LEGISLATIVE ACTION

Senator Negron moved the following:

Senate Amendment (with title amendment)

Delete lines 507 - 1390

and insert:

Section 7. Subsections (1), (4), (5), (6), (8), (9), (10), and (11) of section 627.736, Florida Statutes, are amended to read:

627.736 Required personal injury protection benefits; exclusions; priority; claims.—

(1) REQUIRED BENEFITS.—An Every insurance policy complying
with the security requirements of s. 627.733 shall provide
personal injury protection to the named insured, relatives
residing in the same household, persons operating the insured
motor vehicle, passengers in the such motor vehicle, and other persons struck by the such motor vehicle and suffering bodily injury while not an occupant of a self-propelled vehicle, subject to the provisions of subsection (2) and paragraph (4)(e), to a limit of $10,000 in medical and disability benefits and $5,000 in death benefits resulting from loss sustained by any such person as a result of bodily injury, sickness, disease, or death arising out of the ownership, maintenance, or use of a motor vehicle as follows:

(a) Medical benefits.—Eighty percent of all reasonable expenses for medically necessary medical, surgical, X-ray, dental, and rehabilitative services, including prosthetic devices and medically necessary ambulance, hospital, and nursing services if the individual receives initial services and care pursuant to subparagraph 1. within 14 days after the motor vehicle accident. However, The medical benefits shall provide reimbursement only for: such

1. Initial services and care that are lawfully provided, supervised, ordered, or prescribed by a physician licensed under chapter 458 or chapter 459, by a dentist licensed under chapter 466, or a chiropractic physician licensed under chapter 460 that are provided in a hospital or in a facility that owns, or is wholly owned by, a hospital. Initial services and care may also be provided by a person or entity licensed under part III of chapter 401 which provides emergency transportation and treatment.

2. Followup services and care consistent with the underlying medical diagnosis rendered pursuant to subparagraph 1. which may be provided, supervised, ordered, or prescribed
only by a physician licensed under chapter 458 or chapter 459, a
chiropractic physician licensed under chapter 460, a dentist
licensed under chapter 466, or, to the extent permitted by
applicable law and under the supervision of such physician,
osteopathic physician, chiropractic physician, or dentist, by a
physician assistant licensed under chapter 458 or chapter 459 or
an advanced registered nurse practitioner licensed under chapter
464. Followup services and care may also be provided by any of
the following persons or entities:
   a. A hospital or ambulatory surgical center licensed
      under chapter 395.
      2. A person or entity licensed under ss. 401.2101-401.45
         that provides emergency transportation and treatment.
   b. An entity wholly owned by one or more physicians
      licensed under chapter 458 or chapter 459, chiropractic
      physicians licensed under chapter 460, or dentists licensed
      under chapter 466 or by such practitioner or practitioners and
      the spouse, parent, child, or sibling of such that practitioner
      or those practitioners.
   c. An entity that owns or is wholly owned, directly or
      indirectly, by a hospital or hospitals.
   d. A physical therapist licensed under chapter 486.
   e. A health care clinic licensed under part X of chapter
      400 which is accredited by the Joint Commission on Accreditation of
      Healthcare Organizations, the American Osteopathic Association,
      the Commission on Accreditation of Rehabilitation Facilities, or
      the Accreditation Association for Ambulatory Health Care, Inc.; or
b. A health care clinic that:

(I) Has a medical director licensed under chapter 458, chapter 459, or chapter 460;

(II) Has been continuously licensed for more than 3 years or is a publicly traded corporation that issues securities traded on an exchange registered with the United States Securities and Exchange Commission as a national securities exchange; and

(III) Provides at least four of the following medical specialties:

(A) General medicine.

(B) Radiography.

(C) Orthopedic medicine.

(D) Physical medicine.

(E) Physical therapy.

(F) Physical rehabilitation.

(G) Prescribing or dispensing outpatient prescription medication.

(H) Laboratory services.

3. Reimbursement for services and care provided by each type of licensed medical provider authorized to render such services and care is limited to the lesser of 24 treatments or to services or care rendered within 12 weeks after the date of the initial treatment, whichever comes first, unless the insurer authorizes additional services or care.

4. Medical benefits do not include massage as defined in s. 480.033 or acupuncture as defined in s. 457.102, regardless of the person, entity, or licensee providing massage or acupuncture, and a licensed massage therapist or licensed
acupuncturist may not be reimbursed for medical benefits under this section.

5. The Financial Services Commission shall adopt by rule the form that must be used by an insurer and a health care provider specified in sub-subparagraph 3.b., sub-subparagraph 3.c., or sub-subparagraph 3.e. to document that the health care provider meets the criteria of this paragraph, which rule must include a requirement for a sworn statement or affidavit.

(b) Disability benefits.—Sixty percent of any loss of gross income and loss of earning capacity per individual from inability to work proximately caused by the injury sustained by the injured person, plus all expenses reasonably incurred in obtaining from others ordinary and necessary services in lieu of those that, but for the injury, the injured person would have performed without income for the benefit of his or her household. All disability benefits payable under this provision shall be paid at least every 2 weeks.

