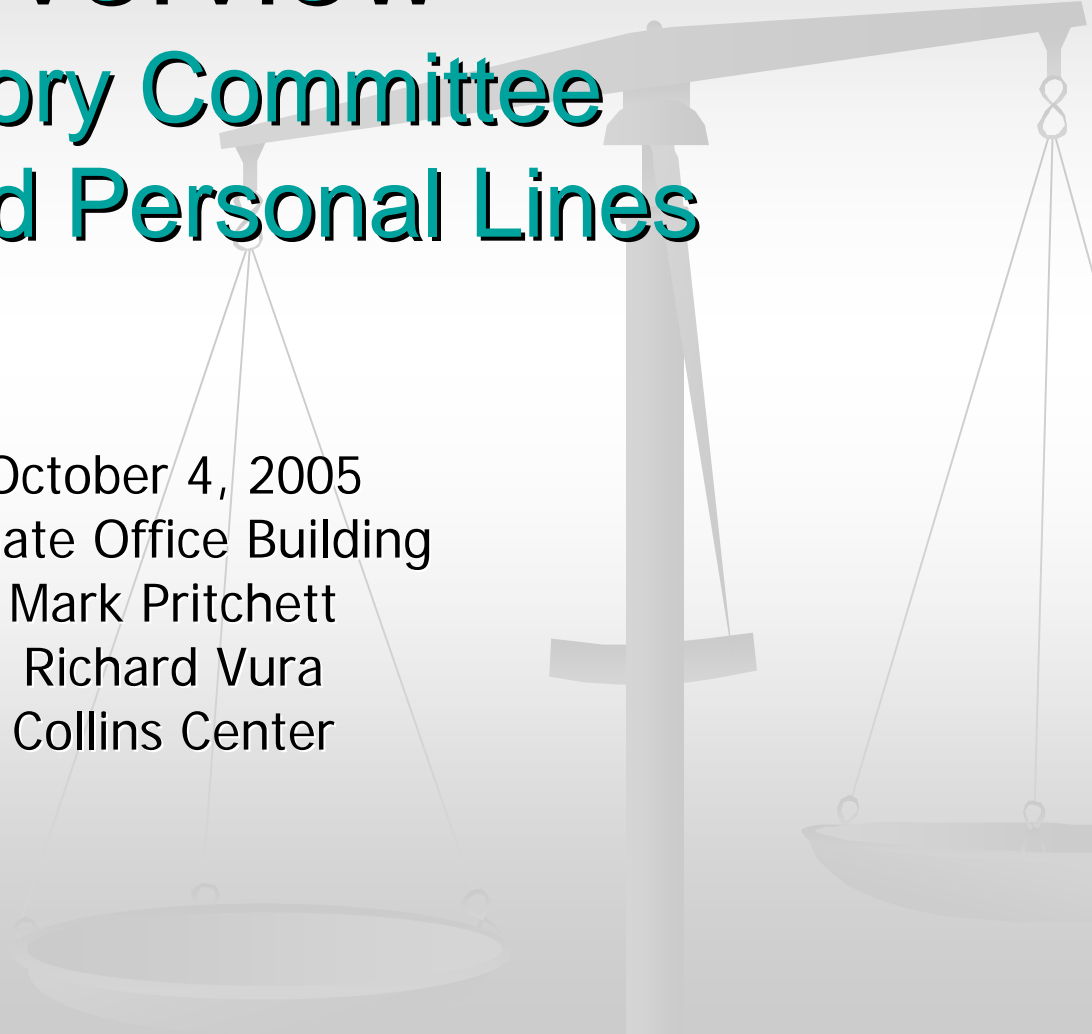


# Hurricane Mediation Overview

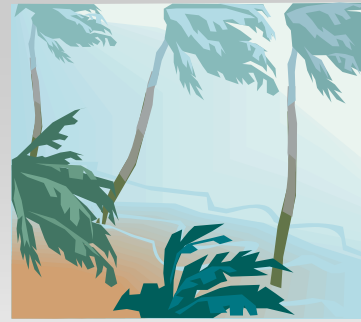
## Advisory Committee Standard Personal Lines



