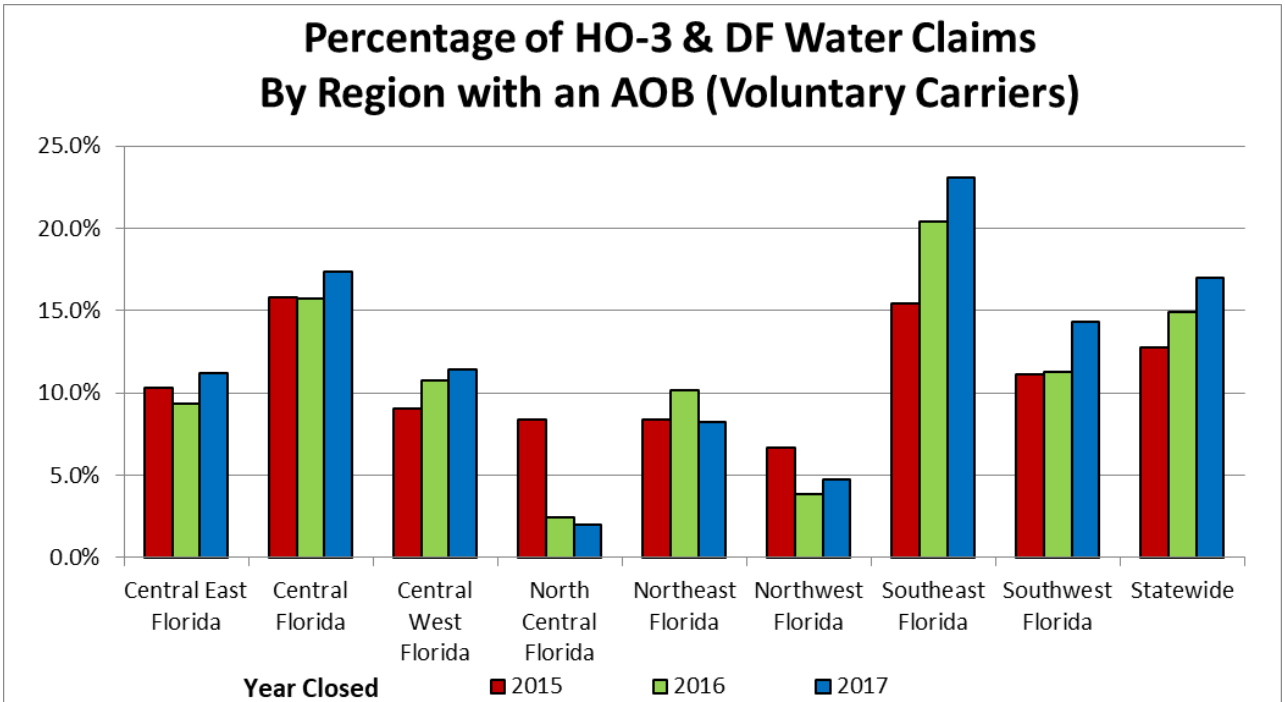
The percentage of claims that utilize an AOB has grown significantly since 2015:



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Data is only shown for insurers that were able to consistently indicate for a given year that a claim had or did not have an assignment of benefits (AOB).

In 2015, almost 13% of the water claims utilized an AOB. In 2017, that percentage was approximately 17%. Since there are more water claims with an AOB, and the severity of claims with an AOB are significantly higher, the overall water losses have increased rapidly.

In the prior report, Central Florida and Southwest Florida actually had a higher percentage of claims with an AOB. While these regions still have a large percentage of claims with an AOB, Southeast Florida has had the largest increase in the use of AOBs and now has the highest use of AOBs across all regions.



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2010 and 9/30/2015. Data is only shown for insurers that were able to consistently indicate for a given year that a claim had or did not have an assignment of benefits (AOB).

Conclusion

The significant increase in both the frequency and severity of water losses, the rising use of AOBs, and the acceleration of those trends over the last several years is resulting in tangible consumer harm. AOBs have been a part of Florida's marketplace for more than a 100 years. Loopholes in the way it is being used in the marketplace are driving up costs for homeowners across the state due to unnecessary litigation associated with certain AOB claims. The escalating trends identified in this analysis are showing up in rate filings that are being submitted to the Office and are resulting in significant premium increases for almost all homeowners across the state. These trends, in addition to increasing premiums, are reducing consumer choice as insurers cease writing or begin nonrenewing policies in areas with high water losses. Absent any intervening changes in the way AOBs are being used today, it is expected that these trends will continue to deteriorate. This may cause availability issues as insurers struggle to control the rising costs and will result in higher homeowners premiums for all Florida homeowners.

Appendix A

Assignment of Benefits Data Call

Assignment of Benefits Data Call

pursuant to Section 624.316, Florida Statutes

If you need any assistance during the filing process, please contact the Office at

Sandra.Starnes@floir.com

FLORIDA OFFICE OF INSURANCE REGULATION

Due by September 8, 2017

Assignment of Benefits Data Call

pursuant to Section 624.316, Florida Statutes

Scope Period: Claims Closed Between 1st Quarter 2015 to 2nd Quarter 2017

The data call relates specifically to Florida Owners Type of Homeowners policies (HO-3 and equivalent) and Dwelling Fire policies.

The Florida Office of Insurance Regulation (Office) is conducting an examination of Owners type of Homeowners policies (HO-3 and equivalent) and Dwelling Fire policies of certain insurers pursuant to Section 624.316, Florida Statutes.

This communication is being sent via email to the insurer's president (if email address is available) and the financial statement contact.

Currently the only companies requested to complete this data submission are the same companies that completed the prior data call (the top 25 Homeowners/Owners type and Dwelling Fire writers as of 2015). However, this examination is open to response for from all personal residential property writers.

The insurer's submission may be submitted made on an individual company basis or a group basis.

It is understood that an insurer's claim system may not collect all of the information requested in this data call. **The Office is not requiring that an insurer conduct a manual claim review in order to retrieve this information.** If the claim system does not collect the information for certain variables, please disclose this on the 'Contact Info' sheet.

The items indicated below are to be submitted to the Office no later than 5 PM ET, September 8, 2017.

It is requested that you perform a quality review of the data being provided. Some issues from the prior data call included companies providing:
- Data on policies other than HO-3 (or its equivalent) and Dwelling Fire.
- Data for claims on property located outside of Florida.
- The city of the mailing address rather than the city of the location of the property. (Some of the cities provided were located in foreign countries.)
- Claims with a closed date before or after the scope period of the data call.
- Dates of loss that were clearly incorrect, such as dates in the future.

Additionally, it is requested that your company's submission include a Notarized Affidavit, signed by the person submitting the data call or a company officer, stating that the information provided is accurate, to the best of their knowledge.

Please note: Additional underlying documentation shall be available upon request of the Office.

Your prompt cooperation in this effort will be greatly appreciated.

If there are any issues gathering the information requested in this data call, please contact Sandra Starnes at 850-413-5344 as soon as possible to discuss possible alternatives.

Specific instructions:
This data call encompasses Owners type of Homeowners policies (HO-3 and equivalent) and Dwelling Fire policies only.

Wind-only policies should be excluded from this data call.

Fill out all cells to the best of your ability. If data is not available, please insert "N/A".
PLEASE DO NOT LEAVE ANY CELLS BLANK.

No deductions for salvage, subrogation or reinsurance received or expected should be made.

The sheets are being left unlocked. **Do not move or revise the columns in this data call.** You may add additional columns at the end if needed.

Section A - Specific Instructions
Claims closed between January 1, 2015 and June 30, 2017 should be reported in this section. The only perils that should be reported are claims for water damage or roof damage.

If you use different perils than the ones listed in the heading in Col. P, please provide a mapping from your perils to: Water - Plumbing, Water -Appliance, Water - Other, and Roof.

Currently, there are columns set up for one water mitigation firm, two contractors, two attorneys and one public adjuster. If you have claims that exceed these set categories, copy the required fields for that type and paste after the end of the requested columns (currently Col. BJ) and rename the heading to reflect the new field type (e.g. there are three contractors for a claim, copy columns AA:AG and paste at Col BK:BQ. Then rename cell BK3 to Contractor 3).

