

## CFSIC Claim Data

By: Alex Reger, Associate Analyst  
November 17, 2020 | 2020-R-0298

### Issue

Summarize [Connecticut Foundation Solutions Indemnity Company, Inc.](#) (CFSIC) claim data.

### Summary

CFSIC is a nonprofit captive insurance company, created by the legislature in 2017, to provide grants to homeowners to repair or replace crumbling concrete foundations that are deteriorating due to pyrrhotite. CFSIC issues grants to residential building owners up to a maximum of \$175,000.

Eligible homeowners, called claimants, may apply to CFSIC for funds to repair or replace their crumbling concrete foundation. CFSIC designates claimants as

1. “active” (completed applications with participation agreements or pending agreements),
2. “inactive” (incomplete applications requiring additional application information or materials, or otherwise awaiting a participation agreement), or
3. “pending” (applications received after January 13, 2020, for which CFSIC does not maintain liabilities).

In addition, CFSIC designates claimants as “completed” when their foundation has been remediated or they have been reimbursed for repairs or replacements paid for out-of-pocket. As of August 31, 2020, CFSIC has a [cumulative total](#) of 1,640 claimants, with 785 active, 173 inactive, 432 pending, and 250 completed claimants.

### *Related OLR Reports*

[2020-R-0297](#): CFSIC Crumbling Concrete Foundation Replacement, Reimbursement, and Construction Data

[2020-R-0176](#): State Funded Assistance Programs for Homeowners With Crumbling Concrete Foundations

[2019-R-0225](#): Testing Structural Concrete Aggregate for Pyrrhotite

[2019-R-0184](#): Crumbling Concrete Foundations Legislation

## Claim Data by Town

According to [CFSIC's 2020 Annual Report](#) (September 10, 2020), claimants from 10 towns represent over 88% of all claims through October 23, 2020, as shown in the tables below. The most claims are from homeowners in Vernon, which also has the highest outstanding claim liability (i.e., active and inactive claimants).

**Table 1: Towns With the Most CFSIC Claims**

Town	CFSIC Claims
Somers	40
East Windsor	72
Coventry	76
Ellington	97
Willington	116
South Windsor	148
Stafford/Stafford Springs	150
Manchester	163
Tolland	220
Vernon	370

Source: CFSIC 10/23/2020

Generally, CFSIC maintains liabilities for claims it intends to pay for with current revenue or can expect to pay for with future revenue. Ten towns represent approximately 92% of all outstanding claim liabilities.

**Table 2: Towns With the Most Outstanding Claim Liabilities**

Town	Outstanding CFSIC Claim Liabilities
Ashford	\$2,347,457
Coventry	2,791,368
Ellington	4,807,909
East Windsor	5,040,000
Willington	7,458,730
Stafford/Stafford Springs	8,562,084
South Windsor	8,726,463
Manchester	11,478,464
Tolland	12,027,829
Vernon	18,317,683

Source: CFSIC 10/23/2020

Generally, these same towns also represent most of the paid claims. Tolland has had the most claims paid to date (\$8.7 million), as shown in Table 3 below.

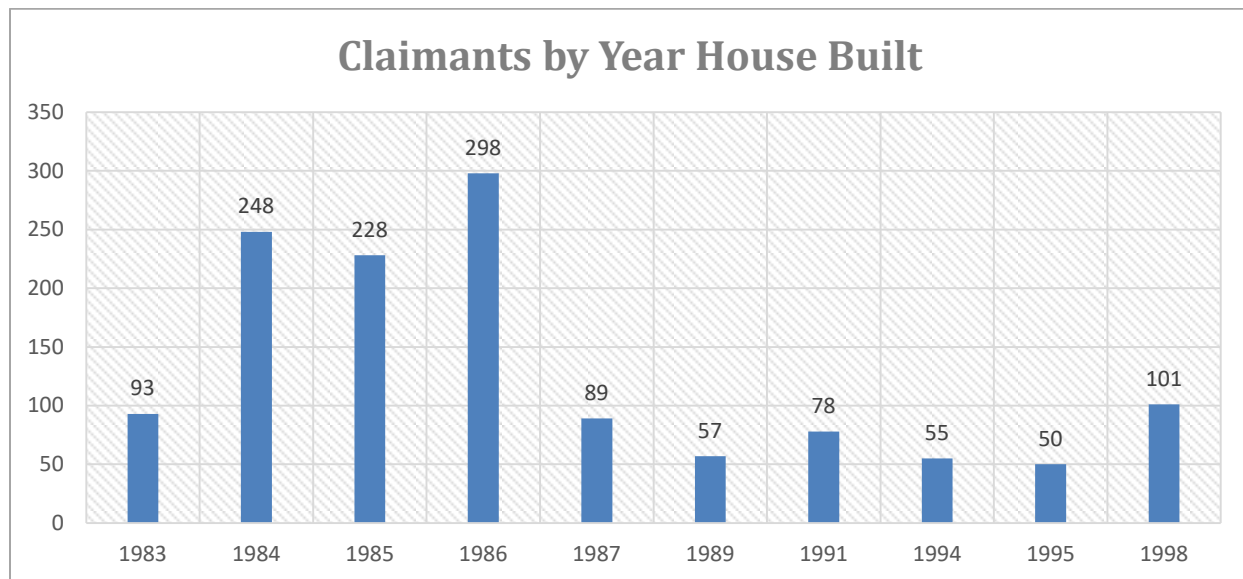
**Table 3: Top Ten Towns by Claims Paid**

Town	Total Claims Paid
Ashford	\$1,429,321
Enfield	1,436,147
Manchester	2,032,833
Coventry	3,252,445
Willington	3,525,690
Stafford/Stafford Springs	3,899,118
Ellington	3,952,866
Vernon	4,333,980
South Windsor	5,991,464
Tolland	8,757,786

Source: CFSIC 10/23/2020

As of October 23, 2020, almost 80% of claimants owned houses built in one of 10 years between 1983 and 1998, as shown in Figure 1 below.

**Figure 1: CFSIC Claims by Construction Year of the House**



According to CFSIC, homeowners have submitted claims for houses built in 38 other years. However, no other year represents more than 49 claimants.

AR:kl