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Sent: Tuesday, April 21, 2026 4:40 PM

To: Obersteadt, Anne <AObersteadt@naic.org>

Subject: A/A Playbook Draft Feedback

Hi Anne,

I wanted to provide some feedback on the A/A Playbook draft on behalf of some staff here at the Illinois Department. Please see below:

Part One:

- Suggestion to switch the order of the sections and start with *Natural Catastrophes and Their Impact on Affordability and Availability* and then list the *Reinsurance* section after it. Understood this may have been a strategic choice by the committee, however.
- **Page 4-5:** Suggestion to include that consumers are oftentimes scared to file claims because they worry that they won't be renewed. So not only are premiums increasing, but consumer confidence is decreasing.
- **Page 7:** Suggestion to recommend including that flood maps can create a false sense of security for individuals living immediately outside of high-risk areas. A large portion of uninsured flood claims are these groups who thought their house was safe because their lender didn't require NFIP/private flood coverage.
- **Page 8:** It's not always the case that consumers can call their department with general insurance questions. That's not really a service our department provides.
- **Page 18:** The rising cost of insurance and the narrower coverages being provided can also lead to consumers being more susceptible to scams and junk plans. Like with health insurance, we see consumers looking for the lowest possible rate.
- **Page 18-19:** There is a severe lack of consumer knowledge with flood coverage. Agents are telling consumers inaccurate info ("Flooding only happens in coastal areas;" "Septic backup riders will cover flood damage," etc). Private insurers are saying they don't offer flood coverage but don't raise awareness of NFIP policies. FEMA isn't providing large-scale consumer education and outreach. Suggestion for this be mentioned when discussing consumer coverage gaps.
- **Pages 19-20:** No mention of unaffordable plans/unavailability potentially driving consumers to the E&S market - may want to reference the discussion later on in the document

- **Page 20:** Error. The third full paragraph references a statistic from an NAIC Meeting Presentation. It was quoted two pages earlier in this report, but quoted differently saying 13% to 40%, where this page says 13% to 38%.
- **Page 21:** Grammatical error in penultimate sentence. Should say “has presented his analysis/his analyses/analyses” (not sure which they’re trying to say here)
- **Page 23:** glad including mention of percentage-based deductibles - seeing this more and more especially for roofs and it can trick people (1% looks like it's much less than \$3,000 when in reality it can be far more). Could be helpful to include this consumer perspective to be wary of.
- **Page 24-25:** Not sure why there is a ***Depreciation of Claims*** section and an ***Actual Cash Value (ACV) v. Replacement Cost Value (RCV)*** section. Recommendation to combine.
- **Page 24:** ACV is explained but it isn't mentioned that the practice is increasing, or that regulators may see it more often if in areas hit hardest by SCS and hail

Part Two:

- Question: How is parametric coverage marketed to consumers to be clear that they would still need homeowners coverage, etc. I’m thinking of the issues we’re seeing with the marketing of hospital indemnity plans and the confusion those excepted benefits can cause. Could be helpful to include this distinction.
- **Page 31:** Suggestion to reference how these states are funding their mitigation grant programs. Legislators would want to know and could be helpful for Departments
- **Page 32:** "Home is becoming smarter" - I think this is a grammatical mistake.
- Thought: May be helpful for NAIC to create a Consumer Guide about Home Smart Tech recommendations. What can consumers purchase that will help them mitigate?
- **Convective Storms:**
 - **Alabama:** Would be helpful to hear any consumer support they’ve provided? Like maybe highlighting their AI Consumer Hotline and whether they’ve seen an uptick in calls due to storms and storm related questions.
 - **Oklahoma:**
 - It’s stated that they distributed public bulletins to consumers along with fraud-prevention guides. Curious about their methods. Do they

have a list serv? How do people sign up? Where do they store consumer data?

- How do they show up and engage at MARC events? What resources do they provide? Who do they send?
- **Mississippi:**
 - Editing note – this section is in the first person. Should match other sections by being third person.

Part Four:

- **Page 92:** In Consumer Awareness portion, would love to know more of the *how*. How are consumers learning about mitigation opportunities. Where are they sharing the information? How are they doing targeted outreach about discounts? Acknowledge this may be outside the scope of the Playbook.
- **Page 100:** under Market Access title, could be helpful to add a subheading to make clear it's CA-specific information being provided. Same note on Page 102 for Partnerships and Capacity Building on CO-specific information.
- **Final 3 pages:** These only really discuss surface level of how adult learning differs and the importance of consumer outreach, but again, doesn't go further to list out tactics DOIs could use. It's one thing to create the materials, it's another thing to actively speak with communities and share the materials. I'd be curious how departments across the country are doing this.

Thank you,

Kaitlyn



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