Section B - Specific Instructions

For Section B - Claims for All Other Perils (excl. Sinkhole) would include the water and roof losses claims reported in Section A.

Name of person submitting data call:	
Phone Number:	
E-Mail Address:	

Is this data call being submitted as trade secret?:

(If yes, submit the affadavit required by s. 624.4213, Florida Statutes, and mark your email as "Trade Secret".)

Please list all companies included in this data call:

Comments regarding information in data call:

Section A

DETAILED CLAIM INFORMATION FOR EACH WATER/ROOF CLAIM CLOSED BETWEEN JANUARY 1, 2015 AND JUNE 30, 2017

		Location of Loss			Policy Limits		House Characteristics				Date			
Claim ID	Type of Policy (Owners, Dwelling Fire)	Zip Code	City	County	Coverage A	Coverage C	Year of Construction	Owner-Occupied (Y/N)	Square Footage of Living Area of House	Age of Roof at Time of Loss	Of Loss/Incident	Reported to Insurer	Of Initial Inspection by Insurer	Closed

Claim ID	Type of Policy (Owners, Dwelling Fire)	Location of Loss			Policy Limits		House Characteristics					Date		
		Zip Code	City	County	Coverage A	Coverage C	Year of Construction	Owner-Occupied (Y/N)	Square Footage of Living Area of House	Age of Roof at Time of Loss	Of Loss/Incident	Reported to Insurer	Of Initial Inspection by Insurer	Closed

Claim ID	Type of Policy (Owners, Dwelling Fire)	Location of Loss			Policy Limits		House Characteristics				Date		
		County	City	Zip Code	Coverage A	Coverage C	Year of Construction	Owner-Occupied (Y/N)	Square Footage of Living Area of House	Age of Roof at Time of Loss	Of Loss/Incident	Reported to Insurer	Of Initial Inspection by Insurer	Closed

Section A

DETAILED CLAIM INFORMATION FOR EACH WATER/ROOF CLAIM CLOSED BETWEEN JANUARY 1, 2015 AND JUNE 30, 2017

	Claim Characteristics					Water Mitigation Firm					
Claim ID	Peril (Water - Plumbing; Water - Appliance; Water - Other; Roof)	Who reported claim to insurer? (Policyholder, Public Adjuster, Attorney, etc.)	Water Mitigation Work Completed at Time of Insurer's Initial Inspection? (Y/N)	Reconstruction Repairs (Other than Emergency Repairs) Completed at Time of Insurer's Initial Inspection? (Y/N)	Square Footage of Damaged Area	AOB? (Y/N)	Name of Mitigation Firm	Mailing Address Zip Code	Initial Invoice/ Demand from Firm	Initial Estimate by Insurer for Costs	Final Paid

Claim ID	Claim Characteristics					Water Mitigation Firm					
	Peril (Water - Plumbing; Water - Appliance; Water - Other; Roof)	Who reported claim to insurer? (Policyholder, Public Adjuster, Attorney, etc.)	Water Mitigation Work Completed at Time of Insurer's Initial Inspection? (Y/N)	Reconstruction Repairs (Other than Emergency Repairs) Completed at Time of Insurer's Initial Inspection? (Y/N)	Square Footage of Damaged Area	AOB? (Y/N)	Name of Mitigation Firm	Mailing Address Zip Code	Initial Invoice/ Demand from Firm	Initial Estimate by Insurer for Costs	Final Paid

Claim ID	Claim Characteristics					Water Mitigation Firm					
	Peril (Water - Plumbing; Water - Appliance; Water - Other; Roof)	Who reported claim to insurer? (Policyholder, Public Adjuster, Attorney, etc.)	Water Mitigation Work Completed at Time of Insurer's Initial Inspection? (Y/N)	Reconstruction Repairs (Other than Emergency Repairs) Completed at Time of Insurer's Initial Inspection? (Y/N)	Square Footage of Damaged Area	AOB? (Y/N)	Name of Mitigation Firm	Mailing Address Zip Code	Initial Invoice/ Demand from Firm	Initial Estimate by Insurer for Costs	Final Paid

Section A

DETAILED CLAIM INFORMATION FOR EACH WATER/ROOF CLAIM CLOSED BETWEEN JANUARY 1, 2015 AND JUNE 30, 2017

Claim ID	Contractor 1							Contractor 2						
	AOB? (Y/N)	Type of Repairs	Contractor/ Company Name	Mailing Address Zip Code	Initial Invoice/ Demand from Contractor	Initial Estimate by Insurer for Costs	Final Paid	AOB? (Y/N)	Type of Repairs	Contractor/ Company Name	Mailing Address Zip Code	Initial Invoice/ Demand from Contractor	Initial Estimate by Insurer for Costs	Final Paid

Claim ID	Contractor 1							Contractor 2						
	AOB? (Y/N)	Type of Repairs	Contractor/ Company Name	Mailing Address Zip Code	Initial Invoice/ Demand from Contractor	Initial Estimate by Insurer for Costs	Final Paid	AOB? (Y/N)	Type of Repairs	Contractor/ Company Name	Mailing Address Zip Code	Initial Invoice/ Demand from Contractor	Initial Estimate by Insurer for Costs	Final Paid

Claim ID	Contractor 1							Contractor 2						
	AOB? (Y/N)	Type of Repairs	Contractor/ Company Name	Mailing Address Zip Code	Initial Invoice/ Demand from Contractor	Initial Estimate by Insurer for Costs	Final Paid	AOB? (Y/N)	Type of Repairs	Contractor/ Company Name	Mailing Address Zip Code	Initial Invoice/ Demand from Contractor	Initial Estimate by Insurer for Costs	Final Paid

Section A

DETAILED CLAIM INFORMATION FOR EACH WATER/ROOF CLAIM CLOSED BETWEEN JANUARY 1, 2015 AND JUNE 30, 2017

	Attorney 1							Attorney 2						
Claim ID	Attorney for? (Wind Mit. Firm, Contractor 1, Policyholder, etc.)	Power of Attorney? (Y/N)	Name of Firm	Name of Attorney	Mailing Address Zip Code	Amt paid for Legal Fees to this attorney	Amt of insurer's defense costs for this lawsuit	Attorney for? (Wind Mit. Firm, Contractor 1, Policyholder, etc.)	Power of Attorney? (Y/N)	Name of Firm	Name of Attorney	Mailing Address Zip Code	Amt paid for Legal Fees to this attorney	Amt of insurer's defense costs for this lawsuit

Claim ID	Attorney 1							Attorney 2						
	Attorney for? (Wind Mit. Firm, Contractor 1, Policyholder, etc.)	Power of Attorney? (Y/N)	Name of Firm	Name of Attorney	Mailing Address Zip Code	Amt paid for Legal Fees to this attorney	Amt of insurer's defense costs for this lawsuit	Attorney for? (Wind Mit. Firm, Contractor 1, Policyholder, etc.)	Power of Attorney? (Y/N)	Name of Firm	Name of Attorney	Mailing Address Zip Code	Amt paid for Legal Fees to this attorney	Amt of insurer's defense costs for this lawsuit

Claim ID	Attorney 1								Attorney 2							
	Attorney for? (Wind Mit. Firm, Contractor 1, Policyholder, etc.)	Power of Attorney? (Y/N)	Name of Firm	Name of Attorney	Mailing Address Zip Code	Amt paid for Legal Fees to this attorney	Amt of insurer's defense costs for this lawsuit		Attorney for? (Wind Mit. Firm, Contractor 1, Policyholder, etc.)	Power of Attorney? (Y/N)	Name of Firm	Name of Attorney	Mailing Address Zip Code	Amt paid for Legal Fees to this attorney	Amt of insurer's defense costs for this lawsuit	

Section A

DETAILED CLAIM INFORMATION FOR EACH WATER/ROOF CLAIM CLOSED BETWEEN JANUARY 1, 2015 AND JUNE 30, 2017

	Public Adjuster				Insurer's Initial Estimate of		Total Amount Paid by Insurer	
Claim ID	Name of firm	Name of Adjuster	Mailing Address Zip Code	Amt paid to adjuster	Indemnity	LAE	Indemnity	LAE

Claim ID	Public Adjuster				Insurer's Initial Estimate of		Total Amount Paid by Insurer	
	Name of firm	Name of Adjuster	Mailing Address Zip Code	Amt paid to adjuster	Indemnity	LAE	Indemnity	LAE

