

Targeted Market Conduct Examination Report
AMERICAN MOBILE INSURANCE EXCHANGE
NAIC Company Code: 16883

Issued: July 11, 2025



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Executive Summary

The Florida Office of Insurance Regulation (“OIR”) performed a targeted market conduct examination of American Mobile Insurance Exchange (“American Mobile” or “Company”) pursuant to Section 624.3161, Florida Statutes (“F.S.”).

Purpose and Scope of the Examination

OIR has primary responsibility for the regulation, compliance and enforcement of statutes related to the business of insurance and the monitoring of industry markets. Due to this responsibility, OIR conducted a targeted market conduct examination of American Mobile pursuant to Section 624.3161, F.S. The purpose of a market conduct examination is to review an insurer’s operating practices to determine if they comply with the Florida Insurance Code, rules related to the business of insurance, procedures adopted by the Company, the provisions contained within a contract of insurance issued by the Company or orders issued by OIR. A common element of all market conduct examinations is to evaluate an insurer’s business practices, promote the protection of insurance-buying consumers, and hold insurers accountable when issues or violations are identified.

This examination was initiated to review and evaluate American Mobile’s Hurricane Ian and Hurricane Idalia claims-handling operations. The examination scope period was from September 28, 2022, to December 31, 2023, for Hurricane Ian claims, and from August 30, 2023, to December 31, 2023, for Hurricane Idalia claims. The examination was performed by a contracted examination firm, INS Regulatory Insurance Services, Inc. The examination began March 1, 2024, and ended April 21, 2025. This is the first Market Conduct examination of American Mobile. In reviewing materials for this report, the examiners relied on records provided by the Company.

Examination Procedures

The conduct of this examination and the procedures, statistical sampling, and examination processes used were consistent with and in accordance with those standards and procedures contained in the *Market Regulation Handbook* promulgated by the National Association of Insurance Commissioners (“NAIC”). The number of randomly selected items in each sample is consistent with the recommended sample size in the *Market Regulation Handbook’s* Acceptance Samples Table. Examination results with a 95% confidence level permit those results to be extrapolated to the population identified in each of the areas examined.

In preparation for the examination, American Mobile was requested to provide the total number, or universe, of Hurricane Ian and Hurricane Idalia claims reported with a Florida exposure during the examination scope periods. The claims universe for each hurricane was divided into three categories: claims closed with payment, claims closed without payment, and reopened or supplemental claims. For the purposes of this examination, the selection of claims reviewed for each of the categories was defined as follows:

- **Claims Closed With Payment:** The first or initial Hurricane claim filed by the named insured, policyholder, or legal representative due to a loss occurring to a personal residential or commercial residential risk that was closed with payment during the examination’s scope periods.

- Claims Closed Without Payment: The first or initial Hurricane claim filed by the named insured, policyholder, or legal representative due to a loss occurring to a personal residential or commercial residential risk that was closed without payment for any reason during the examination's scope periods.
- Reopened or Supplemental Claims: The first or initial Hurricane claim filed by the named insured, policyholder, or legal representative due to a loss occurring to a personal residential or commercial residential risk that was closed for any reason and that was reopened or was a supplemental claim upon request for additional costs for loss or damage previously disclosed to the insurer.

Company Profile

American Mobile Insurance Exchange is a domestic property and casualty insurer authorized to conduct business on Florida on October 14, 2020. American Mobile is authorized to write Fire, Mobile home multi-peril and Mobile home physical damage lines of business.

Examination Findings

Hurricane Ian Claims

The following Findings are compiled from the examiners' review of American Mobile's Hurricane Ian claims that were adjudicated during the examination scope period of September 28, 2022, to December 31, 2023.

Claims Closed With Payment: American Mobile identified a universe of 964 residential property Hurricane Ian claims that were closed with payment during the examination scope period. A random sample of 83 claims was selected and reviewed by the examiners.

Claims Closed Without Payment: American Mobile identified a universe of 251 residential property Hurricane Ian claims that were closed without payment during the examination scope period. A random sample of 76 claims was selected and reviewed by the examiners.

Reopened or Supplemental Claims: American Mobile identified a universe of 475 residential property Hurricane Ian claims that were reopened during the examination scope period. A random sample of 82 claims was selected and reviewed by the examiners.

Finding 1: The examiners determined that in 54 instances out of 241 claims reviewed, an error rate of 22.4%, American Mobile utilized adjusters who were properly licensed as Florida claims adjusters by the Department of Financial Services, but were not appointed by American Mobile, as required by Section 626.112(1)(a), F.S.

