

## Florida Residents 'Scared' as State's Largest Insurer Upends Policies

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Florida residents are worried about their insurance as the state's largest provider plans to off-load hundreds of thousands of policies.

Regulators in Florida have approved a proposal for the state-backed Citizens Property Insurance Corp. to transfer more than 300,000 policies to private insurers in December, as the insurer tries to reduce its risk amid overwhelming demand.

Residents are concerned that they could see higher premiums—which are already the highest in the nation—or have their claims denied, especially in the wake of the two major hurricanes that recently struck the state.

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"I'm scared about what's going to happen ... if we're going to be paying more money than what we pay with Citizens," Nancy Morales told CBS News Miami.

Morales said she submitted a claim to Citizens for the roof of her house and is worried she might end up being dropped sooner as a result.

Citizens spokesperson Michael Peltier told CBS of the policy shedding, "These notices that have gone out are part of the process that spans months."

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"The market is getting healthier, and we've seen over the last several months that there's been a lot more interest from private companies to come back into the state of Florida," he added.

Peltier told Newsweek in an emailed statement: "Policyholders cannot be canceled for filing hurricane claims, and premiums cannot be increased due to catastrophic losses like hurricanes. We use mathematical models—not actual losses—to set rates for wind coverage."

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Florida Governor [Ron DeSantis](#) said earlier this year that Citizens was "not solvent." He added, "We can't have millions of people on that because if a storm hits, it's going to cause problems for the state."

Florida homeowners already pay the highest insurance premiums in the country, on average \$11,163 a year, as of July 2024, according to data shared with Newsweek by the virtual insurance company Insurify. The national average premium at the time was \$2,435 per year.

Homeowners in the state may also face their claims being denied, as analysts warn of a trend of denied payments.

Almost half of all damage claims made by Florida homeowners with three of the state's large providers—Castle Key Indemnity, State Farm and Castle Key Insurance—in 2023 did not result in a payment, according to a report by the insurance ratings company Weiss Ratings.

*Update 10/18/24, 1:10 p.m. ET: This article was updated with comment from Michael Peltier, a spokesperson for Citizens Property Insurance Corp.*