Claim ID	Public Adjuster				Insurer's Initial Estimate of		Total Amount Paid by Insurer	
	Name of firm	Name of Adjuster	Mailing Address Zip Code	Amt paid to adjuster	Indemnity	LAE	Indemnity	LAE

Section B

SUMMARY BY COUNTY OF ALL OTHER PERILS (AOP) CLAIM INFORMATION

HO-3 POLICIES (OR ITS EQUIVALENT)

County	Earned House Years for 2015	Earned Premium Volume for 2015	AOP Claims (excl. Sinkhole) Closed in 2015			Earned House Years for 2016	Earned Premium Volume for 2016	AOP Claims (excl. Sinkhole) Closed in 2016		
			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid
ALACHUA										
BAKER										
BAY										
BRADFORD										
BREVARD										
BROWARD										
CALHOUN										
CHARLOTTE										
CITRUS										
CLAY										
COLLIER										
COLUMBIA										
DE SOTO										
DIXIE										
DUVAL										
ESCAMBIA										
FLAGLER										
FRANKLIN										
GADSDEN										
GILCHRIST										
GLADES										
GULF										
HAMILTON										
HARDEE										
HENDRY										
HERNANDO										
HIGHLANDS										

HO-3 POLICIES (OR ITS EQUIVALENT)

County	Earned House Years for 2015	Earned Premium Volume for 2015	AOP Claims (excl. Sinkhole) Closed in 2015			Earned House Years for 2016	Earned Premium Volume for 2016	AOP Claims (excl. Sinkhole) Closed in 2016		
			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid
HILLSBOROUGH										
HOLMES										
INDIAN RIVER										
JACKSON										
JEFFERSON										
LAFAYETTE										
LAKE										
LEE										
LEON										
LEVY										
LIBERTY										
MADISON										
MANATEE										
MARION										
MARTIN										
MIAMI-DADE										
MONROE										
NASSAU										
OKALOOSA										
OKEECHOBEE										
ORANGE										
OSCEOLA										
PALM BEACH										
PASCO										
PINELLAS										
POLK										
PUTNAM										
SANTA ROSA										
SARASOTA										
SEMINOLE										
ST JOHNS										

HO-3 POLICIES (OR ITS EQUIVALENT)

County	Earned House Years for 2015	Earned Premium Volume for 2015	AOP Claims (excl. Sinkhole) Closed in 2015			Earned House Years for 2016	Earned Premium Volume for 2016	AOP Claims (excl. Sinkhole) Closed in 2016		
			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid
ST LUCIE										
SUMTER										
SUWANNEE										
TAYLOR										
UNION										
VOLUSIA										
WAKULLA										
WALTON										
WASHINGTON										

Section B

SUMMARY BY COUNTY OF ALL OTHER PERILS (AOP) CLAIM INFORMATION

HO-3 POLICIES (OR ITS EQUIVALENT)

County	Earned House Years for Jan. 1, 2017 - June 30, 2017	Earned Premium Volume for Jan. 1, 2017 - June 30, 2017	AOP Claims (excl. Sinkhole) Closed Between Jan. 1, 2017 - June 30, 2017			AOP Claims Pending (excl. Sinkhole) as of 7/1/2017					
			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid	Number of Pending AOP Claims	Est.Amount of Indemnity Losses for AOP Claims	Est.Amount of LAE for AOP Claims	Number of Pending Water/Roof Claims	Est.Amount of Indemnity Losses for Water/Roof Claims	Est.Amount of LAE for Water/Roof Claims
ALACHUA											
BAKER											
BAY											
BRADFORD											
BREVARD											
BROWARD											
CALHOUN											
CHARLOTTE											
CITRUS											
CLAY											
COLLIER											
COLUMBIA											
DE SOTO											
DIXIE											
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FLAGLER											
FRANKLIN											
GADSDEN											
GILCHRIST											
GLADES											
GULF											
HAMILTON											
HARDEE											
HENDRY											
HERNANDO											
HIGHLANDS											

HO-3 POLICIES (OR ITS EQUIVALENT)

County	Earned House Years for Jan. 1, 2017 - June 30, 2017	Earned Premium Volume for Jan. 1, 2017 - June 30, 2017	AOP Claims (excl. Sinkhole) Closed Between Jan. 1, 2017 - June 30, 2017			AOP Claims Pending (excl. Sinkhole) as of 7/1/2017					
			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid	Number of Pending AOP Claims	Est.Amount of Indemnity Losses for AOP Claims	Est.Amount of LAE for AOP Claims	Number of Pending Water/Roof Claims	Est.Amount of Indemnity Losses for Water/Roof Claims	Est.Amount of LAE for Water/Roof Claims
HILLSBOROUGH											
HOLMES											
INDIAN RIVER											
JACKSON											
JEFFERSON											
LAFAYETTE											
LAKE											
LEE											
LEON											
LEVY											
LIBERTY											
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MANATEE											
MARION											
MARTIN											
MIAMI-DADE											
MONROE											
NASSAU											
OKALOOSA											
OKEECHOBEE											
ORANGE											
OSCEOLA											
PALM BEACH											
PASCO											
PINELLAS											
POLK											
PUTNAM											
SANTA ROSA											
SARASOTA											
SEMINOLE											
ST JOHNS											

HO-3 POLICIES (OR ITS EQUIVALENT)

County	Earned Premium Volume for Jan. 1, 2017 - June 30, 2017	Earned House Years for Jan. 1, 2017 - June 30, 2017	AOP Claims (excl. Sinkhole) Closed Between Jan. 1, 2017 - June 30, 2017				AOP Claims Pending (excl. Sinkhole) as of 7/1/2017					
			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid	Number of Pending AOP Claims	Est.Amount of Indemnity Losses for AOP Claims	Est.Amount of LAE for AOP Claims	Number of Pending Water/Roof Claims	Est.Amount of Indemnity Losses for Water/Roof Claims	Est.Amount of LAE for Water/Roof Claims
ST LUCIE											
SUMTER											
SUWANNEE											
TAYLOR											
UNION											
VOLUSIA											
WAKULLA											
WALTON											
WASHINGTON											

Section B

SUMMARY BY COUNTY OF ALL OTHER PERILS (AOP) CLAIM INFORMATION

DWELLING FIRE POLICIES

County	Earned House Years for 2015	Earned Premium Volume for 2015	AOP Claims (excl. Sinkhole) Closed in 2015			Earned House Years for 2016	Earned Premium Volume for 2016	AOP Claims (excl. Sinkhole) Closed in 2016		
			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid			Number of Claims	Indemnity Amount Paid	Loss Adjustment Expenses Paid
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BAKER										
BAY										
BRADFORD										
BREVARD										
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CALHOUN										
CHARLOTTE										
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COLLIER										
COLUMBIA										
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DIXIE										
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FRANKLIN										
GADSDEN										
GILCHRIST										
GLADES										
GULF										
HAMILTON										
HARDEE										
HENDRY										
HERNANDO										
HIGHLANDS										

DWELLING FIRE POLICIES

County	Earned House Years for 2015	Earned Premium Volume for 2015	AOP Claims (excl. Sinkhole) Closed in 2015			Earned House Years for 2016	Earned Premium Volume for 2016	AOP Claims (excl. Sinkhole) Closed in 2016		
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HOLMES										
INDIAN RIVER										
JACKSON										
JEFFERSON										
LAFAYETTE										
LAKE										
LEE										
LEON										
LEVY										
LIBERTY										
MADISON										
MANATEE										
MARION										
MARTIN										
MIAMI-DADE										
MONROE										
NASSAU										
OKALOOSA										
OKEECHOBEE										
ORANGE										
OSCEOLA										
PALM BEACH										
PASCO										
PINELLAS										
POLK										
PUTNAM										
SANTA ROSA										
SARASOTA										
SEMINOLE										
ST JOHNS										

DWELLING FIRE POLICIES

County	Earned House Years for 2015	Earned Premium Volume for 2015	AOP Claims (excl. Sinkhole) Closed in 2015			Earned House Years for 2016	Earned Premium Volume for 2016	AOP Claims (excl. Sinkhole) Closed in 2016		
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ST LUCIE										
SUMTER										
SUWANNEE										
TAYLOR										
UNION										
VOLUSIA										
WAKULLA										
WALTON										
WASHINGTON										