(c) Death benefits.—Death benefits equal to the lesser of $5,000 or the remainder of unused personal injury protection benefits per individual. Death benefits are in addition to the medical and disability benefits provided under the insurance policy. The insurer may pay death benefits to the executor or administrator of the deceased, to any of the deceased’s relatives by blood or legal adoption, or connection by marriage, or to any person appearing to the insurer to be equitably entitled to such benefits thereto.

Only insurers writing motor vehicle liability insurance in this
state may provide the required benefits of this section, and no such insurer may not shall require the purchase of any other motor vehicle coverage other than the purchase of property damage liability coverage as required by s. 627.7275 as a condition for providing such required benefits. Insurers may not require that property damage liability insurance in an amount greater than $10,000 be purchased in conjunction with personal injury protection. Such insurers shall make benefits and required property damage liability insurance coverage available through normal marketing channels. An Any insurer writing motor vehicle liability insurance in this state who fails to comply with such availability requirement as a general business practice violates shall be deemed to have violated part IX of chapter 626, and such violation constitutes shall constitute an unfair method of competition or an unfair or deceptive act or practice involving the business of insurance. An and any such insurer committing such violation is shall be subject to the penalties provided under that afforded in such part, as well as those provided which may be afforded elsewhere in the insurance code.

(4) PAYMENT OF BENEFITS; WHEN DUE. Benefits due from an insurer under ss. 627.730-627.7405 are shall be primary, except that benefits received under any workers’ compensation law must shall be credited against the benefits provided by subsection (1) and are shall be due and payable as loss accrues upon receipt of reasonable proof of such loss and the amount of expenses and loss incurred which are covered by the policy issued under ss. 627.730-627.7405. If When the Agency for Health Care Administration provides, pays, or becomes liable for
medical assistance under the Medicaid program related to injury, sickness, disease, or death arising out of the ownership, maintenance, or use of a motor vehicle, the benefits under ss. 627.730-627.7405 are subject to the provisions of the Medicaid program. However, within 30 days after receiving notice that the Medicaid program paid such benefits, the insurer shall repay the full amount of the benefits to the Medicaid program.

(a) An insurer may require written notice to be given as soon as practicable after an accident involving a motor vehicle with respect to which the policy affords the security required by ss. 627.730-627.7405.

(b) Personal injury protection insurance benefits paid pursuant to this section are overdue if not paid within 30 days after the insurer is furnished written notice of the fact of a covered loss and of the amount of same. However:

1. If such written notice of the entire claim is not furnished to the insurer as to the entire claim, any partial amount supported by written notice is overdue if not paid within 30 days after such written notice is furnished to the insurer. Any part or all of the remainder of the claim that is subsequently supported by written notice is overdue if not paid within 30 days after such written notice is furnished to the insurer.

2. If when an insurer pays only a portion of a claim or rejects a claim, the insurer shall provide at the time of the partial payment or rejection an itemized specification of each item that the insurer had reduced, omitted, or declined to pay and any information that the insurer desires the claimant to consider related to the medical necessity of the denied
treatment or to explain the reasonableness of the reduced charge if, provided that this does shall not limit the introduction of evidence at trial, and The insurer must also shall include the name and address of the person to whom the claimant should respond and a claim number to be referenced in future correspondence.

3. If an insurer pays only a portion of a claim or rejects a claim due to an alleged error in the claim, the insurer, at the time of the partial payment or rejection, shall provide an itemized specification or explanation of benefits due to the specified error. Upon receiving the specification or explanation, the person making the claim, at the person’s option and without waiving any other legal remedy for payment, has 15 days to submit a revised claim, which shall be considered a timely submission of written notice of a claim.

4. However, Notwithstanding the fact that written notice has been furnished to the insurer, any payment is shall not be deemed overdue if when the insurer has reasonable proof to establish that the insurer is not responsible for the payment.

5. For the purpose of calculating the extent to which any benefits are overdue, payment shall be treated as being made on the date a draft or other valid instrument that which is equivalent to payment was placed in the United States mail in a properly addressed, postpaid envelope or, if not so posted, on the date of delivery.

6. This paragraph does not preclude or limit the ability of the insurer to assert that the claim was unrelated, was not medically necessary, or was unreasonable or that the amount of the charge was in excess of that permitted under, or in
violation of, subsection (5). Such assertion by the insurer may be made at any time, including after payment of the claim or after the 30-day time period for payment set forth in this paragraph.

(c) Upon receiving notice of an accident that is potentially covered by personal injury protection benefits, the insurer must reserve $5,000 of personal injury protection benefits for payment to physicians licensed under chapter 458 or chapter 459 or dentists licensed under chapter 466 who provide emergency services and care, as defined in s. 395.002(9), or who provide hospital inpatient care. The amount required to be held in reserve may be used only to pay claims from such physicians or dentists until 30 days after the date the insurer receives notice of the accident. After the 30-day period, any amount of the reserve for which the insurer has not received notice of such claims may then be used by the insurer to pay other claims. The time periods specified in paragraph (b) for required payment of personal injury protection benefits are shall be tolled for the period of time that an insurer is required by this paragraph to hold payment of a claim that is not from such a physician or dentist who provided emergency services and care or who provided hospital inpatient care to the extent that the personal injury protection benefits not held in reserve are insufficient to pay the claim. This paragraph does not require an insurer to establish a claim reserve for insurance accounting purposes.

