

The Florida Senate  
**COMMITTEE MEETING EXPANDED AGENDA**

**BANKING AND INSURANCE**  
**Senator Boyd, Chair**  
**Senator Broxson, Vice Chair**

**MEETING DATE:** Wednesday, September 22, 2021

**TIME:** 1:30—2:30 p.m.

**PLACE:** *Pat Thomas Committee Room, 412 Knott Building*

**MEMBERS:** Senator Boyd, Chair; Senator Broxson, Vice Chair; Senators Brandes, Burgess, Gruters, Passidomo, Rodrigues, Rouson, Stargel, Stewart, Taddeo, and Thurston

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TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	Presentations on the Florida Insurance Market Presenters: David Altmaier, Commissioner of the Florida Office of Insurance Regulation Tasha Carter, Florida Insurance Consumer Advocate		Presented

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Other Related Meeting Documents

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# Overview of the Florida Insurance Market

FLORIDA OFFICE OF INSURANCE REGULATION

David Altmaier, Insurance Commissioner

September 22, 2021

# Florida Office of Insurance Regulation (OIR) Overview

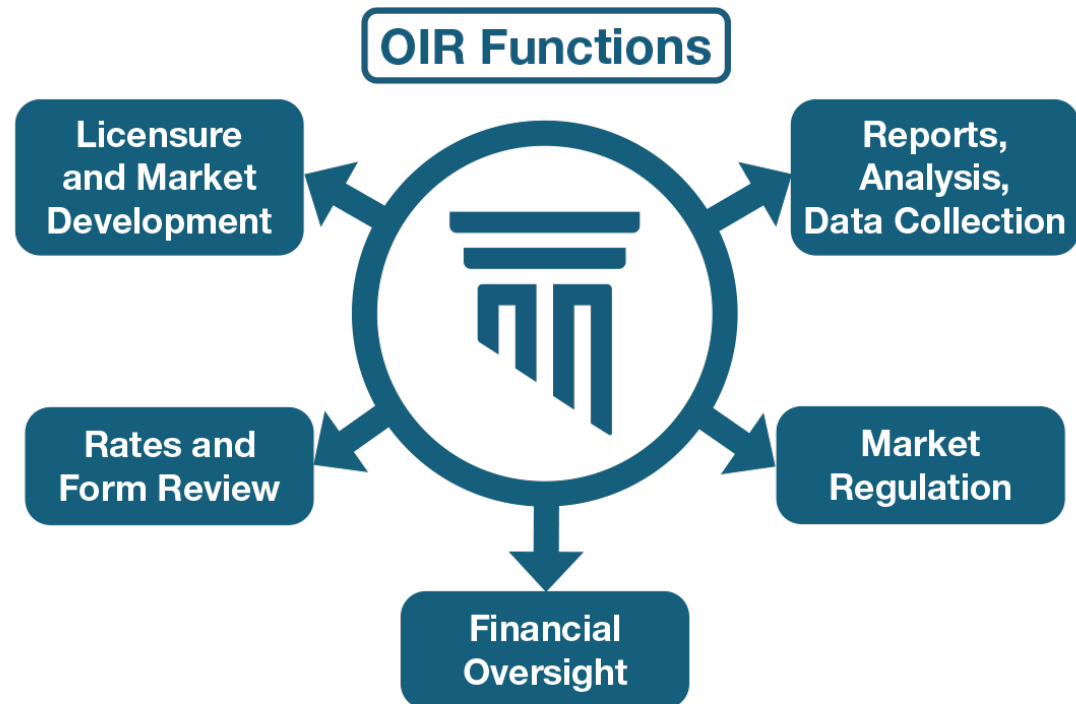
## Mission

To promote a stable and competitive insurance market for consumers.

## Vision

OIR envisions a robust and competitive insurance market while maintaining protections for the insurance-buying public.

9/22/2021





# Florida Insurance Market

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OIR is the lead regulatory agency overseeing Florida's insurers which make up one of the largest and most complex insurance industries in the world.