Section B

SUMMARY BY COUNTY OF ALL OTHER PERILS (AOP) CLAIM INFORMATION

DWELLING FIRE POLICIES

County	Earned House Years for Jan. 1, 2017 - June 30, 2017	Earned Premium Volume for Jan. 1, 2017 - June 30, 2017	AOP Claims (excl. Sinkhole) Closed Between Jan. 1, 2017 - June 30, 2017			AOP Claims Pending (excl. Sinkhole) as of 7/1/2017					
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BAKER											
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BRADFORD											
BREVARD											
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CALHOUN											
CHARLOTTE											
CITRUS											
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COLLIER											
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DE SOTO											
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FRANKLIN											
GADSDEN											
GILCHRIST											
GLADES											
GULF											
HAMILTON											
HARDEE											
HENDRY											
HERNANDO											
HIGHLANDS											

DWELLING FIRE POLICIES

County	Earned House Years for Jan. 1, 2017 - June 30, 2017	Earned Premium Volume for Jan. 1, 2017 - June 30, 2017	AOP Claims (excl. Sinkhole) Closed Between Jan. 1, 2017 - June 30, 2017			AOP Claims Pending (excl. Sinkhole) as of 7/1/2017					
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PASCO											
PINELLAS											
POLK											
PUTNAM											
SANTA ROSA											
SARASOTA											
SEMINOLE											
ST JOHNS											

DWELLING FIRE POLICIES

County	Earned House Years for Jan. 1, 2017 - June 30, 2017	Earned Premium Volume for Jan. 1, 2017 - June 30, 2017	AOP Claims (excl. Sinkhole) Closed Between Jan. 1, 2017 - June 30, 2017			AOP Claims Pending (excl. Sinkhole) as of 7/1/2017					
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ST LUCIE											
SUMTER											
SUWANNEE											
TAYLOR											
UNION											
VOLUSIA											
WAKULLA											
WALTON											
WASHINGTON											

Appendix B

Insurers that Submitted Data

Appendix B – Insurers that Submitted Data

Below are the insurers that submitted data for the Assignment of Benefits Data Call:

American Integrity Insurance Company of Florida
American Strategic Insurance Corporation
ASI Assurance Corporation
ASI Preferred Insurance Corporation
Castle Key Insurance Company
Citizens Property Insurance Corporation
Federated National Insurance Company
First Protective Insurance Company
Florida Family Insurance Company
Florida Peninsula Insurance Company
Garrison Property and Casualty Insurance Company
Heritage Property & Casualty Insurance Company
Homeowners Choice Property & Casualty Insurance Company, Inc.
Lakeview Insurance Company
Monarch National Insurance Company
Olympus Insurance Company
Omega Insurance Company
People's Trust Insurance Company
Progressive Property Insurance Company
Security First Insurance Company
Southern Fidelity Insurance Company
St. Johns Insurance Company, Inc.
State Farm Florida Insurance Company
Tower Hill Preferred Insurance Company
Tower Hill Prime Insurance Company
Tower Hill Select Insurance Company
Tower Hill Signature Insurance Company
United Property & Casualty Insurance Company
United Services Automobile Association
Universal Property & Casualty Insurance Company
USAA Casualty Company
USAA General Indemnity Company

Appendix C

Mapping of Counties to Regions

Appendix C – Mapping of Counties to Regions

Below is the mapping of Florida counties to the regions shown in this report:

County	Region
Alachua	North Central Florida
Baker	Northeast Florida
Bay	Northwest Florida
Bradford	North Central Florida
Brevard	Central East Florida
Broward	Southeast Florida
Calhoun	Northwest Florida
Charlotte	Southwest Florida
Citrus	Central West Florida
Clay	Northeast Florida
Collier	Southwest Florida
Columbia	North Central Florida
Miami-Dade	Southeast Florida
De Soto	Central West Florida
Dixie	North Central Florida
Duval	Northeast Florida
Escambia	Northwest Florida
Flagler	Northwest Florida
Franklin	Northwest Florida
Gadsden	North Central Florida
Gilchrist	North Central Florida
Glades	Southwest Florida
Gulf	Northwest Florida
Hamilton	North Central Florida
Hardee	Central Florida
Hendry	Southwest Florida
Hernando	Central West Florida
Highlands	Central Florida
Hillsborough	Central West Florida
Holmes	Northwest Florida
Indian River	Central East Florida
Jackson	Northwest Florida
Jefferson	North Central Florida
Lafayette	North Central Florida
Lake	Central Florida
Lee	Southwest Florida
Leon	North Central Florida
Levy	North Central Florida
Liberty	Northwest Florida
Madison	North Central Florida
Manatee	Central West Florida
Marion	Central Florida
Martin	Southeast Florida
Monroe	Southeast Florida
Nassau	Northeast Florida

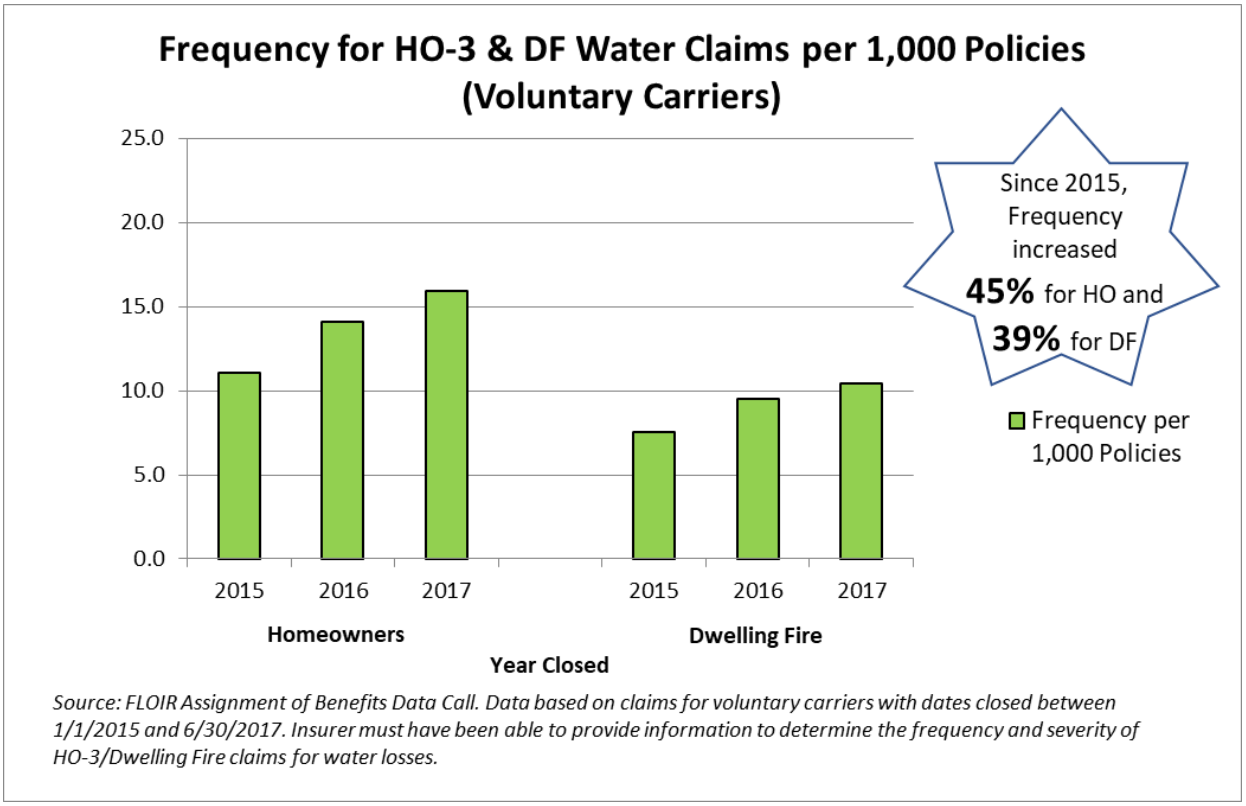
Appendix C – Mapping of Counties to Regions