(d) All overdue payments shall bear simple interest at the rate established under s. 55.03 or the rate established in the
insurance contract, whichever is greater, for the year in which the payment became overdue, calculated from the date the insurer was furnished with written notice of the amount of covered loss. Interest shall be due at the time payment of the overdue claim is made.

(e) The insurer of the owner of a motor vehicle shall pay personal injury protection benefits for:

1. Accidental bodily injury sustained in this state by the owner while occupying a motor vehicle, or while not an occupant of a self-propelled vehicle if the injury is caused by physical contact with a motor vehicle.

2. Accidental bodily injury sustained outside this state, but within the United States of America or its territories or possessions or Canada, by the owner while occupying the owner’s motor vehicle.

3. Accidental bodily injury sustained by a relative of the owner residing in the same household, under the circumstances described in subparagraph 1. or subparagraph 2., if provided the relative at the time of the accident is domiciled in the owner’s household and is not himself or herself the owner of a motor vehicle with respect to which security is required under ss. 627.730-627.7405.

4. Accidental bodily injury sustained in this state by any other person while occupying the owner’s motor vehicle or, if a resident of this state, while not an occupant of a self-propelled vehicle, if the injury is caused by physical contact with such motor vehicle, if provided the injured person is not himself or herself:

   a. The owner of a motor vehicle with respect to which
security is required under ss. 627.730-627.7405; or

b. Entitled to personal injury benefits from the insurer of
the owner or owners of such a motor vehicle.

(f) If two or more insurers are liable for paying personal injury protection benefits for the same injury to any one person, the maximum payable is shall be as specified in
subsection (1), and the any insurer paying the benefits is shall be entitled to recover from each of the other insurers an equitable pro rata share of the benefits paid and expenses incurred in processing the claim.

(g) It is a violation of the insurance code for an insurer to fail to timely provide benefits as required by this section with such frequency as to constitute a general business practice.

(h) Benefits are shall not be due or payable to or on the behalf of an insured person if that person has committed, by a material act or omission, any insurance fraud relating to personal injury protection coverage under his or her policy, if the fraud is admitted to in a sworn statement by the insured or if it is established in a court of competent jurisdiction. Any insurance fraud voids shall void all coverage arising from the claim related to such fraud under the personal injury protection coverage of the insured person who committed the fraud, irrespective of whether a portion of the insured person’s claim may be legitimate, and any benefits paid before prior to the discovery of the insured person’s insurance fraud is shall be recoverable by the insurer in its entirety from the person who committed insurance fraud in their entirety. The prevailing party is entitled to its costs and attorney attorney’s fees in
any action in which it prevails in an insurer’s action to
enforce its right of recovery under this paragraph.

(i) If an insurer has a reasonable belief that a fraudulent
insurance act, as defined in s. 626.989 or s. 817.234, has been
committed, the insurer shall notify the claimant in writing
within 30 days after submission of the claim that the claim is
being investigated for suspected fraud and execute and provide
to the insured and the office an affidavit under oath stating
that there is a factual basis that there is a probability of
fraud. The insurer has an additional 60 days, beginning at the
end of the initial 30-day period, to conduct its fraud
investigation. Notwithstanding subsection (10), no later than
the 90th day after the submission of the claim, the insurer must
deny the claim or pay the claim along with simple interest as
provided in paragraph (d). All claims denied for suspected
fraudulent insurance acts shall be reported to the Division of
Insurance Fraud.

(j) An insurer shall create and maintain for each insured a
log of personal injury protection benefits paid by the insurer
on behalf of the insured. If litigation is commenced, the
insurer shall provide to the insured, or an assignee of the
insured, a copy of the log within 30 days after receiving a
request for the log from the insured or the assignee.

(5) CHARGES FOR TREATMENT OF INJURED PERSONS.—

(a) Any physician, hospital, clinic, or other person or
institution lawfully rendering treatment to an injured person
for a bodily injury covered by personal injury protection
insurance may charge the insurer and injured party only a
reasonable amount pursuant to this section for the services and
supplies rendered, and the insurer providing such coverage may pay for such charges directly to such person or institution lawfully rendering such treatment, if the insured receiving such treatment or his or her guardian has countersigned the properly completed invoice, bill, or claim form approved by the office upon which such charges are to be paid for as having actually been rendered, to the best knowledge of the insured or his or her guardian. In no event, however, may such a charge exceed the amount the person or institution customarily charges for like services or supplies. In determining with respect to a determination of whether a charge for a particular service, treatment, or otherwise is reasonable, consideration may be given to evidence of usual and customary charges and payments accepted by the provider involved in the dispute, and reimbursement levels in the community and various federal and state medical fee schedules applicable to motor vehicle automobile and other insurance coverages, and other information relevant to the reasonableness of the reimbursement for the service, treatment, or supply.