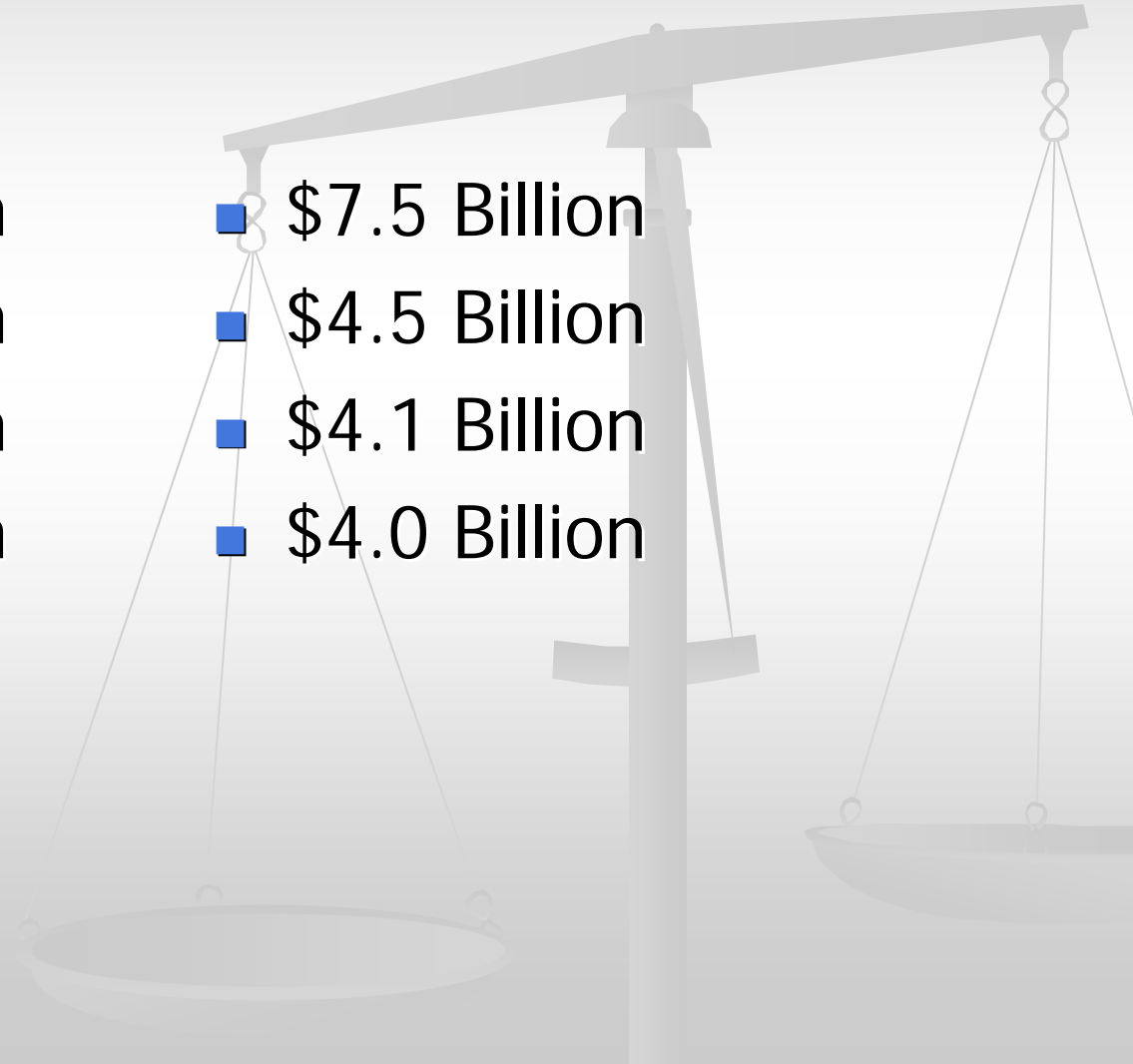
October 4, 2005  
Senate Office Building  
Mark Pritchett  
Richard Vura  
Collins Center

# 4 Major Hurricanes

## August 13-September 26

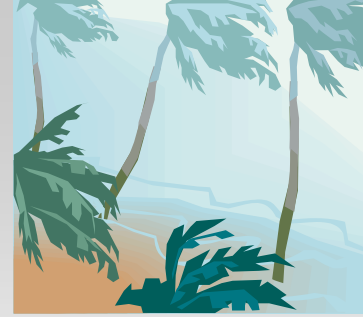


■ Charley	150 mph	■ \$7.5 Billion
■ Frances	105 mph	■ \$4.5 Billion
■ Ivan	130 mph	■ \$4.1 Billion
■ Jeanne	121 mph	■ \$4.0 Billion





