

Helpful Information for State Farm Florida Policyholders

As part of an effort by Commissioner McCarty to help State Farm Florida customers during the company's proposed transition of its homeowners' coverage from State Farm, here is some important information about time lines:

- **State Farm may not proceed with its proposed withdrawal plan until the pending legal issues are resolved.**
- If your policy is renewed before the proposed withdrawal plan officially begins, you are covered for the 12 months specified in your policy. **You cannot be cancelled as part of the proposed withdrawal plan until your policy term has ended.**
- In February 2009, the [OIR issued an order](#) approving State Farm's withdrawal plan with certain conditions. Although discussions between both parties are confidential, the OIR has ongoing concerns related to three areas of State Farm's proposed withdrawal plan:
 - There was no plan for handling the existing policies other than to dump them into Citizens.
 - State Farm did not/does not intend to give its agents the ability to place existing policies with companies other than Citizens.
 - The OIR wants immediate surrender of State Farm's certificate of authority (license), but the company wants to hold it until the conclusion of the proposed two-year term of the withdrawal plan.
- In March 2009, State Farm filed a [petition](#) with the OIR requesting a hearing at the Division of Administrative Hearings (DOAH) to contest OIR's conditional approval of the company's withdrawal plan. A DOAH hearing was scheduled.
- [On May 7](#), both parties asked the DOAH administrative law judge (ALJ) for more time to discuss the withdrawal plan issues before going to a formal hearing. [On June 12](#), both parties asked for another month to continue discussions. On July 15, [both sides reported the progress of discussions to the DOAH ALJ](#) and a formal hearing has been set for Jan. 25, 2010 in Tallahassee.
- DOAH is just the first step in the litigation process. If it receives an unfavorable result at DOAH, State Farm has the option to appeal the DOAH ruling to the First Circuit Court of Appeal - an action which would continue to hold the proposed withdrawal plan and the OIR's order in abeyance until the court issues a ruling.
- State Farm must provide customers with 180 days (6 months) notice before their policies are non-renewed.
- Homeowners' policies are annual contracts, so a specific customer's non-renewal notice must be sent six months before the scheduled expiration of their policy.
- State Farm customers should talk to their State Farm agent or to an independent agent for help researching other insurance options that will best suit their individual needs and circumstances.
- A State Farm customer may choose Citizens Property Insurance Corp., if the customer meets eligibility requirements for Citizens coverage.
- If OIR's conditional approval of State Farm's proposed withdrawal plan is approved by the courts, State Farm will continue to service its customers' policies until the last policy has been non-renewed.

- Other helpful resources for obtaining coverage with another qualified insurer:

Shop and Compare Rates <<http://www.shopandcomparerates.com/>>

Florida Market Assistance Plan <<http://www.fmap.org/>>