1.2. The insurer may limit reimbursement to 80 percent of the following schedule of maximum charges:

   a. For emergency transport and treatment by providers licensed under chapter 401, 200 percent of Medicare.

   b. For emergency services and care provided by a hospital licensed under chapter 395, 75 percent of the hospital’s usual and customary charges.

   c. For emergency services and care as defined by s. 395.002(9) provided in a facility licensed under chapter 395 rendered by a physician or dentist, and related hospital
inpatient services rendered by a physician or dentist, the usual and customary charges in the community.

d. For hospital inpatient services, other than emergency services and care, 200 percent of the Medicare Part A prospective payment applicable to the specific hospital providing the inpatient services.

e. For hospital outpatient services, other than emergency services and care, 200 percent of the Medicare Part A Ambulatory Payment Classification for the specific hospital providing the outpatient services.

f. For all other medical services, supplies, and care, 200 percent of the allowable amount under:

(I) The participating physicians fee schedule of Medicare Part B, except as provided in sub-sub-subparagraphs (II) and (III).

(II) Medicare Part B, in the case of services, supplies, and care provided by ambulatory surgical centers and clinical laboratories.

(III) The Durable Medical Equipment Prosthetics/Orthotics and Supplies fee schedule of Medicare Part B, in the case of durable medical equipment.

However, if such services, supplies, or care is not reimbursable under Medicare Part B, as provided in this sub-subparagraph, the insurer may limit reimbursement to 80 percent of the maximum reimbursable allowance under workers’ compensation, as determined under s. 440.13 and rules adopted thereunder which are in effect at the time such services, supplies, or care is provided. Services, supplies, or care that is not reimbursable
under Medicare or workers’ compensation is not required to be reimbursed by the insurer.

2. For purposes of subparagraph 1., the applicable fee schedule or payment limitation under Medicare is the fee schedule or payment limitation in effect on January 1 of the year in which the services, supplies, or care was rendered and for the area in which such services, supplies, or care is rendered, and the applicable fee schedule or payment limitation applies throughout the remainder of that year, notwithstanding any subsequent change made to the fee schedule or payment limitation, except that it may not be less than the allowable amount under the participating physicians schedule of Medicare Part B for 2007 for medical services, supplies, and care subject to Medicare Part B.

3. Subparagraph 1. does not allow the insurer to apply any limitation on the number of treatments or other utilization limits that apply under Medicare or workers’ compensation. An insurer that applies the allowable payment limitations of subparagraph 1. must reimburse a provider who lawfully provided care or treatment under the scope of his or her license, regardless of whether such provider is entitled to reimbursement under Medicare due to restrictions or limitations on the types or discipline of health care providers who may be reimbursed for particular procedures or procedure codes. However, subparagraph 1. does not prohibit an insurer from using the Medicare coding policies and payment methodologies of the federal Centers for Medicare and Medicaid Services, including applicable modifiers, to determine the appropriate amount of reimbursement for medical services,
supplies, or care if the coding policy or payment methodology
does not constitute a utilization limit.

4.5 If an insurer limits payment as authorized by
subparagraph 1. 2., the person providing such services,
supplies, or care may not bill or attempt to collect from the
insured any amount in excess of such limits, except for amounts
that are not covered by the insured’s personal injury protection
coverage due to the coinsurance amount or maximum policy limits.

5. Effective July 1, 2012, an insurer may limit payment as
authorized by this paragraph only if the insurance policy
includes a notice at the time of issuance or renewal that the
insurer may limit payment pursuant to the schedule of charges
specified in this paragraph. A policy form approved by the
office satisfies this requirement. If a provider submits a
charge for an amount less than the amount allowed under
subparagraph 1., the insurer may pay the amount of the charge
submitted.

(b)1. An insurer or insured is not required to pay a claim
or charges:
   a. Made by a broker or by a person making a claim on behalf
      of a broker;
   b. For any service or treatment that was not lawful at the
time rendered;
   c. To any person who knowingly submits a false or
      misleading statement relating to the claim or charges;
   d. With respect to a bill or statement that does not
      substantially meet the applicable requirements of paragraph (d);
   e. For any treatment or service that is upcoded, or that is
      unbundled when such treatment or services should be bundled, in
accordance with paragraph (d). To facilitate prompt payment of lawful services, an insurer may change codes that it determines to have been improperly or incorrectly upcoded or unbundled, and may make payment based on the changed codes, without affecting the right of the provider to dispute the change by the insurer, if, provided that before doing so, the insurer contacts the health care provider and discusses the reasons for the insurer’s change and the health care provider’s reason for the coding, or makes a reasonable good faith effort to do so, as documented in the insurer’s file; and

f. For medical services or treatment billed by a physician and not provided in a hospital unless such services are rendered by the physician or are incident to his or her professional services and are included on the physician’s bill, including documentation verifying that the physician is responsible for the medical services that were rendered and billed.

2. The Department of Health, in consultation with the appropriate professional licensing boards, shall adopt, by rule, a list of diagnostic tests deemed not to be medically necessary for use in the treatment of persons sustaining bodily injury covered by personal injury protection benefits under this section. The initial list shall be adopted by January 1, 2004, and shall be revised from time to time as determined by the Department of Health, in consultation with the respective professional licensing boards. Inclusion of a test on the list of invalid diagnostic tests shall be based on lack of demonstrated medical value and a level of general acceptance by the relevant provider community and not be dependent for results entirely upon subjective patient response.
Notwithstanding its inclusion on a fee schedule in this subsection, an insurer or insured is not required to pay any charges or reimburse claims for any invalid diagnostic test as determined by the Department of Health.

