

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

DEPOPULATION PROGRAM – Round 22

FREQUENTLY ASKED QUESTIONS

1. What are the key points for a producer to consider?

Producers should have discussions with depopulation companies regarding the following:

- Financial stability of the depopulation insurers
- How coverage forms and rates will compare with Louisiana Citizens. Note that some take out companies' policies will have coverage limitations not found in Louisiana Citizens policies.
- A key issue in handling renewals will be insurance to value – producers should evaluate any impact of ITV on renewal premiums
- Other products the depopulation insurer will provide or require
- Review of business methods of the depopulation companies
- Acceptable producer contracts and compensation
- When the depopulation insurer begins to write policies on their paper it is expected they will handle these conversions as renewals; however, this should be confirmed with the depopulation insurer

2. What are the key dates that concern the producer?

Starting September 15, 2025, producers can access the depopulation portal to view and authorize any offers from take-out companies for assumption. Producers will have access to the portal until October 31, 2025.

3. What id and password should be used to access the depopulation portal?

The depopulation portal can be accessed through EPIC with the producer's system administrator's 4-digit login.

4. How does a producer authorize a policy on the portal?

The Depop Agent Portal menu item will display once logged into EPIC as the producer's system administrator. The portal will display the producer's policies up for take-out and indicate whether any companies have requested the policies. The producer can authorize a policy for assumption by choosing one company for each policy. The policy will remain with Citizens if the choice remains "LCPIC".

5. What happens if a producer does not authorize assumption of a policy?

If a producer does not approve a policy for assumption, it will remain with Citizens.

6. Will the take-out company provide the same coverage as Citizens?

Coverage should generally be the same as Louisiana Citizens, but individual companies may have some limitations in coverage not found in the Citizens policies. Producers should review the take-out companies' forms approved by the Louisiana Department of Insurance and make sure that coverage is appropriate for policyholders.

7. How will the take-out companies' rates differ from those of Citizens?

The companies involved in the take-out process have generally agreed to provide the same or better rates as Citizens. However, this may vary by company and by policy and should be confirmed with the company. Producers should review the take-out companies' rate structure as approved by the Louisiana Department of Insurance.

8. Will the producer be affected if a policy is assumed?

The current producer will remain the agent of record on all policies assumed by a depopulation company.

9. How will policy changes be handled?

Citizens will continue to maintain the policy until expiration. Citizens will also renew assumed policies until February 28, 2026. The take-out company will renew the policy on their paper starting March 1, 2026.

10. How will losses be handled?

All losses for assumed policies occurring on or after December 1, 2025 will be handled by the take-out companies. Losses occurring prior to December 1, 2025 will be handled by Citizens.

11. Will there be additional depopulations after this round?

In accordance with LSA-R.S. 22:2314, policies may be available for depopulation in subsequent rounds.

12. Will the take-out companies be writing policies in the voluntary market?

Several depopulation companies are writing in the voluntary market.

13. Will policyholders be notified about the assumption?

Prior to December 1, 2025, producers and policyholders will be formally notified of the assumption by both the depopulation insurer and Louisiana Citizens.

14. Can a policyholder opt out of the assumption?

Yes, the policyholder can opt out of the assumption through February 28, 2026. The opt-out form is available on the Citizens website.

If a policyholder opts out of the assumption and chooses to continue their coverage with Citizens, the policy will be “unassumed” and Citizens will take the policy back effective December 1, 2025.