



CHIEF FINANCIAL OFFICER  
JIMMY PATRONIS  
STATE OF FLORIDA

May 18, 2022

Mr. Joshua E. Doyle  
Executive Director, The Florida Bar  
651 East Jefferson Street  
Tallahassee, Florida 32399

Dear Mr. Doyle:

Florida's insurance market is in trouble and much of it has to do with fraud that is being facilitated by unethical law firms. At best, they are gaming the system to make a profit. At worst, they are breaking the law. Either way they should all be disbarred. Also, they should know that detectives within my Department are working very hard to send them to jail.

Last week, I joined Citizens Property Insurance to announce a settlement with the Stremms Law Firm and its co-defendants. They allegedly defrauded Florida policyholders to the tune of \$112 million, and if left unchecked, it would have cost policyholders another \$16 million per year. This was ambulance chasing on steroids. We are all paying for these misdeeds through rate hikes and a collapsing private market. Why Florida?


According to the Office of Insurance Regulation, Florida nationally represents 9 percent of total claims filed, but 79 percent of the litigation. That is simply not sustainable. It is undeniable that certain lawyers are making money through bleeding policyholders and gaming the system. In the case of a Stremms, they filed 5,000 claims and used Assignment of Benefits (AOB) as the main tool for their alleged fraud. It took the Division of Investigative and Forensic Services (DIFS) sting operation and coordination with Citizens Insurance Corp. to stop these bad claims in their tracks.

I am no attorney, and I certainly have respect for our judicial branch, but clearly the Florida Bar has to do more to hold unethical attorneys accountable. Whether that involves creating new rules for the Supreme Court to adopt, suggesting statutory changes to close loopholes that unethical lawyers have exploited – like (AOBs) – or providing more training and educational resources to attorneys to promote ethical behavior, something has to be done within the legal community.

At the very least you can notify your members that DIFS has been ramping up anti-fraud efforts to specifically focus on homeowners insurance. We have established two teams along the I-4 Corridor, and for special session we are putting forward another three teams in Jacksonville, Fort Lauderdale and Miami. We are acquiring the necessary resources to fight and win this war, and as it is clear that much of this fraud is being facilitated through unethical attorneys, we will zero-in on their activities and hold them accountable.

I appreciate your attention in this matter of public importance, and I make my office and our investigators completely available to Florida Bar officials on holding unethical attorneys accountable. I know many attorneys do good work, and I look forward to working with you on cracking down on these bad apples. The profession of law is just too important to be undermined by lawyers who possess zero moral core, and your action would go far in reining-in insurance rates and reestablishing confidence in the legal process.

Sincerely,

  
Jimmy Patronis  
Chief Financial Officer

c: Michael G. Tanner, Esq. President, The Florida Bar