(c)1. With respect to any treatment or service, other than medical services billed by a hospital or other provider for emergency services and care as defined in s. 395.002 or inpatient services rendered at a hospital-owned facility, the statement of charges must be furnished to the insurer by the provider and may not include, and the insurer is not required to pay, charges for treatment or services rendered more than 35 days before the postmark date or electronic transmission date of the statement, except for past due amounts previously billed on a timely basis under this paragraph, and except that, if the provider submits to the insurer a notice of initiation of treatment within 21 days after its first examination or treatment of the claimant, the statement may include charges for treatment or services rendered up to, but not more than, 75 days before the postmark date of the statement. The injured party is not liable for, and the provider may not bill the injured party for, charges that are unpaid because of the provider’s failure to comply with this paragraph. Any agreement requiring the injured person or insured to pay for such charges is unenforceable.

2. If, however, the insured fails to furnish the provider with the correct name and address of the insured’s personal injury protection insurer, the provider has 35 days from the date the provider obtains the correct information to furnish the insurer with a statement of the charges. The insurer is not
required to pay for such charges unless the provider includes
with the statement documentary evidence that was provided by the
insured during the 35-day period demonstrating that the provider
reasonably relied on erroneous information from the insured and
either:

a. A denial letter from the incorrect insurer; or

b. Proof of mailing, which may include an affidavit under
penalty of perjury, reflecting timely mailing to the incorrect
address or insurer.

2. For emergency services and care as defined in s.
395.002 rendered in a hospital emergency department or for
transport and treatment rendered by an ambulance provider
licensed pursuant to part III of chapter 401, the provider is
not required to furnish the statement of charges within the time
periods established by this paragraph, and the insurer shall
not be considered to have been furnished with notice of the
amount of covered loss for purposes of paragraph (4)(b) until it
receives a statement complying with paragraph (d), or copy
thereof, which specifically identifies the place of service to
be a hospital emergency department or an ambulance in accordance
with billing standards recognized by the federal Centers for
Medicare and Medicaid Services Health Care Finance
Administration.

3. Each notice of the insured’s rights under s. 627.7401
must include the following statement in at least 12-point type
in type no smaller than 12 points:

BILLING REQUIREMENTS.—Florida law provides

Statutes provide that with respect to any treatment or
services, other than certain hospital and emergency services, the statement of charges furnished to the insurer by the provider may not include, and the charges and the injured party are not required to pay, 35 days before the postmark date of the statement, except for past due amounts previously billed on a timely basis, and except that, if the provider submits to the insurer a notice of initiation of treatment within 21 days after its first examination or treatment of the claimant, the statement may include charges for treatment or services rendered up to, but not more than, 75 days before the postmark date of the statement.

(d) All statements and bills for medical services rendered by a any physician, hospital, clinic, or other person or institution shall be submitted to the insurer on a properly completed Centers for Medicare and Medicaid Services (CMS) 1500 form, UB 92 forms, or any other standard form approved by the office or adopted by the commission for purposes of this paragraph. All billings for such services rendered by providers must shall, to the extent applicable, follow the Physicians’ Current Procedural Terminology (CPT) or Healthcare Correct Procedural Coding System (HCPCS), or ICD-9 in effect for the year in which services are rendered and comply with the Centers for Medicare and Medicaid Services (CMS) 1500 form instructions, and the American Medical Association Current Procedural Terminology (CPT) Editorial Panel, and the Healthcare Correct
Procedural Coding System (HCPCS). All providers, other than hospitals, must include on the applicable claim form the professional license number of the provider in the line or space provided for “Signature of Physician or Supplier, Including Degrees or Credentials.” In determining compliance with applicable CPT and HCPCS coding, guidance shall be provided by the Physicians’ Current Procedural Terminology (CPT) or the Healthcare Correct Procedural Coding System (HCPCS) in effect for the year in which services were rendered, the Office of the Inspector General (OIG), Physicians Compliance Guidelines, and other authoritative treatises designated by rule by the Agency for Health Care Administration. A statement of medical services may not include charges for medical services of a person or entity that performed such services without possessing the valid licenses required to perform such services. For purposes of paragraph (4)(b), an insurer is not considered to have been furnished with notice of the amount of covered loss or medical bills due unless the statements or bills comply with this paragraph, and unless the statements or bills are properly completed in their entirety as to all material provisions, with all relevant information being provided therein.

(e)1. At the initial treatment or service provided, each physician, other licensed professional, clinic, or other medical institution providing medical services upon which a claim for personal injury protection benefits is based shall require an insured person, or his or her guardian, to execute a disclosure and acknowledgment form, which reflects at a minimum that:

a. The insured, or his or her guardian, must countersign
the form attesting to the fact that the services set forth therein were actually rendered;

b. The insured, or his or her guardian, has both the right and affirmative duty to confirm that the services were actually rendered;

c. The insured, or his or her guardian, was not solicited by any person to seek any services from the medical provider;

d. The physician, other licensed professional, clinic, or other medical institution rendering services for which payment is being claimed explained the services to the insured or his or her guardian; and

e. If the insured notifies the insurer in writing of a billing error, the insured may be entitled to a certain percentage of a reduction in the amounts paid by the insured’s motor vehicle insurer.

