

The following response was written by Bill Newton, President of the Florida Consumer Action Network to a blog I posted on October 10, 2011. It is reproduced here as reference for a blog posted 10/16/2011. The blog to which Newton is responding below was Titled, Citizens New Board, New Direction and it dealt with actions the Citizens board could take towards depopulation without the necessity of changing the statutes.

Scott, No, Citizens doesn't get all the "good" business. Just the opposite. Citizens takes the customers the private insurers don't want. The private insurers decided last year they wanted the over \$500k homes back, and the legislature complied. Those are some "good" customers, with lots to insure and that always pay their large bills. But with no hurricanes in recent years, maybe the private market would be willing to take some of them back. Profits are up, and rates could be lowered, attracting more customers.

Why do you insist the way to operate Citizens is to do things that are not in the best interests of the customers? I assume it is to benefit the private market, your employers. But Citizens board should serve their customers, providing the best product possible, at the lowest cost. What is wrong with that? Anything else is a disservice to the Citizens consumers and a subsidy to the private market.

The private market already gets big subsidies from the taxpayers in the form of low cost hurricane back-up coverage and a place to dump any customers they don't want.

I thought the line was that the government couldn't possibly match the efficiency of the private market. Surely consumer suffer grievously at the hands of Citizens customer service. But strangely, people seem to prefer their Citizens coverage. True there are complaints about Citizens immunity from "bad faith" and that should change.

So why do you want the board to run Citizens into the ground, if not to benefit the private companies at the expense of the consumers? What kind of public policy is that? Of, by, and for the corporations?

#end#