



Reinsurance to Assist Policyholders Program (RAP) Frequently Asked Questions

1. What is the RAP Program?

The Reinsurance to Assist Policyholders program (RAP), created by the Florida Legislature and signed into law on May 26, 2022, established [Section 215.5551, Florida Statutes](#). The RAP program is administered by the State Board of Administration (SBA). The RAP program provides a non-recurring total of \$2 billion in coverage for a portion of a RAP insurer's hurricane losses.

2. Who is required to participate in the RAP Program?

All insurers participating in the Florida Hurricane Catastrophe Fund (FHCF) on June 1, 2022, are required to participate in the RAP Program. Citizens Property Insurance Corporation or any insurer certified by the Office of Insurance Regulation to be in an unsound financial condition as outlined in [s. 215.5551\(5\)\(a\), F.S.](#) will be excluded from participating in the RAP Program.

3. What if my insurance company becomes an FHCF participant after June 1, 2022?

New participants in the FHCF after June 1, 2022, must defer RAP coverage to contract year 2023-2024, if eligible.

4. Will my insurance company be required to defer RAP coverage if it has duplicate private reinsurance coverage?

Yes. A company must defer RAP coverage to the 2023-2024 contract year if it has any private reinsurance that duplicates its RAP coverage.

5. If my company does not have any private reinsurance that duplicates the RAP coverage, can we defer the RAP coverage until contract year 2023-2024?

No. All insurance companies are required to participate in the RAP program with the exception of those outlined in [s. 215.5551\(5\)\(a\), F.S.](#) and excluded by the Florida Office of Insurance Regulation.

6. How and to whom do we provide notice of any private reinsurance that duplicates RAP coverage?

Written notification must be provided to the SBA no later than June 30, 2022, and should be emailed to FHCFAdministrator@paragon.aonbenfield.com. Failure to notify the SBA in writing by this date will automatically enroll an insurer in the RAP program for contract year 2022-2023, unless specifically excluded by the Florida Office of Insurance Regulation.

7. Does my company need to submit documentation to the SBA to disclose it has private reinsurance duplicating the RAP coverage?

No, but a company that makes a determination that its private reinsurance duplicates the RAP coverage in contract year 2022-2023 must defer coverage to contract year 2023-2024 and must provide written notification of that determination to the SBA at FHCFAdministrator@paragon.aonbenfield.com.

8. Have the official payout and retention multiples been released for 2022?

Preliminary multiples were updated on June 22, 2022, and final multiples will be calculated when the actual contract year FHCF premium information is available in December 2022.

9. Do I use the FHCF premium to determine my company's RAP coverage?

Yes. A RAP insurer may determine its actual RAP retention by multiplying its actual FHCF premium by the RAP retention multiple. Additionally, a RAP insurer may determine its RAP maximum payout by multiplying its actual FHCF premium by the RAP payout multiple.

10. When a Company participates in the RAP program in 2022-2023, does it file a new rate filing or can a current filing be modified?

All questions related to rate filings on RAP coverage should be directed to the Office of Insurance Regulation. More information can be found in the [Informational Memorandum OIR-22-02M](#).

11. Is participation required annually?

The RAP coverage is aggregate for a single season and applies to two covered events, as defined in s. 215.555(2)(b), Florida Statutes, causing the largest losses for the RAP insurer that exceed the RAP insurer's RAP retention. A RAP insurer participates during contract year 2022-2023 or is required to defer to contract year 2023-2024.

12. Will my company be required to sign a contract for RAP coverage?

Yes. Contracts for 2022-2023 will be distributed to eligible RAP insurers and RAP insurers that are not required to defer coverage to contract year 2023-2024, on or around July 1, 2022, with a due date of July 15, 2022. Contracts for 2023-2024 will be sent via email on or around February 1, 2023, with a due date of March 1, 2023. Failure to execute the contract by the due date is considered executed by the RAP insurer.