2. The physician, other licensed professional, clinic, or other medical institution rendering services for which payment is being claimed has the affirmative duty to explain the services rendered to the insured, or his or her guardian, so that the insured, or his or her guardian, countersigns the form with informed consent.

3. Countersignature by the insured, or his or her guardian, is not required for the reading of diagnostic tests or other services that are of such a nature that they are not required to be performed in the presence of the insured.

4. The licensed medical professional rendering treatment for which payment is being claimed must sign, by his or her own hand, the form complying with this paragraph.

5. The original completed disclosure and acknowledgment
623  form shall be furnished to the insurer pursuant to paragraph
624  (4)(b) and may not be electronically furnished.
625
6. The disclosure and acknowledgment form is not
626  required for services billed by a provider for emergency
627  services as defined in s. 395.002, for emergency services and
care as defined in s. 395.002 rendered in a hospital emergency
department, or for transport and treatment rendered by an
ambulance provider licensed pursuant to part III of chapter 401.

7. The Financial Services Commission shall adopt, by rule,
a standard disclosure and acknowledgment form that shall be
used to fulfill the requirements of this paragraph, effective 90
days after such form is adopted and becomes final. The
commission shall adopt a proposed rule by October 1, 2003. Until
the rule is final, the provider may use a form of its own which
otherwise complies with the requirements of this paragraph.

8. As used in this paragraph, the term “countersign” or
“countersignature” “countersigned” means a second or verifying
signature, as on a previously signed document, and is not
satisfied by the statement “signature on file” or any similar
statement.

9. The requirements of this paragraph apply only with
respect to the initial treatment or service of the insured by a
provider. For subsequent treatments or service, the provider
must maintain a patient log signed by the patient, in
chronological order by date of service, which is consistent
with the services being rendered to the patient as claimed. The
requirement to maintain requirements of this subparagraph for
maintaining a patient log signed by the patient may be met by a
hospital that maintains medical records as required by s.
395.3025 and applicable rules and makes such records available to the insurer upon request.

(f) Upon written notification by any person, an insurer shall investigate any claim of improper billing by a physician or other medical provider. The insurer shall determine if the insured was properly billed for only those services and treatments that the insured actually received. If the insurer determines that the insured has been improperly billed, the insurer shall notify the insured, the person making the written notification, and the provider of its findings and shall reduce the amount of payment to the provider by the amount determined to be improperly billed. If a reduction is made due to a such written notification by any person, the insurer shall pay to the person 20 percent of the amount of the reduction, up to $500. If the provider is arrested due to the improper billing, then the insurer shall pay to the person 40 percent of the amount of the reduction, up to $500.

(g) An insurer may not systematically downcode with the intent to deny reimbursement otherwise due. Such action constitutes a material misrepresentation under s. 626.9541(1)(i)2.

(h) As provided in s. 400.9905, an entity excluded from the definition of a clinic shall be deemed a clinic and must be licensed under part X of chapter 400 in order to receive reimbursement under ss. 627.730-627.7405. However, this licensing requirement does not apply to:

1. An entity wholly owned by a physician licensed under chapter 458 or chapter 459, or by the physician and the spouse, parent, child, or sibling of the physician;
2. An entity wholly owned by a dentist licensed under chapter 466, or by the dentist and the spouse, parent, child, or sibling of the dentist;

3. An entity wholly owned by a chiropractic physician licensed under chapter 460, or by the chiropractic physician and the spouse, parent, child, or sibling of the chiropractic physician;

4. A hospital or ambulatory surgical center licensed under chapter 395;

5. An entity that wholly owns or is wholly owned, directly or indirectly, by a hospital or hospitals licensed under chapter 395; or

6. An entity that is a clinical facility affiliated with an accredited medical school at which training is provided for medical students, residents, or fellows.

(6) DISCOVERY OF FACTS ABOUT AN INJURED PERSON; DISPUTES.—

(a) Every employer shall, if a request is made by an insurer providing personal injury protection benefits under ss. 627.730-627.7405 against whom a claim has been made, furnish forthwith, in a form approved by the office, a sworn statement of the earnings, since the time of the bodily injury and for a reasonable period before the injury, of the person upon whose injury the claim is based.

