

Caroline Beohm,

reThought Flood would like to thank you for the chance to comment on ways to better serve the public in consideration of flood insurance. reThought Flood is a private flood MGA working with some of the top primary and reinsurers in the world to create a stable flood insurance market with better options and appropriate premiums. We have active policies in almost all states.

reThought is the best underwriter of flood exposure in the country and we are always looking for new ways that we can help to close the protection gap. Our proprietary technology has allowed a comfort level for capacity providers that has not previously existed. We have been able to use the insights generated by our proprietary process to advise insurers, brokers, reinsurers, and other stakeholders to produce better results.

We have brought new capacity to the market through delegated authority programs as well as facultative placements. We have begun working with groups in other states to see how we can best work to close the protection gap. In Virginia we are a participant in the RISE resiliency challenge. In Florida, we are working with domestic capacity, and in CT, we are discussing ways to help through connections with Connecticut Innovations. Geographic diversity is a key in providing consistent affordable catastrophe insurance, which is why we are working to expand the states we are working with. This is great for everyone.

We would appreciate the opportunity to see how we might directly partner with the right stakeholders in Pennsylvania to help close the protection gap. Below are a few general suggestions which we believe will help to create a more robust flood insurance market in general.

1. Allow a fully modeled approach to flood rating for admitted rates in the state.
 - a. This provides a substantially more accurate view of flood risk to each property in the state which will provide stable capacity and premiums.
 - b. reThought has considered how this approach could be reconciled with a standard admitted review process and would welcome a discussion.
2. Invest in quality education materials for flood that provide a commonly understandable view of flood and its increasing exposure.
 - a. Finding the right timing and outlet for this information is critical.
 - b. The average homeowner and many business owners believe that they have flood coverage when they do not.

- c. When information is provided to property owners it is often in a format that is hard for them to comprehend.
 - d. A large percentage of agents do not understand flood and avoid discussing it or only offer NFIP.
 - e. Banks and communities often do not understand their flood risk.
3. There is a generally acknowledged high return for mitigation dollars to reduction of loss dollars. Encouraging understanding of mitigation options and their implementation, potential tax incentives, and working to establish insurance premium credits will help to raise individual and community resiliency and involvement.
4. Community level parametric coverages have been gaining interest in recent years and are worth exploring.

We have given attention to each of the above items and would welcome the opportunity to explore these and more ideas.

Yours Sincerely,



Derek Lynch

Chief Underwriting Officer

reThought Flood