

10-8-2024

Florida's largest insurer issues Hurricane Milton warning to policyholders

Story by Alia Shoaib

• 7h •

Citizens Insurance, Florida's largest insurer, has warned its policyholders to prepare themselves ahead of Hurricane Milton, which is [expected to hit the state](#) in the coming days.

"We're asking storm-weary Citizens policyholders and all Floridians to again prepare themselves for a major hurricane," Tim Cerio, Citizens' President and CEO said in a press release.

"Now is the time to prepare. Pay attention and heed the advice of local emergency officials, Citizens will be there to assist soon after the storm passes."

More From Newsweek Vault: [How Much Equity Do You Need for a Mortgage Refinance?](#)

The insurer urged its policyholders to verify that the company has up-to-date contact and mortgage company information, and to ensure that all key property and family information is stored in a safe, waterproof location.

It also urges Florida residents to keep safe by packing a disaster supply kit, researching evacuation routes, and developing a family communication plan that includes emergency contact information.

Citizens Insurance was established as a state-backed insurer of last resort in response to Florida residents struggling to obtain policies amid a major surge in premiums among private insurers.

Despite its intended purpose of being an insurer of last resort, Citizens has become the largest insurer in the state.

More From Newsweek Vault: [Current HELOC Rates](#)

Due to overwhelming demand, Citizens is set to transfer over 600,000 policies to private insurers starting in late October.

Home insurance prices have been driven up in the state due to the state's vulnerability to hurricanes and tropical storms.

Hurricane Milton is set to hit the Sunshine State less than two weeks after it was ravaged by Hurricane Helene.

The two back-to-back natural disasters are set to put further pressure on Florida's already strained insurance market.

"With Hurricane Milton, insurers' claims teams that may already be taxed after Helene will be under further stress," Betsy Stella, the vice president of carrier management and operations at Insurify, told *Newsweek*.

She added: "Insurers are hoping that they priced premiums to match this season's risk. However, it will be some time before they will know if that is the case."

"What we do know is the market will be affected by inflated pricing of replacement materials, as well as by storm-chasing contractors, and fraud. All of this will likely drive up claim costs and could increase premiums in the future." *

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 this time was \$2,435 per year.

Florida's Insurance Market Lashed as Residents Face Hurricane Milton

Published Oct 08, 2024 at 5:43 AM EDT Updated Oct 08, 2024 at 6:41 PM EDT

By [Alia Shoaib](#)
Freelance News Reporter
[FOLLOW](#)

Florida's already strained insurance market is still reeling from the destruction of Hurricane Helene, and is now due to face further pressure with [Hurricane Milton barreling toward the state](#).

Mark Friedlander, the director of corporate communications at the Insurance Information Institute (Triple-I), told *Newsweek* that Hurricane Milton is set to be even more burdensome for insurers than Helene.

Friedlander said that based on current forecasts, Milton will likely be a "much larger windstorm loss event" than the last three landfall Florida hurricanes combined—Idalia in 2023 and Debby and Helene this year.

More From Newsweek Vault: [How Much Equity Do You Need for a Mortgage Refinance?](#)

Damage caused by winds is generally covered by property insurance, while damage caused by flooding is covered by a flood insurance policy.

Florida homeowners are already paying the highest insurance premiums in the country. Homeowners in the state paid an average annual premium of \$11,163 as of July 2024, according to data shared with *Newsweek* by the virtual insurance company Insurify. The national average premium at this time was \$2,435 per year.

These premiums have skyrocketed partly because of Florida's increased risk of natural disasters.

The extent of [the damage caused by Helene](#) is still unclear, with insured loss estimates widely varying.