(b) Every physician, hospital, clinic, or other medical institution providing, before or after bodily injury upon which a claim for personal injury protection insurance benefits is based, any products, services, or accommodations in relation to that or any other injury, or in relation to a condition claimed to be connected with that or any other injury, shall, if
requested to do so by the insurer against whom the claim has been made, furnish forthwith a written report of the history, condition, treatment, dates, and costs of such treatment of the injured person and why the items identified by the insurer were reasonable in amount and medically necessary, together with a sworn statement that the treatment or services rendered were reasonable and necessary with respect to the bodily injury sustained and identifying which portion of the expenses for such treatment or services was incurred as a result of such bodily injury, and produce forthwith, and allow permit the inspection and copying of, his or her or its records regarding such history, condition, treatment, dates, and costs of treatment if provided that this does shall not limit the introduction of evidence at trial. Such sworn statement must shall read as follows: “Under penalty of perjury, I declare that I have read the foregoing, and the facts alleged are true, to the best of my knowledge and belief.” A no cause of action for violation of the physician-patient privilege or invasion of the right of privacy may not be brought shall be permitted against any physician, hospital, clinic, or other medical institution complying with the provisions of this section. The person requesting such records and such sworn statement shall pay all reasonable costs connected therewith. If an insurer makes a written request for documentation or information under this paragraph within 30 days after having received notice of the amount of a covered loss under paragraph (4)(a), the amount or the partial amount which is the subject of the insurer’s inquiry is shall become overdue if the insurer does not pay in accordance with paragraph (4)(b) or within 10 days after the insurer’s receipt of the
requested documentation or information, whichever occurs later. As used in for purposes of this paragraph, the term “receipt” includes, but is not limited to, inspection and copying pursuant to this paragraph. Any insurer that requests documentation or information pertaining to reasonableness of charges or medical necessity under this paragraph without a reasonable basis for such requests as a general business practice is engaging in an unfair trade practice under the insurance code.

(c) In the event of a any dispute regarding an insurer’s right to discovery of facts under this section, the insurer may petition a court of competent jurisdiction to enter an order permitting such discovery. The order may be made only on motion for good cause shown and upon notice to all persons having an interest, and must specify the time, place, manner, conditions, and scope of the discovery. Such court may, in order to protect against annoyance, embarrassment, or oppression, as justice requires, the court may enter an order refusing discovery or specifying conditions of discovery and may order payments of costs and expenses of the proceeding, including reasonable fees for the appearance of attorneys at the proceedings, as justice requires.

(d) The injured person shall be furnished, upon request, a copy of all information obtained by the insurer under the provisions of this section, and shall pay a reasonable charge, if required by the insurer.

(e) Notice to an insurer of the existence of a claim may not be unreasonably withheld by an insured.

(f) In a dispute between the insured and the insurer, or between an assignee of the insured’s rights and the insurer, the
insurer must notify the insured or the assignee that the policy limits under this section have been reached within 15 days after the limits have been reached.

(8) APPLICABILITY OF PROVISION REGULATING ATTORNEY ATTORNEY'S FEES.—With respect to any dispute under the provisions of ss. 627.730-627.7405 between the insured and the insurer, or between an assignee of an insured’s rights and the insurer, the provisions of ss. 627.428 and 768.79 shall apply, except as provided in subsections (10) and (15).

(9) PREFERRED PROVIDERS.—An insurer may negotiate and contract enter into contracts with preferred licensed health care providers for the benefits described in this section, referred to in this section as “preferred providers,” which shall include health care providers licensed under chapter 458, chapter 459, chapter 460, chapter 461, or chapter 463. The insurer may provide an option to an insured to use a preferred provider at the time of purchasing the policy for personal injury protection benefits, if the requirements of this subsection are met. If the insured elects to use a provider who is not a preferred provider, whether the insured purchased a preferred provider policy or a nonpreferred provider policy, the medical benefits provided by the insurer shall be as required by this section. If the insured elects to use a provider who is a preferred provider, the insurer may pay medical benefits in excess of the benefits required by this section and may waive or lower the amount of any deductible that applies to such medical benefits. If the insurer offers a preferred provider policy to a policyholder or applicant, it must also offer a nonpreferred provider policy. The insurer
shall provide each **insured policyholder** with a current roster of preferred providers in the county in which the insured resides at the time of purchase of such policy, and shall make such list available for public inspection during regular business hours at the **insurer’s principal office of the insurer** within the state.

(10) **DEMAND LETTER.**—

(a) As a condition precedent to filing any action for benefits under this section, the **insurer** must be provided with written notice of an intent to initiate litigation **must be provided to the insurer**. Such notice may not be sent until the claim is overdue, including any additional time the insurer has to pay the claim pursuant to paragraph (4)(b).

(b) The notice **must** **required shall state** that it is a “demand letter under s. 627.736(10)” and shall state with specificity:

1. The name of the insured upon which such benefits are being sought, including a copy of the assignment giving rights to the claimant if the claimant is not the insured.

2. The claim number or policy number upon which such claim was originally submitted to the insurer.

3. To the extent applicable, the name of any medical provider who rendered to an insured the treatment, services, accommodations, or supplies that form the basis of such claim; and an itemized statement specifying each exact amount, the date of treatment, service, or accommodation, and the type of benefit claimed to be due. A completed form satisfying the requirements of paragraph (5)(d) or the lost-wage statement previously submitted may be used as the itemized statement. To the extent that the demand involves an insurer’s withdrawal of payment
under paragraph (7)(a) for future treatment not yet rendered, the claimant shall attach a copy of the insurer’s notice withdrawing such payment and an itemized statement of the type, frequency, and duration of future treatment claimed to be reasonable and medically necessary.