**\$175B**

Insurance Industry  
(Direct Written Premium)

**4,443**

Insurance Related  
Entities in Florida

**3.1%**

Florida GDP  
generated by  
Insurance Industry,  
2019

**203k**

Florida Insurance  
Industry Jobs



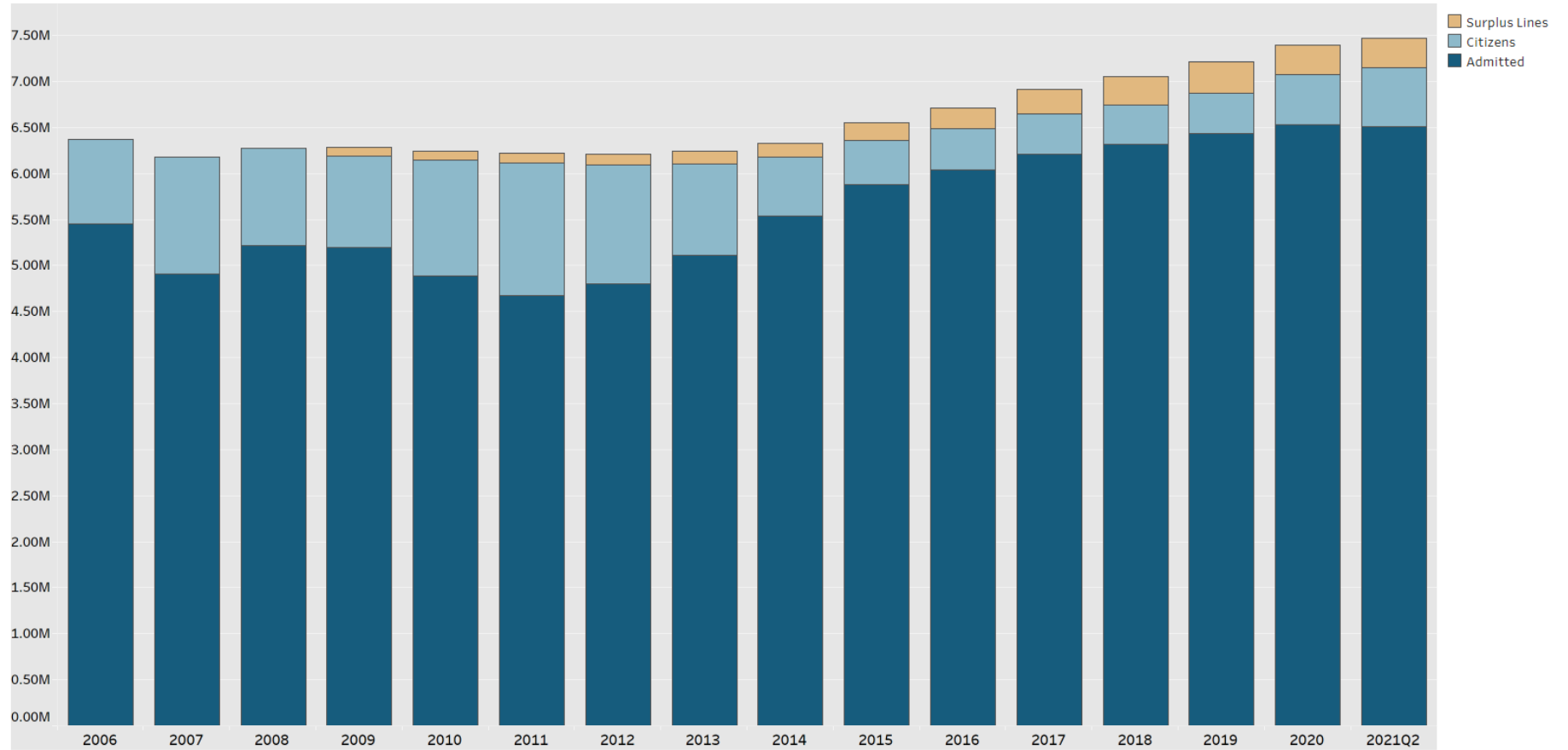
# Property Market Overview

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FLORIDA RESIDENTIAL PROPERTY INSURANCE MARKET

## Admitted Property Market vs. NonAdmitted Property Market

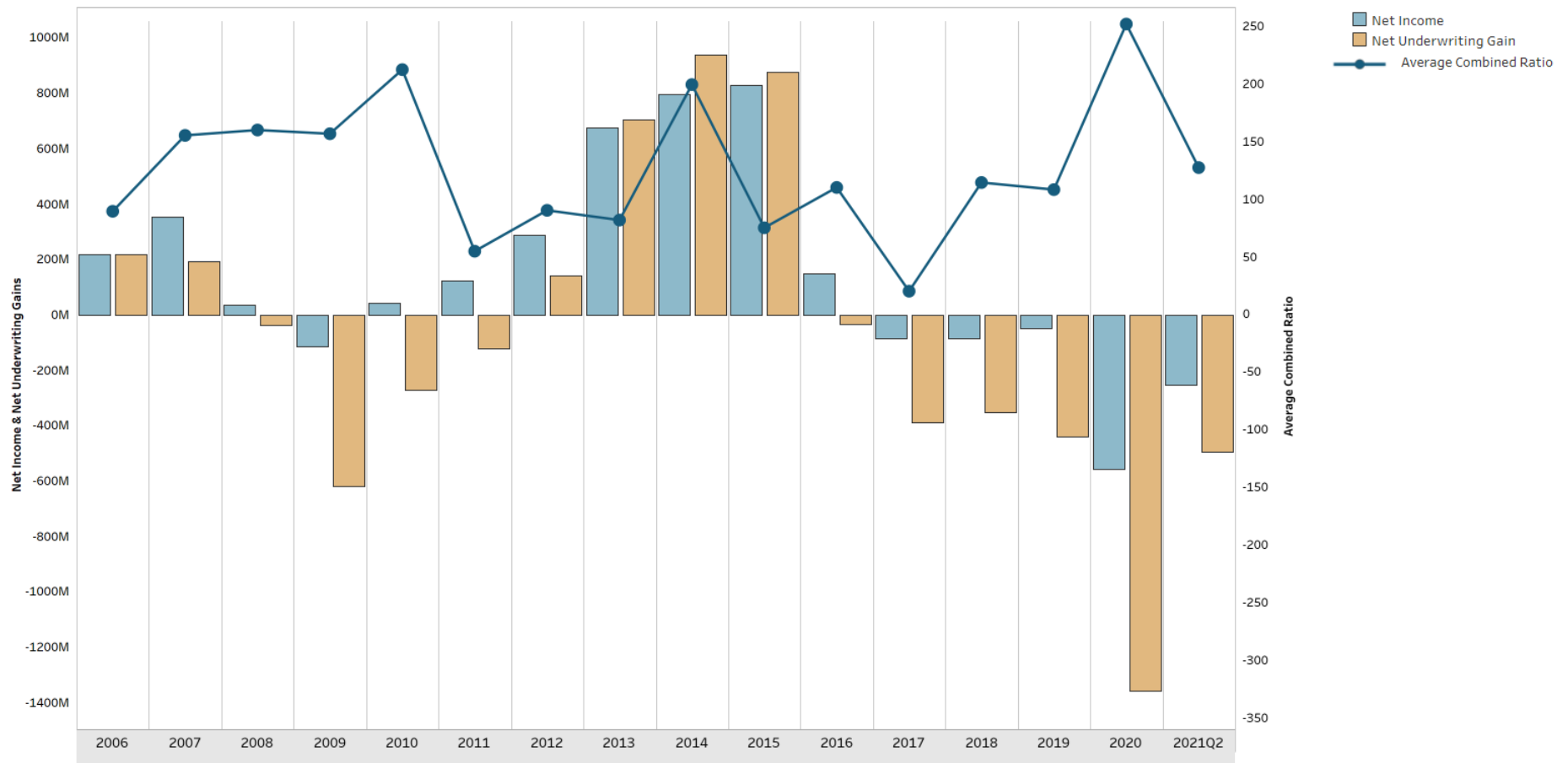
Policies in Force Over Time 2006-2021Q2



Δ Data is from Quarterly Supplemental Reporting (QUASR) and does not include State Farm for years 2014-2018 and American Coastal Insurance Company, United Property & Casualty Insurance Company and Family Security Insurance Company for the years 2017 and 2018 due to trade secret declarations.

## Performance of Florida Domestic Property Companies

2006-2021Q2



Δ The domestic companies do not include Citizens Property Insurance Corporation. The data is from financial statements submitted to the National Association of Insurance Commissioners.



# Key Issues

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- SENATE BILL 76