County	Region
Okaloosa	Northwest Florida
Okeechobee	Central East Florida
Orange	Central Florida
Osceola	Central Florida
Palm Beach	Southeast Florida
Pasco	Central West Florida
Pinellas	Central West Florida
Polk	Central Florida
Putnam	Northeast Florida
St Johns	Northeast Florida
St Lucie	Central East Florida
Santa Rosa	Northwest Florida
Sarasota	Central West Florida
Seminole	Central Florida
Sumter	Central Florida
Suwannee	North Central Florida
Taylor	North Central Florida
Union	North Central Florida
Volusia	Central East Florida
Wakulla	North Central Florida
Walton	Northwest Florida
Washington	Northwest Florida

Appendix D

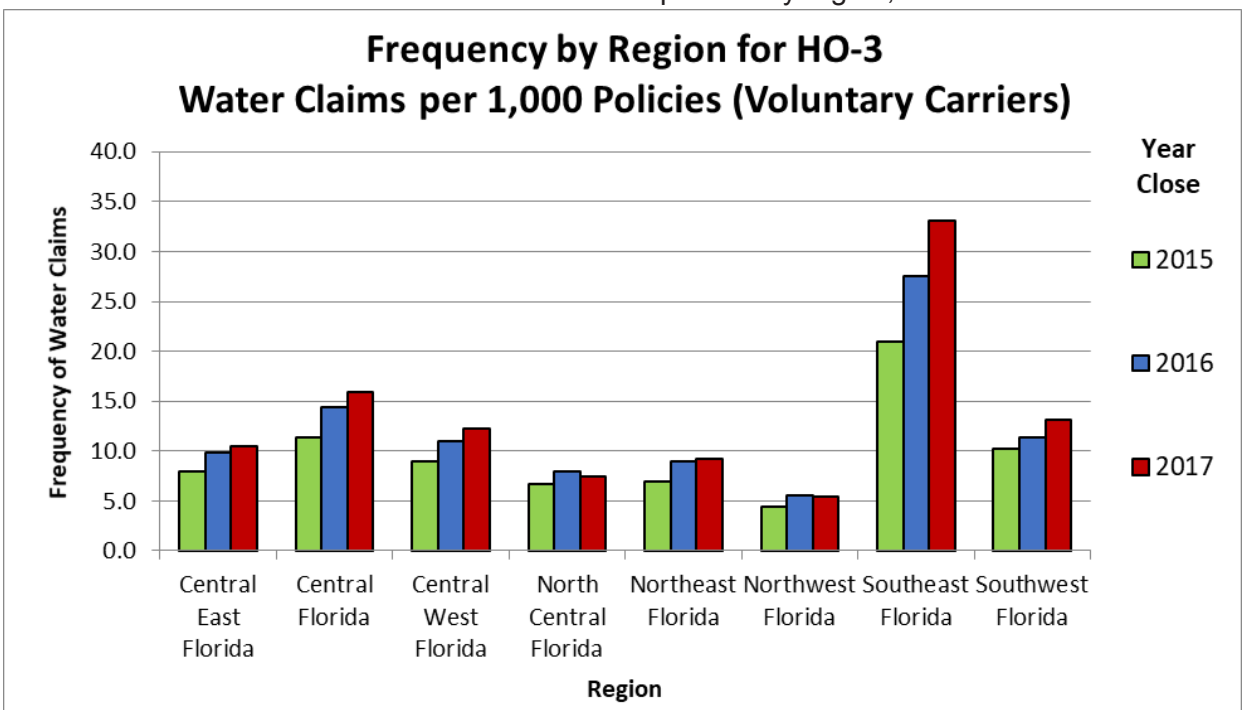
Graphs and Charts for HO-3 and DF Policies Separately

Appendix D – Graphs and Charts for HO-3 and DF Policies Separately



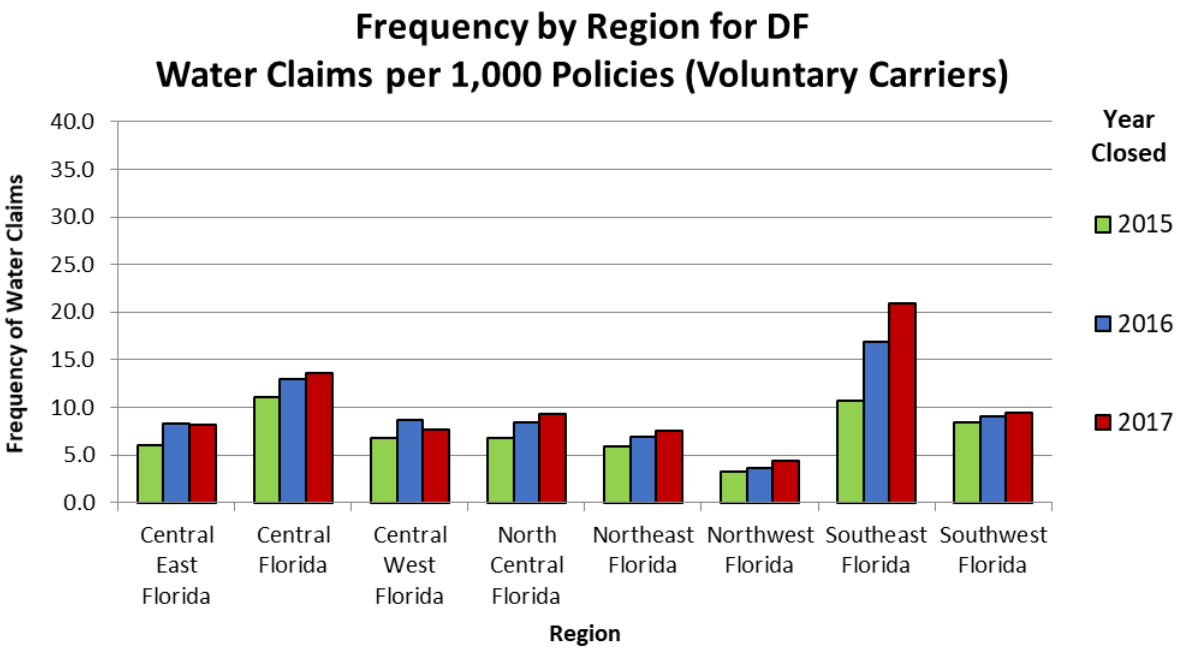
Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.

Similar trends are observed for both HO-3 and DF policies by region, as well.

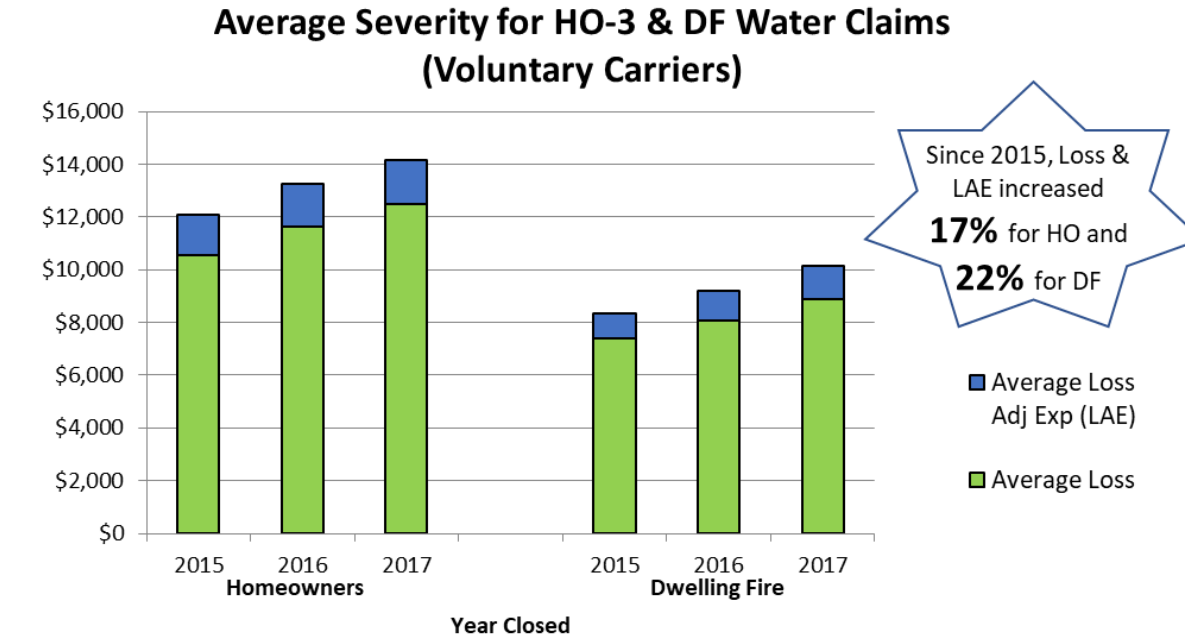


Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.

