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**FLORIDA HURRICANE CATASTROPHE FUND (FHCF)**  
**LOSS REIMBURSEMENT EXAMINATION – CONTRACT YEAR 2010**  
**ADVANCE PREPARATION INSTRUCTIONS**

**Company:**

**Date Examination Scheduled:**

**Date Required Records Due:**

**Events:** (Event Name) – Proof of Loss Report with losses as of:  
(Event Name) – Proof of Loss Report with losses as of:  
(Event Name) – Proof of Loss Report with losses as of:

In order for the examiner to properly conduct and expedite an early conclusion of the Loss Reimbursement Examination, please follow the guidelines below. If more than one company is under examination, preparation of separate data for each company is necessary. If more than one contract year is scheduled for examination, preparation and submission of separate data for each contract year is necessary.

**(1) Company Coordinator:**

All correspondence will be directed through the Company Coordinator you have designated. The Company Coordinator will be contacted periodically by FHCF staff and the examiner to ensure proper receipt of records and to help guide the Company Coordinator in the preparation of information needed to expedite the examination. Your Company Coordinator may wish to provide the names of people whom the examiner can directly contact for answers to the many questions the examination generates. Please remember that if you do not understand what we need, feel free to ask questions.

**(2) Equipment and Space:**

The examiner will need a private working space, dedicated telephone line and telephone, and an internet connection.

**(3) Work Processes:**

If, at any time, you have questions about the activities or work processes of the examiner, which cannot be adequately answered by the examiner, please call Gina T. Wilson, Director of Examinations, at 850-413-1348.

**(4) Required Records:**

**A. Required Records to be submitted to the FHCF in advance:**

**Claims Process Memo**

Provide a written narrative of your Company's hurricane claim process. The narrative should start with how a claim is originated to the time the claim is paid. Please indicate the name and title of primary employees with responsibilities in the process.

**Detailed Claims Listing(s)**

Your Company is required to maintain records of all losses paid by the FHCF until the FHCF has completed its examination of the Company. The records retention requirement, as stipulated in the Proof of Loss Report, page 2, requires the Company to maintain all records, including the Proof of Loss Report, correspondence and supporting documentation to support the losses reported to the FHCF.

The Detailed Claims Listing, which supports the losses reported in the Proof of Loss Report(s), by hurricane, must match the aggregate total amounts for paid losses and outstanding losses reported on page 1 of the Proof of Loss Report. The Detailed Claims Listing must be provided as a Microsoft Access database or in a fixed-width ASCII (text) format, and contain the following fields (do not include symbols, such as -, +, #, \$, ", /) in the order listed. Please note: Policy numbers in the Detailed Claims Listing must be in the same format as policy numbers provided in the Exposure Exam File.

FIELD #	DESCRIPTION	POSITION	LENGTH	TYPE	NOTES
1	Claim Number	1	20	Text	Only numbers and letters are acceptable.
2	Date of Loss	21	8	Text	mmddyyyy
3	Policy Number	29	30	Text	Only numbers and letters are acceptable and must match the policy numbers and format provided in the 2010 Exposure Exam File for policies required to be reported at 6/30/10
4	Policy Effective Date	59	8	Text	mmddyyyy
5	FHCF Type of Business Code	67	1	Text	Only use the codes on pg 8 of the Contract Year 2010 FHCF Data Call
6	County Code	68	3	Text	Only use the codes on pg 26 of the Contract Year 2010 FHCF Data Call
7	County Name	71	20	Text	All capital letters
8	ZIP Code	91	5	Text	
9	Paid Loss – Habitational Building*	96	12	Text	Enter zeros if none
10	Paid Loss – Appurtenant Structures *	108	12	Text	Enter zeros if none
11	Paid Loss – Contents *	120	12	Text	Enter zeros if none
12	Paid Loss – Additional Living Expense *	132	12	Text	Enter zeros if none
13	Outstanding Loss Reserve	144	12	Text	Enter zeros if none

**\* A breakdown of paid losses is required.**

**Example:** A record with the following information

FIELD #	DESCRIPTION	TYPE	ENTRY
1	Claim Number		336733
2	Date of Loss		09102010
3	Policy Number		HCP5670996
4	Policy Effective Date		02152010
5	FHCF Type of Business Code	Residential	2
6	County Code		049
7	County Name		HARDEE
8	ZIP Code		33890
9	Paid Loss – Habitational Building		12100
10	Paid Loss – Appurtenant Structures		3600
11	Paid Loss - Contents		8000
12	Paid Loss – Additional Living Expense		1500
13	Outstanding Loss Reserve		5000

Sample record layout:

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000000000000003367330910201000000000000000000000HCP56709960215201020490
00000000000000HARDEE33890000000012100000000003600000000008000000000001
5000000000005000
```

Each record must have this type of layout. Since each field has a defined length, please “zero fill” the position in each field that will not be used. Each record must be 155 characters in length.

**Provide a separate Detailed Claims Listing to support the Proof of Loss Report(s) for each event listed on the first page of these instructions.** If your company is unable to provide a Detailed Claims Listing that matches the losses reported in the Proof of Loss Report(s), you should immediately contact the FHCF staff for further instructions.

**Incurred But Not Reported (IBNR)**

In addition to the Detailed Claims Listing(s), your company is required to submit documentation to support the amount of IBNR reported for each Proof of Loss Report and event listed above.

**List of Claims with Salvage**

The Company is required to provide a listing of all FHCF covered claims where salvage was received. This listing must be provided as a Microsoft Access database or in a delimited ASCII (text) format.

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The listing must contain a single record for each policy with the following information:

<b>FIELD #</b>	<b>DESCRIPTION</b>	<b>TYPE</b>	<b>NOTES</b>
1	Claim Number	Text	
2	Policy Number	Text	
3	Salvage Received	Text	

### **Multi-State Policy Listing**

The Company is required to provide a listing of all FHCF covered commercial policies in effect during the 2010 hurricane season that have exposures written with Florida and non-Florida locations on the same policy. This list includes all policies regardless of whether or not a claim was reported to the FHCF for the policy and must be provided as a Microsoft Access database or in a delimited ASCII (text) format.

The listing must contain a single record for each policy with the following information:

<b>FIELD #</b>	<b>DESCRIPTION</b>	<b>TYPE</b>	<b>NOTES</b>
1	Policy Number	Text	Only numbers and letters are acceptable and must match the policy numbers and format provided in the 2010 Exposure Exam File, if the policy was required to be reported
2	FHCF Type of Business Code	Text	Only use the codes on pg 8 of the 2010 FHCF Data Call

### **Multi-Risk Policy Listing**

The Company is required to provide a listing of all FHCF covered commercial policies in effect during the 2010 hurricane season that have both covered and non-covered risks written on the same policy. This list includes all policies regardless of whether or not a claim was reported for the policy and must be provided as a Microsoft Access database or in a delimited ASCII (text) format.

The listing must contain a single record for each policy with the following information:

<b>FIELD #</b>	<b>DESCRIPTION</b>	<b>TYPE</b>	<b>NOTES</b>
1	Policy Number	Text	Only numbers and letters are acceptable and must match the policy numbers and format provided in the 2010 Exposure Exam File, if the policy was required to be reported
2	FHCF Type of Business Code	Text	Only use the codes on pg 8 of the 2010 FHCF Data Call

### **Single Structures Policy Listing**

The Company is required to provide a listing of all FHCF covered policies in effect during the 2010 hurricane season that insure single structure(s) that are used for both habitational and non-habitational purposes. This listing includes all policies regardless of whether or not a claim was reported for the policy and must be provided as a Microsoft Access database or in a delimited ASCII (text) format.

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The listing must contain a single record for each policy with the following information:

<b>FIELD #</b>	<b>DESCRIPTION</b>	<b>TYPE</b>	<b>NOTES</b>
1	Policy Number	Text	Only numbers and letters are acceptable and must match the policy numbers and format provided in the 2010 Exposure Exam File, if the policy was required to be reported
2	FHCF Type of Business Code	Text	Only use the codes on pg 8 of the 2010 FHCF Data Call
3	Class Code	Text	Only numbers and letters are acceptable

### **Required Records Checklist and Operations Questionnaire**

In addition to the records outlined above, attached are a Required Records Checklist and a Claims Operations Questionnaire that should be prepared electronically and submitted to the FHCF in advance. The individual responsible for preparing the questionnaire should be available to answer questions once the examiner arrives on site.

### **Remittance of Required Documents**

The reports must be provided on a CD-ROM that is labeled with the Company name, contract year, hurricane(s) and file name. Save each Detailed Claims Listing with the name applicable to each hurricane. Be sure to check your CD-ROM to be certain the files were saved and can be opened.

#### **B. Required Records to Have Available On Site:**

The examiner will also be requesting claims and policy files, based on the sample selection, to be available once the examiner arrives on site. The claims and policy files can be provided either in electronic or hard copy format. The files should be made available upon request and should contain at least the following information:

##### **Claim File (the complete file)**

- a. Claim Number
- b. Date of Loss
- c. Amount of loss
- d. Claim description
- e. Policy Number and location of property
- f. Amount of loss adjustment expense
- g. Copies of checks for payment of losses
- h. Adjuster's reports with estimate of losses
- i. Evidence of salvage received, if any
- j. Evidence deductible was applied
- k. Receipts for any additional living expenses paid
- l. Evidence the claim was the direct result of a hurricane

##### **Policy File (the complete file in effect at the time of loss)**

- a. Insured's Name
- b. Address and ZIP Code for location of property insured

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- c. Policy Number
  - d. Policy Period
  - e. Construction Type
  - f. Deductible Group
  - g. County Code
  - h. County Name
  - i. Total Insured Values
  - j. Evidence to support occupancy is primary or secondary residence
  - k. All applicable endorsements and policy changes

If your Company retains claims and/or policy files on an on-line system, this will be acceptable for the review of residential lines of business as long as the items listed above are available on that system and the examiner determines the system information can be relied on. If the examiner determines the on-line system cannot be used for policy review, then the examiner will need policy files including the application and underwriting files for the specific policies being reviewed. Also, if the Company's on-line system is not the same system that produces the Company's dec pages, then the actual files will need to be provided to the examiner.

**For any commercial policies reviewed, you are required to provide the complete policy file, underwriting file, application, commercial class codes, and statement of values.**

**(5) Additional Requirements:**

The Company may be required to provide a walk through of the claims process once the examiner arrives on site. The examiner will coordinate with the Company prior to arriving on site and provide direction on performing the walk through. The Company should make prior arrangements for the examiner to conduct this walk through with the necessary personnel. Be certain an individual familiar with the Company's claims process is available to answer questions before and during the examination.

If claims and/or policy files are in more than one location, your Company is responsible for coordinating the retrieval of the files to one central location.

Also, provide the examiner with a copy of the claims manual for claims covered by the FHCF and the name of a contact familiar with this manual. It is preferable that the claims manual be provided in electronic format.