Finding 2: The examiners determined that in six instances out of 241 claims reviewed, an error rate of 2.5%, American Mobile did not acknowledge receipt of claims communications within 14 calendar days, as required by Section 627.70131(1)(a), F.S. (2022)¹.

Finding 3: The examiners determined that in four instances out of 241 claims reviewed, an error rate of 1.7%, American Mobile did not provide an acknowledgement that was responsive to the claim communication, as required by Section 627.70131(2), F.S.

Finding 4: The examiners determined that in two instances out of 241 claims reviewed, an error rate of 0.8%, American Mobile did not include the license number of the adjuster communicating about the claim in a subsequent communication with the policyholder regarding the claim, as required by Section 627.70131(3)(c), F.S.

Finding 5: The examiners determined that in 148 instances out of 241 claims reviewed, an error rate of 61.4%, American Mobile provided a disclosure statement with a preliminary or partial estimate of damage regarding a claim that did not comply with the requirements of Section 627.70131(6)(a), F.S.

Finding 6: The examiners determined that in 36 instances out of 241 claims reviewed, an error rate of 14.9%, American Mobile provided a disclosure statement with a payment on a claim that was not the full and final payment that did not comply with the requirements of Section 627.70131(6)(b), F.S.

Finding 7: The examiners determined that in two instances out of 241 claims reviewed, an error rate of 0.8%, American Mobile did not, within 90 days, provide a reasonable explanation in writing to the policyholder for the basis of paying or denying an initial, supplemental, or reopened claim; or within 90 days, pay or deny an initial supplemental, or reopened claim, as required by Section 627.70131(7)(a), F.S.

Finding 8: The examiners determined that in one instance out of 241 claims reviewed, an error rate of 0.4%, American Mobile did not pay interest when the claim payment was made more than 90 days after receiving notice of the claim, or more than 15 days after there were no longer factors beyond the control of the insurer which reasonably prevented such payment, as required by Section 627.70131(7)(a), F.S.

Finding 9: The examiners determined that in 28 instances out of 241 claims reviewed, an error rate of 11.6%, American Mobile did not provide a Homeowner Claims Bill of Rights to a policyholder within 14 days after receiving an initial communication with respect to a claim, as required by 627.7142, F.S.

Company Response: American Mobile conducted a review of all Hurricane Ian claims in October 2022, to ensure that all claimants received a Homeowners Claims Bill of Rights if one was not previously provided.

¹ Section 627.70131, F.S. (2023), has reduced 14-day timeframes to 7 days, 45-day timeframes to 30 days, and 90-day timeframes to 60 days. Other additions and deletions were also made to the law.

Finding 10: The examiners determined that in 39 instances out of 241 claims reviewed, an error rate of 16.2%, American Mobile did not send claim acknowledgement letter to the insured within 24 hours of receiving the claim, as required by American Mobile’s claims-handling manual dated February 9, 2023.

Finding 11: The examiners determined that in 25 instances out of 241 claims reviewed, an error rate of 10.4%, American Mobile did not attempt to contact the insured within 24 hours of receiving the claim, as required by American Mobile’s claims-handling manual dated February 9, 2023.

Finding 12: The examiners determined that in 42 instances out of 241 claims reviewed, an error rate of 17.4%, American Mobile did not ensure that the examiner documented a summary of the adjuster’s report in the file notes within three days of receipt, as required by American Mobile’s claims-handling manual dated February 9, 2023.

Company Response: In response to Findings 10, 11, and 12, American Mobile’s claims-handling manual represents the insurer’s “best practices” or goals which may exceed certain statutory requirements.

Findings 10, 11, and 12 are contained within the report because, while the instances noted are not violations of Florida law, a review of American Mobile’s claims-handling manual was within the scope of the examination. The examination included a review of the standards contained within American Mobile’s claims-handling manual to include “best practices” or goals established by American Mobile.

Hurricane Idalia Claims

The following Findings are compiled from the examiners’ review of American Mobile’s Hurricane Idalia claims that were adjudicated during the examination scope period August 30, 2023, to December 31, 2023.

Claims Closed With Payment: American Mobile identified a universe of 52 residential property Hurricane Idalia claims that were closed with payment during the examination scope period. The entire universe of 52 claims was reviewed by the examiners.

Claims Closed Without Payment: American Mobile identified a universe of 28 residential property Hurricane Idalia claims that were closed without payment during the examination scope period. The entire universe of 28 claims was reviewed by the examiners.

Reopened or Supplemental Claims: American Mobile identified a universe of 5 residential property Hurricane Idalia claims that was reopened during the examination scope period. The entire universe of 5 claims was reviewed by the examiners.