- SURFSIDE RESPONSE
- FLORIDA BIRTH-RELATED NEUROLOGICAL INJURY  
COMPENSATION ASSOCIATION





# Workers' Compensation Insurance

As a result of  
market reforms,  
from 2003-2021,  
workers' comp  
insurance rates  
have decreased  
**-69.9%**

Since 2018, OIR has approved five consecutive rate decreases. The National Council on Compensation Insurance (NCCI) has submitted a proposed 4.9% rate decrease for 2022.

Filing Effective Date	Rate Change
January 2018	-9.5%
June 2018	-1.8%
January 2019	-13.8%
January 2020	-7.5%
January 2021	-6.6%
January 2022	-4.9% ( <i>PROPOSED</i> )



# PPACA Market Overview

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FLORIDA HEALTH INSURANCE MARKET



# 2022 Small Group PPACA Market Rates

	Company	Network Type <sup>(1)</sup>	Florida File Log Number	Average 2021 Monthly Premium <sup>(3)</sup> per Person for Actual 2021 Enrollment	Average 2022 Monthly Premium <sup>(3)</sup> per Person for Actual 2021 Enrollment	Average Percentage Change Approved <sup>(3)</sup>
<b>OFF SHOP<sup>(2)</sup></b>						
1	Aetna Health Inc.	HMO	21-018206	\$772	\$876	13.4%
2	Aetna Life Insurance Company	EPO	21-018211	\$984	\$1,154	17.3%
