

1 A bill to be entitled
2 An act relating to automobile insurance; amending s.
3 627.311, F.S.; authorizing the Florida Automobile
4 Joint Underwriting Association and a joint
5 underwriting plan approved by the Office of Insurance
6 Regulation to cancel personal lines or commercial
7 policies within a specified time for nonpayment of
8 premium due to certain reasons; prohibiting an insured
9 from cancelling a policy or binder within a specified
10 time except under certain conditions; amending s.
11 627.7283, F.S.; authorizing an insured who cancels a
12 policy to apply the unearned portion of any premium
13 paid to unpaid balances of other policies with the
14 same insurer or insurer group; amending s. 627.7295,
15 F.S.; updating applicability language to include a
16 reference to recurring credit card or debit card
17 payments; authorizing additional forms of premium
18 payment for motor vehicle insurance contracts;
19 authorizing insurers to charge an insufficient funds
20 fee of up to a specified amount; amending s. 627.736,
21 F.S.; requiring that a certain standard form be
22 approved by the office and adopted by the Financial
23 Services Commission, rather than approved by the
24 office or adopted by the commission; revising
25 standards for compliance for specified billings for
26 medical services; specifying additional entities that

27 | may receive reimbursement under the Florida Motor
28 | Vehicle No-Fault Law regardless of whether they meet a
29 | specified licensure requirement; providing an
30 | effective date.

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32 | Be It Enacted by the Legislature of the State of Florida:

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34 | Section 1. Paragraph (m) is added to subsection (3) of
35 | section 627.311, Florida Statutes, to read:

36 | 627.311 Joint underwriters and joint reinsurers; public
37 | records and public meetings exemptions.—

38 | (3) The office may, after consultation with insurers
39 | licensed to write automobile insurance in this state, approve a
40 | joint underwriting plan for purposes of equitable apportionment
41 | or sharing among insurers of automobile liability insurance and
42 | other motor vehicle insurance, as an alternate to the plan
43 | required in s. 627.351(1). All insurers authorized to write
44 | automobile insurance in this state shall subscribe to the plan
45 | and participate therein. The plan shall be subject to continuous
46 | review by the office which may at any time disapprove the entire
47 | plan or any part thereof if it determines that conditions have
48 | changed since prior approval and that in view of the purposes of
49 | the plan changes are warranted. Any disapproval by the office
50 | shall be subject to the provisions of chapter 120. The Florida
51 | Automobile Joint Underwriting Association is created under the
52 | plan. The plan and the association:

53 (m) May cancel personal lines or commercial policies
 54 issued by the plan within the first 60 days after the effective
 55 date of the policy or binder for nonpayment of premium if the
 56 check issued for payment of the premium is dishonored for any
 57 reason or if any other form of payment is rejected or deemed
 58 invalid. An insured may not cancel a policy or binder within the
 59 first 90 days after its effective date, or within a lesser
 60 period as required by the plan, except:

61 1. Upon total destruction of the insured motor vehicle;

62 2. Upon transfer of ownership of the insured motor
 63 vehicle; or

64 3. After purchase of another policy or binder covering the
 65 motor vehicle that was covered under the policy being canceled.

66 Section 2. Subsections (1), (2), and (3) of section
 67 627.7283, Florida Statutes, are amended to read:

68 627.7283 Cancellation; return of unearned premium.—

69 (1) If the insured cancels a policy of motor vehicle
 70 insurance, the insurer must mail or electronically transfer the
 71 unearned portion of any premium paid within 30 days after the
 72 effective date of the policy cancellation or receipt of notice
 73 or request for cancellation, whichever is later. This
 74 requirement applies to a cancellation initiated by an insured
 75 for any reason. However, the insured may elect to apply the
 76 unearned portion of any premium paid to unpaid balances of other
 77 policies with the same insurer or insurer group.

78 (2) If an insurer cancels a policy of motor vehicle

79 insurance, the insurer must mail or electronically transfer the
80 unearned premium portion of any premium within 15 days after the
81 effective date of the policy cancellation. However, the insured
82 may elect to apply the unearned portion of any premium paid to
83 unpaid balances of other policies with the same insurer or
84 insurer group.

85 (3) If the unearned premium is not mailed, ~~or~~
86 electronically transferred, or applied to the unpaid balance of
87 other policies within the applicable period, the insurer must
88 pay to the insured 8 percent interest on the amount due. If the
89 unearned premium is not mailed or electronically transferred
90 within 45 days after the applicable period, the insured may
91 bring an action against the insurer pursuant to s. 624.155.

92 Section 3. Subsection (7) of section 627.7295, Florida
93 Statutes, is amended, and subsection (9) is added to that
94 section, to read:

95 627.7295 Motor vehicle insurance contracts.—

96 (7) A policy of private passenger motor vehicle insurance
97 or a binder for such a policy may be initially issued in this
98 state only if, before the effective date of such binder or
99 policy, the insurer or agent has collected from the insured an
100 amount equal to 2 months' premium. An insurer, agent, or premium
101 finance company may not, directly or indirectly, take any action
102 resulting in the insured having paid from the insured's own
103 funds an amount less than the 2 months' premium required by this
104 subsection. This subsection applies without regard to whether