Appendix D – Graphs and Charts for HO-3 and DF Policies Separately

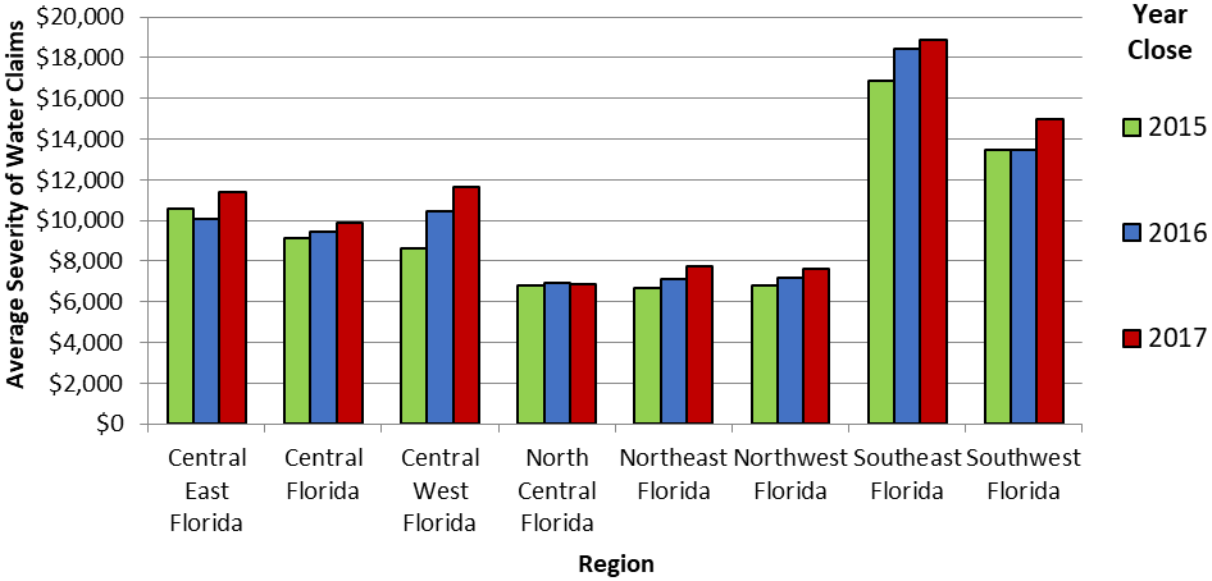


Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.

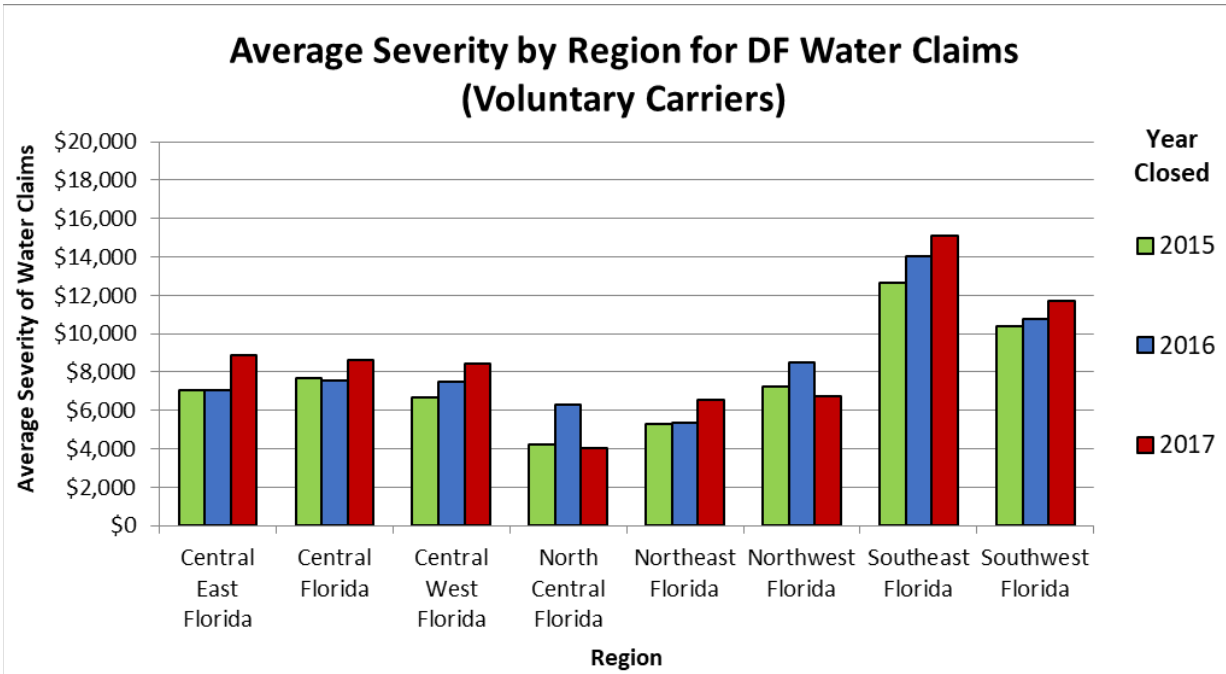


Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.

Appendix D – Graphs and Charts for HO-3 and DF Policies Separately



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.



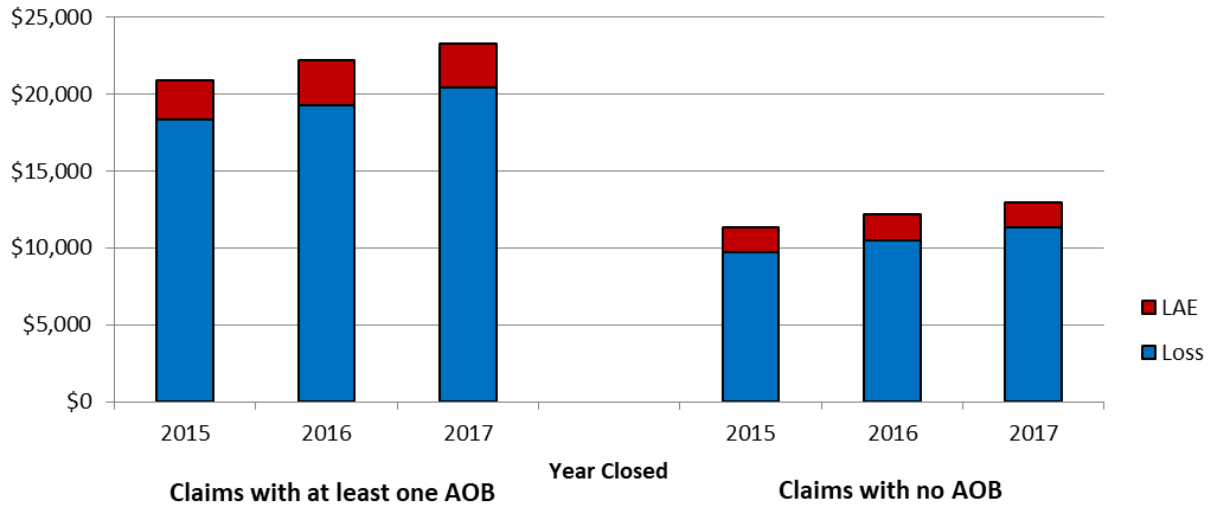
Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Insurer must have been able to provide information to determine the frequency and severity of HO-3/Dwelling Fire claims for water losses.