(c) Each notice required by this subsection must be delivered to the insurer by United States certified or registered mail, return receipt requested. Such postal costs shall be reimbursed by the insurer if so requested by the claimant in the notice, when the insurer pays the claim. Such notice must be sent to the person and address specified by the insurer for the purposes of receiving notices under this subsection. Each licensed insurer, whether domestic, foreign, or alien, shall file with the office designation of the name and address of the person to whom notices must pursuant to this subsection shall be sent which the office shall make available on its Internet website. The name and address on file with the office pursuant to s. 624.422 are shall be deemed the authorized representative to accept notice pursuant to this subsection if in the event no other designation has been made.

(d) If, within 30 days after receipt of notice by the insurer, the overdue claim specified in the notice is paid by the insurer together with applicable interest and a penalty of 10 percent of the overdue amount paid by the insurer, subject to a maximum penalty of $250, no action may be brought against the insurer. If the demand involves an insurer’s withdrawal of payment under paragraph (7)(a) for future treatment not yet rendered, no action may be brought against the insurer if, within 30 days after its receipt of the notice, the insurer
mails to the person filing the notice a written statement of the insurer’s agreement to pay for such treatment in accordance with the notice and to pay a penalty of 10 percent, subject to a maximum penalty of $250, when it pays for such future treatment in accordance with the requirements of this section. To the extent the insurer determines not to pay any amount demanded, the penalty is shall not be payable in any subsequent action. For purposes of this subsection, payment or the insurer’s agreement shall be treated as being made on the date a draft or other valid instrument that is equivalent to payment, or the insurer’s written statement of agreement, is placed in the United States mail in a properly addressed, postpaid envelope, or if not so posted, on the date of delivery. The insurer is not obligated to pay any attorney’s fees if the insurer pays the claim or mails its agreement to pay for future treatment within the time prescribed by this subsection.

(e) The applicable statute of limitation for an action under this section shall be tolled for a period of 30 business days by the mailing of the notice required by this subsection.

(f) Any insurer making a general business practice of not paying valid claims until receipt of the notice required by this subsection is engaging in an unfair trade practice under the insurance code.

(11) FAILURE TO PAY VALID CLAIMS; UNFAIR OR DECEPTIVE PRACTICE.—

(a) If an insurer fails to pay valid claims for personal injury protection with such frequency so as to indicate a general business practice, the insurer is engaging in a prohibited unfair or deceptive practice that is subject to the

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penalties provided in s. 626.9521 and the office has the powers and duties specified in ss. 626.9561-626.9601 if the insurer, with such frequency so as to indicate a general business practice: with respect thereto

1. Fails to pay valid claims for personal injury protection; or

2. Fails to pay valid claims until receipt of the notice required by subsection (10).

(b) Notwithstanding s. 501.212, the Department of Legal Affairs may investigate and initiate actions for a violation of this subsection, including, but not limited to, the powers and duties specified in part II of chapter 501.

Section 8. Effective December 1, 2012, subsection (16) of section 627.736, Florida Statutes, is amended to read:

627.736 Required personal injury protection benefits; exclusions; priority; claims.—

(16) SECURE ELECTRONIC DATA TRANSFER. If all parties mutually and expressly agree, A notice, documentation, transmission, or communication of any kind required or authorized under ss. 627.730-627.7405 may be transmitted electronically if it is transmitted by secure electronic data transfer that is consistent with state and federal privacy and security laws.

And the title is amended as follows:

Delete lines 45 - 81 and insert:

627.736, F.S.; revising the cap on benefits to provide
that death benefits are in addition to medical and
disability benefits; revising medical benefits;
distinguishing between initial and followup services;
excluding massage and acupuncture from medical
benefits that may be reimbursed under the Florida
Motor Vehicle No-Fault Law; adding physical therapists
to the list of providers that may provide services;
requiring that an insurer repay any benefits covered
by the Medicaid program; requiring that an insurer
provide a claimant an opportunity to revise claims
that contain errors; authorizing an insurer to provide
notice to the claimant and conduct an investigation if
fraud is suspected; requiring that an insurer create
and maintain a log of personal injury protection
benefits paid and that the insurer provide to the
insured or an assignee of the insured, upon request, a
copy of the log if litigation is commenced; revising
the Medicare fee schedules that an insurer may use as
a basis for limiting reimbursement of personal injury
protection benefits; providing that the Medicare fee
schedule in effect on a specific date applies for
purposes of limiting such reimbursement; authorizing
insurers to apply certain Medicare coding policies and
payment methodologies; requiring that an insurer that
limits payments based on the statutory fee schedule
include a notice in insurance policies at the time of
issuance or renewal; deleting obsolete provisions;
providing that certain entities exempt from licensure
as a clinic must nonetheless be licensed to receive
reimbursement for the provision of personal injury
protection benefits; providing exceptions; requiring
that an insurer notify parties in disputes over
personal injury protection claims when policy limits
are reached; consolidating provisions relating to
unfair or deceptive practices under certain
conditions; eliminating a requirement that all parties
mutually and expressly agree to the use of electronic
transmission of data; amending s. 817.234, F.S.;