



## OFFICE OF PUBLIC INSURANCE COUNSEL

Melissa R. Hamilton, Public Counsel

July 31, 2019

Texas Windstorm Insurance Association  
5700 South Mopac Expressway  
Building A  
Austin, TX 78749

[CommunicationsMail@TWIA.org](mailto:CommunicationsMail@TWIA.org)

Dear Chairman Fields and Members of the Board of Directors:

The Office of Public Insurance Counsel (OPIC) appreciates the opportunity to provide comments on the rate adequacy analysis developed by the Texas Windstorm Insurance Association (TWIA) and posted on TWIA's website on July 22, 2019.

OPIC reviewed TWIA's rate adequacy analysis pursuant to the agency's statutory duty to review insurance rates and assess the impact of those rates on Texas consumers. Insurance Code §§ 501.151 and 501.153. As a result of that review, OPIC believes TWIA's overall rate indication is inflated and is concerned about some of the assumptions used in the analysis. In particular, OPIC questions the methodology and assumptions related to expenses and hurricane loss estimates.

OPIC plans to watch the TWIA Board's August 6, 2019, meeting to listen to testimony regarding the analysis. OPIC requests that TWIA provide the agency with copies of all materials received regarding this rate adequacy analysis. OPIC will review all materials and all comments, both written and verbal. Then, pursuant to OPIC's statutory directives and parameters, OPIC will analyze the official rate filing TWIA makes with the Texas Department of Insurance (TDI). Insurance Code Chapter 2210, Subchapter H and §§ 501.151, 501.153, and 501.154. OPIC may have further comments after the rate change proposal is finalized by TWIA's Board of Directors and filed with TDI.

Thank you for your time and consideration. If you have any questions regarding the comments above or where to send the materials and comments related to the rate analysis, please do not hesitate to contact me.<sup>1</sup>

Sincerely,

Melissa R. Hamilton

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<sup>1</sup> In the effort of full disclosure, OPIC states that the Public Counsel's parents own property covered by a TWIA policy. The Public Counsel does not hold an interest in that property.