# Overview



1. Mediation Process
2. Mediation Statistics
3. Mediation Issues



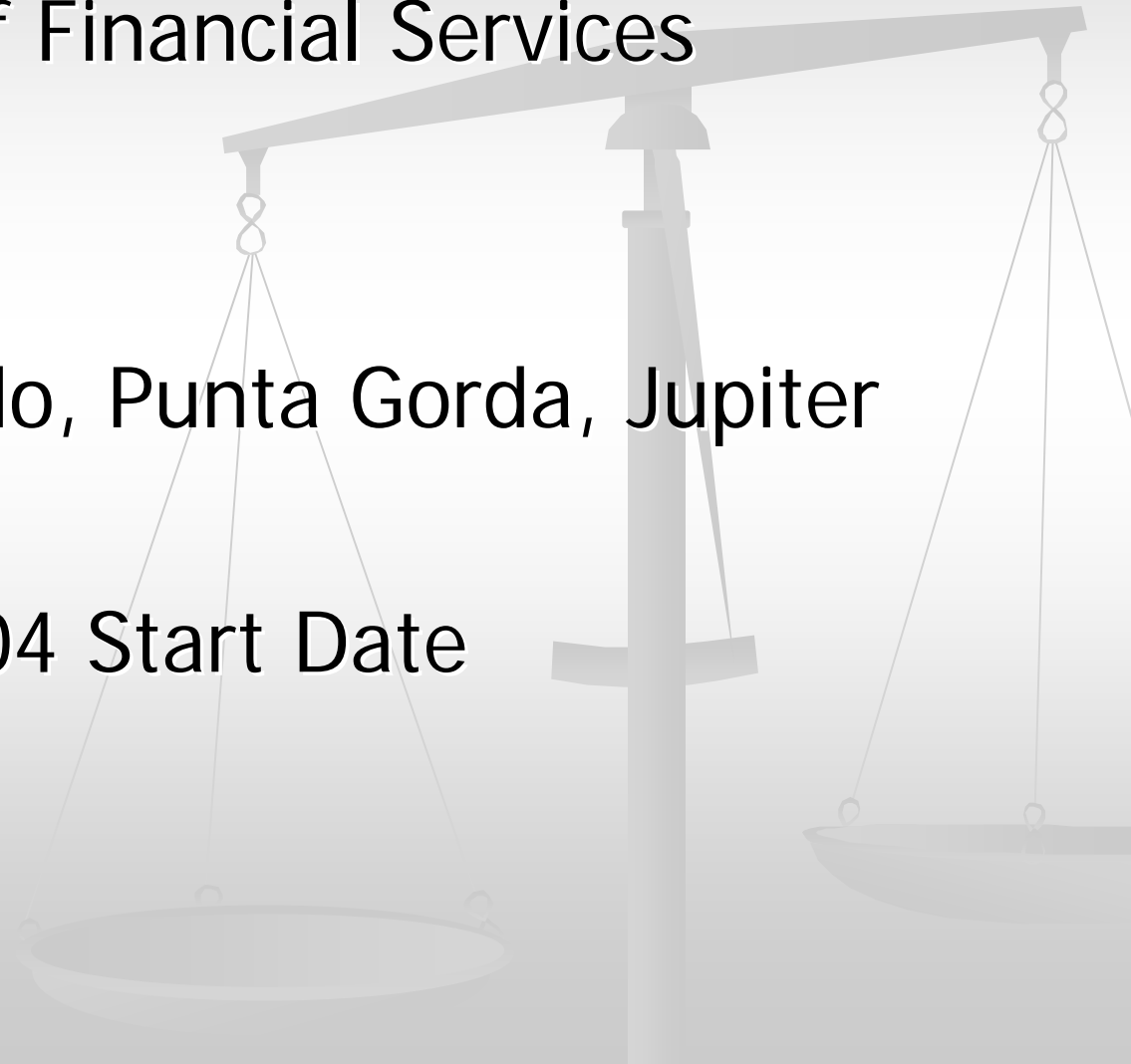
# Mediation Process



1. Department of Financial Services
2. Collins Center
3. 4—Offices

Pensacola, Orlando, Punta Gorda, Jupiter

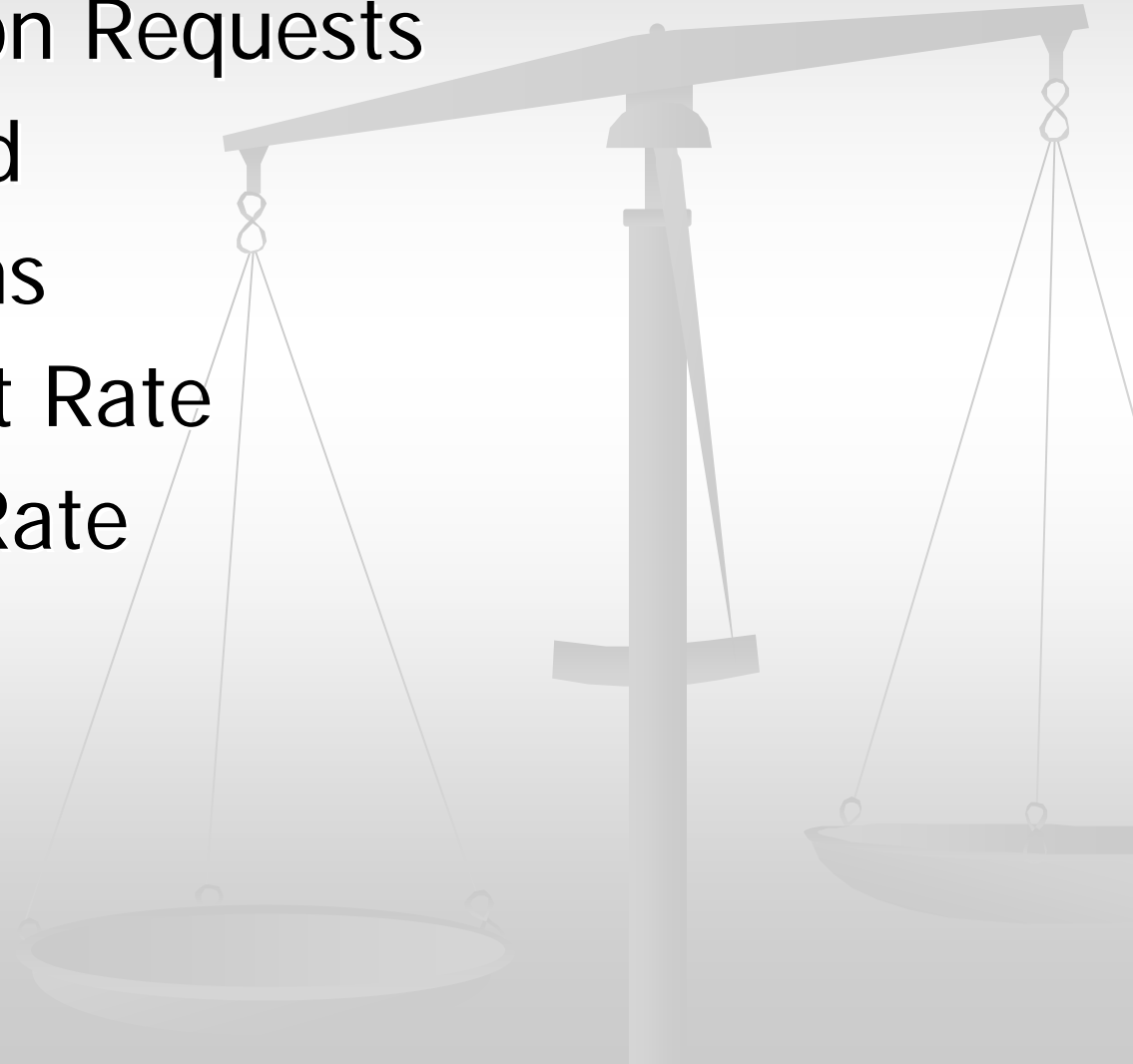
5. 60 mediators
6. November 2004 Start Date



# Mediation Statistics



- 11,776 Mediation Requests
- 50% Pre-Settled
- 4,450 Mediations
- 92% Settlement Rate
- 8% Impasse Rate



# Mediation Statistics: Settlement Rate



1. Punta Gorda 91%
2. Orlando 86%
3. Jupiter 84%
4. Pensacola 78%





# Insurance Issues



## ■ Policy Limits

- ACV v. RCV
- Depreciation Hold Back
- Roof repair v. Replacement
- Debris Removal



# Insurance Issues



## ■ Coverage Issues

- Wind v. Flood (Exclusion)
- Detached Structures
- ALE (Additional Living Expenses)
- Ordinance and Law
- Forced Place Policies



# Insurance Claim Process



## ■ Consumer Duties

- Current Policy
- Extensive Documentation
- Disabled Consumers

## ■ Insurance Company Duties

- Up-to-date Policies
- Claim file
- Multiple Adjusters



# Recommendations



- **Sequential, uncomplicated structure**
  - Conditions-Exclusions-Exceptions
  - Too much back and forth
  - Provide simple ABC's of insurance
- **Explicit, straightforward language**
  - ACV v. RCV– Buried in Loss Settlement Section
  - Avoid jargon (peril, endorsements, “in the aggregate”)
- **Consumer education—needs improvement**
  - DFS booklet complicated and too long
  - Provide simple examples of how coverage works
  - Provide concise insurance education workshops