Appendix D – Graphs and Charts for HO-3 and DF Policies Separately

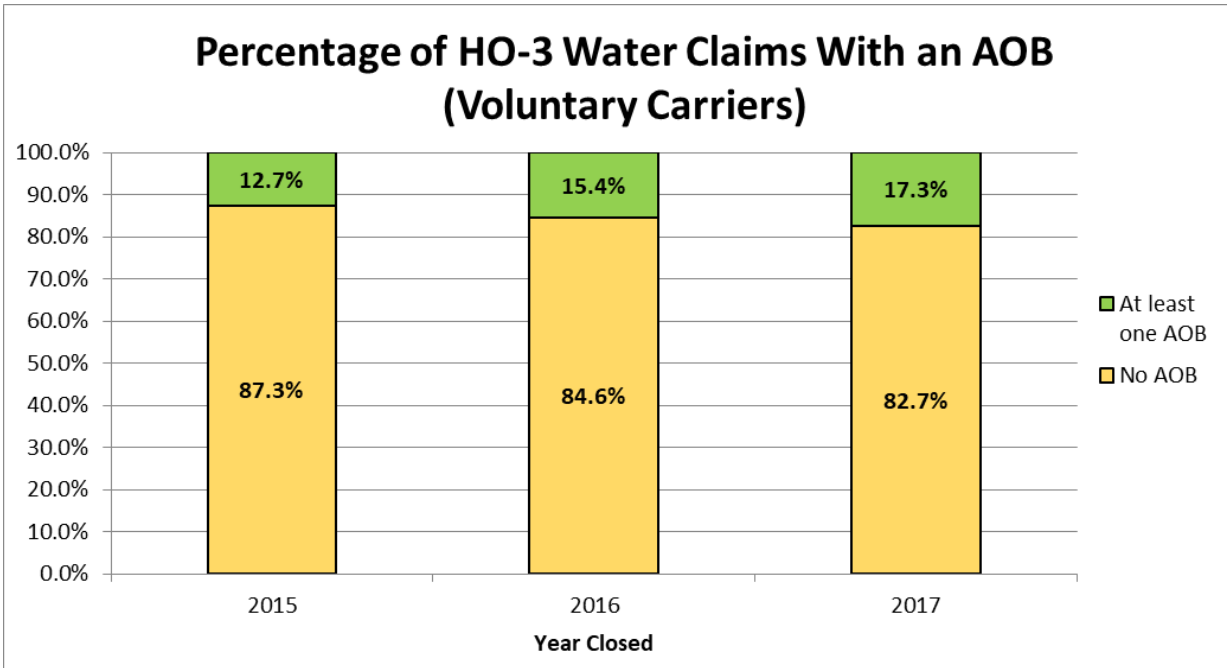
Homeowners	Change from 2015 - 2017			Average Annualized Trend		
Region	Frequency	Severity	Combined	Frequency	Severity	Combined
Central East Florida	31.7%	8.1%	42.4%	20.2%	5.3%	26.6%
Central Florida	39.5%	8.0%	50.7%	24.9%	5.2%	31.4%
Central West Florida	38.0%	34.7%	85.9%	24.0%	21.9%	51.2%
North Central Florida	12.3%	0.8%	13.2%	8.0%	0.6%	8.6%
Northeast Florida	33.0%	15.9%	54.2%	21.0%	10.3%	33.5%
Northwest Florida	23.4%	12.0%	38.3%	15.1%	7.8%	24.1%
Southeast Florida	57.6%	11.8%	76.2%	35.4%	7.7%	45.9%
Southwest Florida	29.4%	11.2%	43.9%	18.8%	7.3%	27.5%
Statewide	**44.7%**	**17.1%**	**69.5%**	**27.9%**	**11.1%**	**42.2%**

Dwelling Fire	Change from 2015 - 2017			Average Annualized Trend		
Region	Frequency	Severity	Combined	Frequency	Severity	Combined
Central East Florida	36.2%	26.3%	72.0%	22.8%	16.8%	43.5%
Central Florida	22.8%	12.6%	38.3%	14.7%	8.2%	24.1%
Central West Florida	13.2%	25.4%	42.0%	8.6%	16.3%	26.3%
North Central Florida	37.7%	-3.7%	32.6%	23.8%	-2.5%	20.7%
Northeast Florida	28.4%	23.4%	58.5%	18.1%	15.1%	35.9%
Northwest Florida	38.1%	-6.9%	28.6%	24.0%	-4.6%	18.3%
Southeast Florida	95.7%	19.0%	133.0%	56.5%	12.3%	75.7%
Southwest Florida	12.0%	12.9%	26.4%	7.9%	8.4%	16.9%
Statewide	**38.5%**	**21.6%**	**68.4%**	**24.3%**	**13.9%**	**41.6%**

Appendix D – Graphs and Charts for HO-3 and DF Policies Separately



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Data is only shown for insurers that were able to consistently indicate for a given year that a claim had or did not have an assignment of benefits (AOB).



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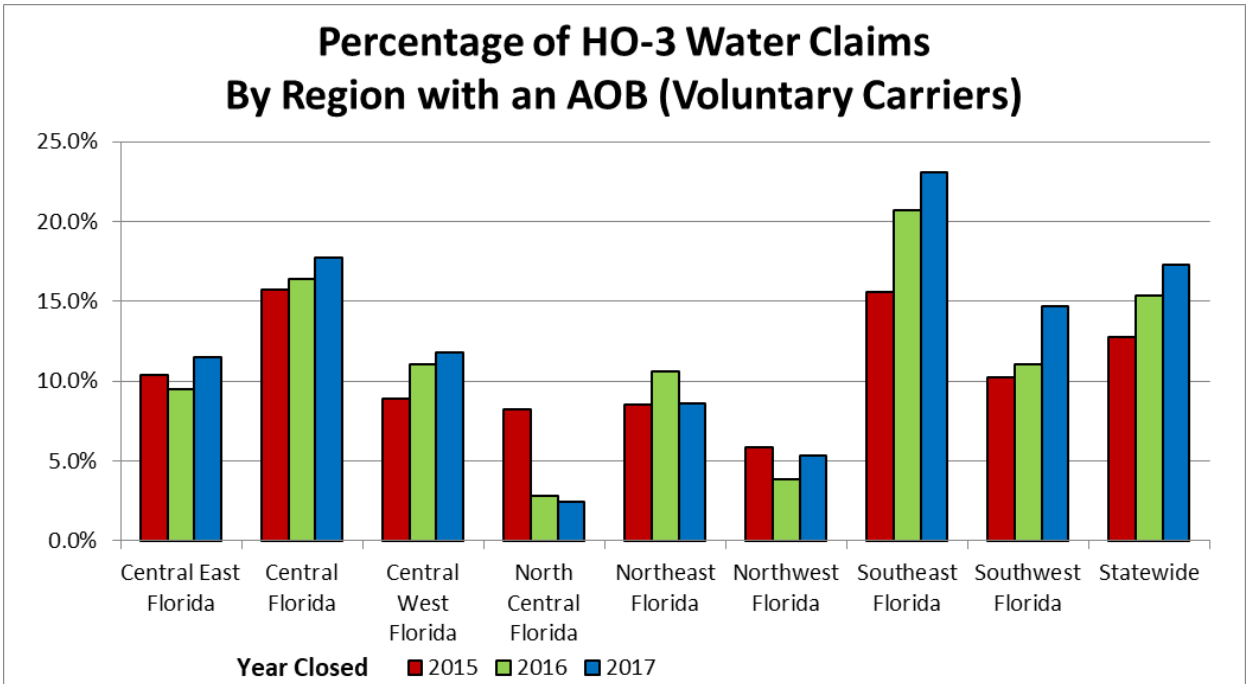
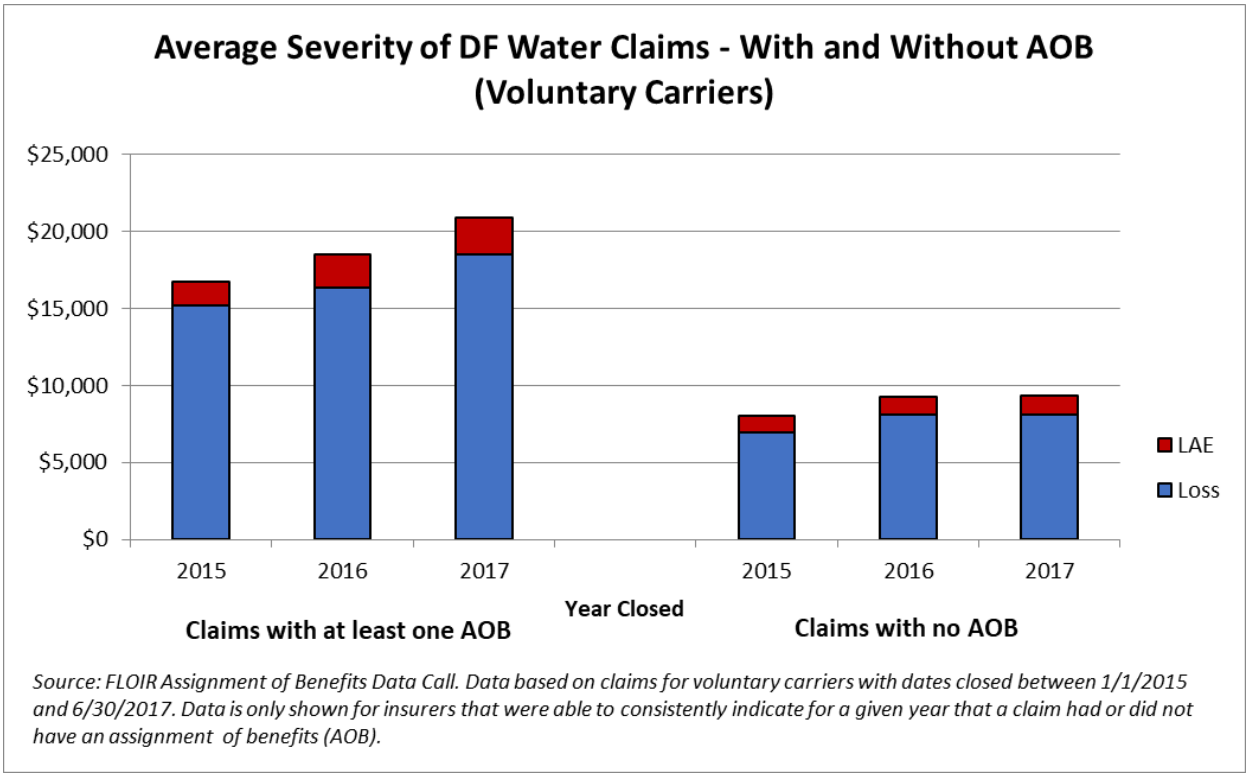
Appendix D – Graphs and Charts for HO-3 and DF Policies Separately

