



Attention Producers: MAIPF Servicing Carrier Withdraws from Program

Citizens Insurance Company has given notice to the MAIPF that they are voluntarily withdrawing as a Private Passenger Servicing Carrier. Over the remainder of 2017, MAIPF and Citizens will be working together to transition them out of the MAIPF process.

When will Citizens stop accepting new applications?

Effective June 1, 2017, Citizens will no longer be available for selection as a preferred servicing carrier. As of that date, no new applications will be assigned to Citizens.

What will happen to my existing MAIPF business with Citizens?

Current MAIPF policies with Citizens expiring July 1, 2017 and later will not be renewed with Citizens. The policyholder will receive a letter approximately 60 days prior to the expiration date of their policy explaining the process and outlining their options (a copy of this notice is attached). The policyholder will then receive the non-renewal notice from Citizens approximately 45 days prior to the expiration date of their policy.

Producers are strongly encouraged to work with their insureds prior to their renewal date to facilitate their placement with a voluntary market carrier. If alternative coverage is available, it is permissible to cancel the MAIPF policy prior to its expiration date and place coverage elsewhere.

What if I am unable to place my insured with another carrier?

As long as the insured is not being non-renewed for underwriting reasons, the MAIPF will place the coverage with one of the other servicing carriers. The MAIPF will be contacting producers to remind them to place coverage with another carrier. If the MAIPF is unable confirm alternate coverage, the insured will be assigned to another servicing carrier. If a producer advises the MAIPF in writing that they have placed coverage elsewhere effective the expiration date of the MAIPF policy (meaning the MAIPF policy will not be cancelled prior to the expiration date), the policy will not be assigned to another servicing carrier.

What will happen to my MAIPF insureds who have open claims through Citizens?

Citizens will continue to service any and all of their open MAIPF claims. There should be no disruption to this group of insureds regarding their claims process and handling.

Does MAIPF have any experience converting a book of business like this?

Yes, a servicing carrier has voluntarily withdrawn in the past. The process went very well. One of the main factors that led to the success of the process was that producers moved their MAIPF policies from the withdrawing carrier much sooner than the expiration date. Most producers found that coverage could be written through the voluntary market. Only a very small number of policies needed to be moved to another servicing carrier.

Below is the language that will be contained in the notice to go out to insureds approximately 60 days prior to the expiration date of the policy:

[DATE]

Important Notice Regarding Your Policy

[INSUREDNAME]

[INSUREDNAME2]

[ADDRESS1]

[CITY], [STATE] [ZIP]

Dear [INSUREDNAME],

Effective January 1, 2018 Citizens Insurance Company will no longer act as a servicing carrier for the Michigan Automobile Insurance Placement Facility.

Your policy [POLICYNUMBER] will not be renewed by Citizens when it expires on [EXPIRATIONDATE].

To continue your coverage through the Michigan Automobile Insurance Placement Facility, please contact your agent:

[AGENTNAME]

[AGENTADDRESS]

[CITY], [STATE] [ZIP]

[AGENTPHONENUMBER]

You may select from the following servicing carriers:

Auto Club Insurance Association

Auto Owners Insurance Company

State Farm Mutual Auto Insurance Company

You may also be eligible for coverage in the voluntary market. Your agent can assist you with this.

If you choose to take no action, your policy will be assigned to one of the servicing carriers listed above in accordance with our assignment procedures.

Any questions you have about this process should be directed to your agent. You may also contact the Michigan Automobile Insurance Placement Facility at (734) 464-1100 x200.

Sincerely,

Citizens Insurance Company