



Commercial Lines Bulletin

Writing New Commercial Lines Business with Citizens

March 14, 2023

Citizens is experiencing an increase in new-business applications from commercial property owners that are unable to obtain coverage in the private market. We have increased the operational capacity of the Commercial Underwriting Department and adjusted our processes to ensure timely and accurate service to agents and applicants.

Overview of New-Business Processes

The guidelines outlined below will provide you the confidence to write new business with Citizens and clarify our stance with applicants, ensuring better results.

Process Updates	Agent/Customer Impact
Application Submission Period	Applications can be submitted and agents can obtain quotes within PolicyCenter® up to 60 days prior to the effective date of coverage. Policies with Coverage A over \$10 million should be submitted 30 days in advance of the requested effective date.
Prioritization of New-Business Applications	Citizens' Underwriting Department handles all new-business applications based on the date submitted. Normal turnaround time is fewer than 12 business days. Agents can retain the <i>Effective Date</i> submitted on the application if it is submitted before the effective date of coverage and the risk meets all underwriting requirements. The processing time can be significantly reduced when required documents are submitted with the completed application.
Commercial Policy Quoting	Applications for buildings valued below \$10 million for Coverage A can be quoted within PolicyCenter. Applications for buildings valued over \$10 million must be submitted to Citizens prior to the effective date for quoting by an underwriter, preferably at least 30 days prior to the desired effective date.

<p>Application Effective Dates</p>	<p>An application should not have an effective date prior to the date the applicant's current policy expires and should not be submitted to Citizens.</p> <p>Applicants who are currently insured should make a diligent effort to acquire coverage in the private market. Applicants should only seek coverage to replace an expiring or nonrenewing policy.</p>
<p>Submission Payment Deadline Extended</p>	<p>As of February 22, 2023, the deadline for Commercial Lines new-business submission payments has been extended from five business days to 10 business days from the policy effective date.</p> <p>This allows additional time to process the risk for agents and underwriters.</p> <p><i>Note:</i> Submissions automatically expire in 10 business days from either the effective date or the date the agent selects Accept and Print App, whichever is later.</p>

Notes:

- Citizens does not offer exceptions or discounted pricing based on agent relationships. All submissions are evaluated based on our rules and any variation in price depends on the deductibles selected by the applicant as well as any other optional coverage features.
- We recommend obtaining and submitting documentation to Citizens as soon as possible for conditional nonrenewals for both admitted and surplus carriers to provide the best service to the applicant in anticipation that the carrier will not offer a renewal.

Eligibility of Properties with Existing Damage and/or Poor Maintenance

Most buildings with existing damage, poor maintenance records or structural defects are not eligible for a Citizens policy.

Properties with existing damage are deemed ineligible per *Rule 103: Ineligible Risks*, located in the *Underwriting Guidelines*. Underwriters review each situation based on its own merit and make a decision within our underwriting rules. Knowing and providing the following information helps the underwriter in these situations:

- What is the extent of the damage (critical)?
- What is being done to mitigate the damage?
- What repairs are under contract?
 - Was a down payment made?
 - What is the expected completion date?

Roof and Electrical Systems Requirements for Older Buildings

Building update requirements for inspections, roof and electrical systems are located in the *Required Document Guides* section. See [Resources](#) below.

Note: Proof of replacement is necessary for flat roofs.

Inspections

Citizens will inspect properties after a new-business policy has been issued to ensure the property meets our specified condition and quality standards. We will issue a cancellation notice within as little as 25 days if any deficiencies are identified through the inspection process. All deficiencies must be fully remediated for the policy to be reinstated or approved upon resubmission.

Resources

Log in to the *Agents* site:

- New! [Commercial Lines Resources Guide](#), in the *Spotlight* section on the right under *Resources*
- Select [Commercial](#), and then the appropriate policy type on the left:
 - Select the manuals from the center menu and review the *Underwriting Guidelines, Rule 103: Ineligible Risks*, for older roof and electrical rules.
 - Look in the *Spotlight* section for the *Required Document Guides* on the right.
- Select **Training > Commercial Job Aids** to access:
 - [New Business Submission Guide](#)
 - [Uploading and Linking Documents](#)
 - New! [Commercial Lines Resources Guide](#), in the *Learn More* section on the right under *Resources*
 - *Required Document Guides* in the *Learn More* section on the right
- Select **Training > Live Education** for upcoming Citizens-sponsored training events and webinars.

Appointed agents can submit questions to Citizens by replying to this email or logging in to the *Agents* website and choosing the *Contact Us* link on the top of the page. Citizens will respond within five business days. Agents also can contact the Customer Care Center at 888.685.1555.

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Citizens Property Insurance Corporation
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