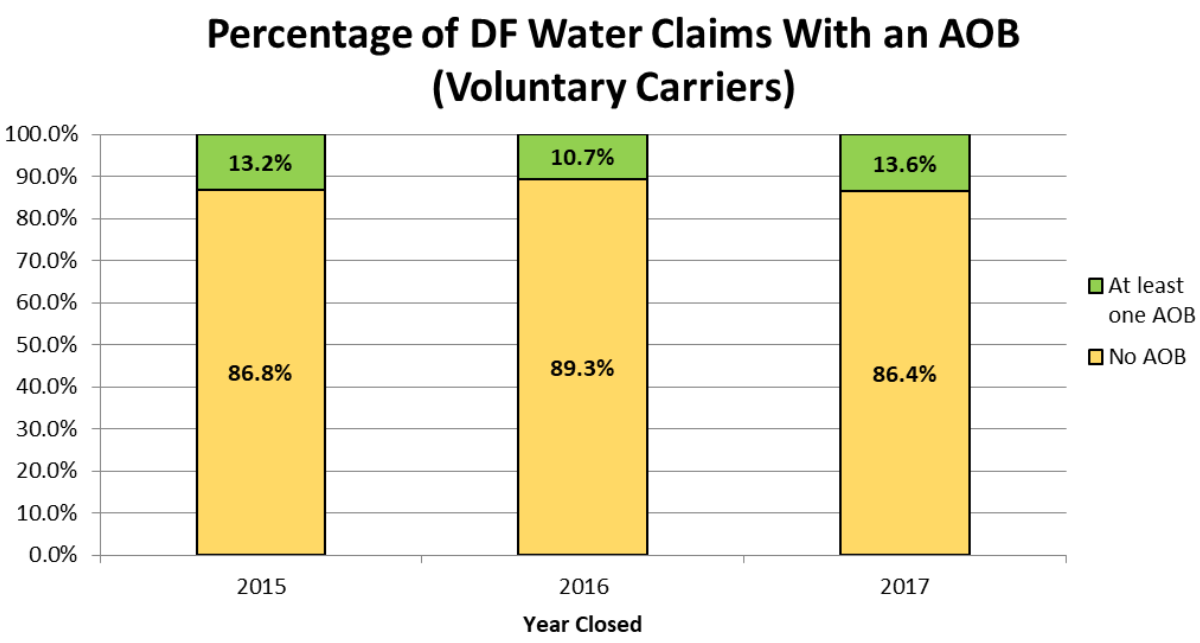


Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2010 and 9/30/2015. Data is only shown for insurers that were able to consistently indicate for a given year that a claim had or did not have an assignment of benefits (AOB).

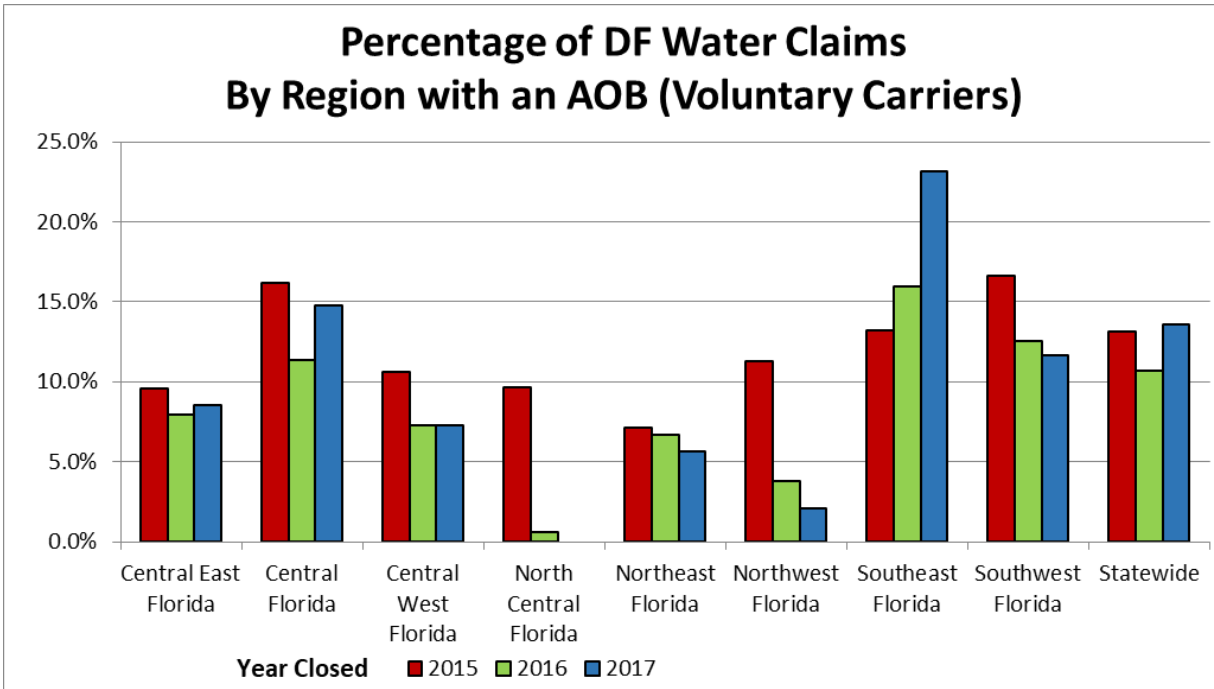


Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Data is only shown for insurers that were able to consistently indicate for a given year that a claim had or did not have an assignment of benefits (AOB).

Appendix D – Graphs and Charts for HO-3 and DF Policies Separately



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2015 and 6/30/2017. Data is only shown for insurers that were able to consistently indicate for a given year that a claim had or did not have an assignment of benefits (AOB).



Source: FLOIR Assignment of Benefits Data Call. Data based on claims for voluntary carriers with dates closed between 1/1/2010 and 9/30/2015. Data is only shown for insurers that were able to consistently indicate for a given year that a claim had or did not have an assignment of benefits (AOB).

Florida Office of Insurance Regulation

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