105 | the premium is financed by a premium finance company or is paid
106 | pursuant to a periodic payment plan of an insurer or an
107 | insurance agent. This subsection does not apply if an insured or
108 | member of the insured's family is renewing or replacing a policy
109 | or a binder for such policy written by the same insurer or a
110 | member of the same insurer group. This subsection does not apply
111 | to an insurer that issues private passenger motor vehicle
112 | coverage primarily to active duty or former military personnel
113 | or their dependents. This subsection does not apply if all
114 | policy payments are paid pursuant to a payroll deduction plan,
115 | ~~or~~ an automatic electronic funds transfer payment plan from the
116 | policyholder, or a recurring credit card or debit card agreement
117 | with the insurer. This subsection and subsection (4) do not
118 | apply if all policy payments to an insurer are paid pursuant to
119 | an automatic electronic funds transfer payment plan from an
120 | agent, a managing general agent, or a premium finance company
121 | and if the policy includes, at a minimum, personal injury
122 | protection pursuant to ss. 627.730-627.7405; motor vehicle
123 | property damage liability pursuant to s. 627.7275; and bodily
124 | injury liability in at least the amount of \$10,000 because of
125 | bodily injury to, or death of, one person in any one accident
126 | and in the amount of \$20,000 because of bodily injury to, or
127 | death of, two or more persons in any one accident. This
128 | subsection and subsection (4) do not apply if an insured has had
129 | a policy in effect for at least 6 months, the insured's agent is
130 | terminated by the insurer that issued the policy, and the

131 insured obtains coverage on the policy's renewal date with a new
 132 company through the terminated agent.

133 (9) (a) In addition to the methods provided in s.
 134 627.4035(1), premium for motor vehicle insurance contracts
 135 issued in this state or covering risk located in this state may
 136 be paid in cash in the form of a draft or drafts.

137 (b) If payment of premium under this subsection by debit
 138 card, credit card, or automatic electronic funds transfer is
 139 returned, is declined, or cannot be processed due to
 140 insufficient funds, the insurer may impose an insufficient funds
 141 fee of up to \$15 per occurrence pursuant to the policy terms.

142 Section 4. Paragraphs (d) and (h) of subsection (5) of
 143 section 627.736, Florida Statutes, are amended to read:

144 627.736 Required personal injury protection benefits;
 145 exclusions; priority; claims.—

146 (5) CHARGES FOR TREATMENT OF INJURED PERSONS.—

147 (d) All statements and bills for medical services rendered
 148 by a physician, hospital, clinic, or other person or institution
 149 shall be submitted to the insurer on a properly completed
 150 Centers for Medicare and Medicaid Services (CMS) 1500 form, UB
 151 92 forms, or any other standard form approved by the office and
 152 ~~or~~ adopted by the commission for purposes of this paragraph. All
 153 billings for such services rendered by providers must, to the
 154 extent applicable, comply with the CMS 1500 form instructions,
 155 the American Medical Association CPT Editorial Panel, and the
 156 Healthcare Common Procedure Coding System (HCPCS); and must

157 follow the Physicians' Current Procedural Terminology (CPT), the
 158 HCPCS in effect for the year in which services are rendered, and
 159 the International Classification of Diseases (ICD) adopted by
 160 the United States Department of Health and Human Services in
 161 effect for the year in which services are rendered ~~follow the~~
 162 ~~Physicians' Current Procedural Terminology (CPT) or Healthcare~~
 163 ~~Correct Procedural Coding System (HCPCS), or ICD-9 in effect for~~
 164 ~~the year in which services are rendered and comply with the CMS~~
 165 ~~1500 form instructions, the American Medical Association CPT~~
 166 ~~Editorial Panel, and the HCPCS.~~ All providers, other than
 167 hospitals, must include on the applicable claim form the
 168 professional license number of the provider in the line or space
 169 provided for "Signature of Physician or Supplier, Including
 170 Degrees or Credentials." In determining compliance with
 171 applicable CPT and HCPCS coding, guidance shall be provided by
 172 the ~~Physicians' Current Procedural Terminology (CPT)~~ or the
 173 ~~Healthcare Correct Procedural Coding System (HCPCS)~~ in effect
 174 for the year in which services were rendered, the Office of the
 175 Inspector General, Physicians Compliance Guidelines, and other
 176 authoritative treatises designated by rule by the Agency for
 177 Health Care Administration. A statement of medical services may
 178 not include charges for medical services of a person or entity
 179 that performed such services without possessing the valid
 180 licenses required to perform such services. For purposes of
 181 paragraph (4) (b), an insurer is not considered to have been
 182 furnished with notice of the amount of covered loss or medical

183 bills due unless the statements or bills comply with this
184 paragraph and are properly completed in their entirety as to all
185 material provisions, with all relevant information being
186 provided therein.

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

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

195 2. An entity wholly owned by a dentist licensed under
196 chapter 466, or by the dentist and the spouse, parent, child, or
197 sibling of the dentist;

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

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

204 5. An entity that wholly owns or is wholly owned, directly
205 or indirectly, by a hospital or hospitals licensed under chapter
206 395;

207 6. An entity that is a clinical facility affiliated with
208 an accredited medical school at which training is provided for

209 | medical students, residents, or fellows; ~~or~~

210 | 7. An entity that is certified under 42 C.F.R. part 485,
211 | subpart H; or

212 | 8. An entity that is owned by a publicly traded
213 | corporation, either directly or indirectly through its
214 | subsidiaries, that has \$250 million or more in total annual
215 | sales of health care services provided by licensed health care
216 | practitioners if one or more of the persons responsible for the
217 | operations of the entity are health care practitioners who are
218 | licensed in this state and who are responsible for supervising
219 | the business activities of the entity and the entity's
220 | compliance with state law for purposes of this section.

221 | Section 5. This act shall take effect July 1, 2016.