Finding 1: The examiners determined that in one instance out of 85 claims reviewed, an error rate of 1.2%, American Mobile utilized an adjuster who was properly licensed as a Florida claims adjuster by the Department of Financial Services, but was not appointed by American Mobile, as required by Section 626.112(1)(a), F.S.

Finding 2: The examiners determined that in six instances out of 85 claims reviewed, an error rate of 7.1%, American Mobile did not send the policyholder a copy of any detailed estimate of the amount of the loss within seven days after the estimate was generated by an insurer’s adjuster, as required by Section 627.70131(3)(e), F.S.

Finding 3: The examiners determined that in 69 instances out of 85 claims reviewed, an error rate of 81.2%, American Mobile provided a disclosure statement with a preliminary or partial estimate of damage regarding a claim that did not comply with the requirements of Section 627.70131(6)(a), F.S.

Finding 4: The examiners determined that in 40 instances out of 85 claims reviewed, an error rate of 47.1%, American Mobile provided a disclosure statement with a payment on a claim that was not the full and final payment that did not comply with the requirements of Section 627.70131(6)(b), F.S.

Finding 5: The examiners determined that in two instances out of 85 claims reviewed, an error rate of 2.4%, American Mobile did not provide a Homeowner Claims Bill of Rights to a policyholder within 14 days after receiving an initial communication with respect to a claim, as required by 627.7142, F.S.

Finding 6: The examiners determined that in two instances out of 85 claims reviewed, an error rate of 2.4%, American Mobile did not send claim acknowledgement letter to the insured within 24 hours of receiving the claim, as required by American Mobile’s claims-handling manual dated February 9, 2023.

Finding 7: The examiners determined that in one instance out of 85 claims reviewed, an error rate of 1.2%, American Mobile did not attempt to contact the insured within 24 hours of receiving the claim, as required by American Mobile’s claims-handling manual dated February 9, 2023.

Finding 8: The examiners determined that in eight instances out of 85 claims reviewed, an error rate of 9.4%, American Mobile did not ensure that the examiner documented a summary of the adjuster’s report in the file notes within three days of receipt, as required by American Mobile’s claims-handling manual dated February 9, 2023.

Company Response: In response to Findings 6, 7, and 8, American Mobile’s claims-handling manual represents the insurer’s “best practices” or goals which may exceed certain applicable statutory requirements.

Findings 6, 7, and 8 are contained within the report because, while the instances noted are not violations of Florida law, a review of American Mobile’s claims-handling manual was within the scope of the examination. The examination included a review of the standards contained within American Mobile’s claims-handling manual to include “best practices” or goals established by American Mobile.

Claims-Handling Manual

OIR conducted a review of American Mobile's claims-handling manual for compliance with Section 627.4108(1), F.S., that requires each authorized residential property insurer conducting business in Florida to create and use a claims-handling manual. Specifically, each claims-handling manual must include guidelines and procedures for:

- Initially receiving and acknowledging initial receipt of the claim and reviewing and evaluating the claim;
- Communicating with policyholders, beginning with the receipt of the claim and continuing until closure of the claim;
- Setting the claim reserve;
- Investigating the claim, including conducting inspections of the property that is the subject of the claim;
- Making preliminary estimates and estimates of the covered damages to the insured property and communicating such estimates to the policyholder;
- The payment, partial payment, or denial of the claim and communicating such claim decision to the policyholder;
- Closing claims; and
- Any aspect of the claims-handling process which OIR determines should be included in the claims-handling manual in order to:
 - Comply with the laws of this state or rules or orders of OIR or department;
 - Ensure that the claims-handling manual, at a minimum, comports with usual and customary industry claims-handling guidelines; or
 - Protect policyholders of the insurer or the general public.

No exceptions were noted.

Section 627.4108(3), F.S, requires each authorized residential property insurer to certify and attest on the prescribed form that:

- Each of the insurer's current claims-handling manuals complies with the requirements of this code and comports to, at a minimum, usual and customary industry claims-handling practices; and
- The insurer maintains adequate resources available to implement the requirements of each of its claims-handling manuals at all times, including during natural disasters and catastrophic events.

The attestations are required to be submitted to OIR:

- On or before August 1, 2023; and
- Annually thereafter, on or before May 1 of each calendar year.

No exceptions were noted.

Conclusion

This targeted market conduct examination of American Mobile Insurance Exchange was designed to review and evaluate American Mobile's Hurricane Ian and Hurricane Idalia claims-handling operations. It does not document what regulatory or administrative action may be taken by OIR.

Examination Final Report Submission

OIR hereby issues this final report based upon information from the draft report, additional research conducted by OIR, and additional information provided by American Mobile Insurance Exchange.



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