3	All Savers Insurance Company	PPO	21-018143	\$679	\$740	8.9%
4	Avmed, Inc.	HMO	21-018138	\$556	\$667	19.9%
5	Behealthy Florida, Inc.	HMO	21-018157	\$401	\$419	4.3%
6	Blue Cross & Blue Shield Of Florida, Inc.	EPO	21-018155	\$621	\$651	4.9%
7	Capital Health Plan, Inc.	HMO	21-018210	\$576	\$606	5.0%
8	Florida Health Care Plan, Inc.	HMO	21-018094	\$509	\$549	7.8%
9	Health Options, Inc.	HMO	21-018158	\$486	\$515	6.0%
10	Humana Health Insurance Company Of Florida, Inc.	PPO	21-018156	\$685	\$783	14.4%
11	Humana Medical Plan, Inc.	HMO	21-018152	\$632	\$723	14.5%
12	Neighborhood Health Partnership, Inc.	HMO	21-018139	\$501	\$542	8.2%
13	Unitedhealthcare Insurance Company	EPO	21-018140	\$648	\$703	8.4%
14	Unitedhealthcare Of Florida, Inc.	HMO	21-018144	\$555	\$620	11.8%
<b>Weighted Average using Actual Membership(4):</b>				<b>\$565</b>	<b>\$610</b>	<b>7.9%</b>

(1) Network types are Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), and Exclusive Provider Organization (EPO).

(2) A plan available through the Small Business Health Options Program (SHOP).

(3) Percent changes are based on actual 2021 enrollment and do not represent the percent difference for a single certificate holder.

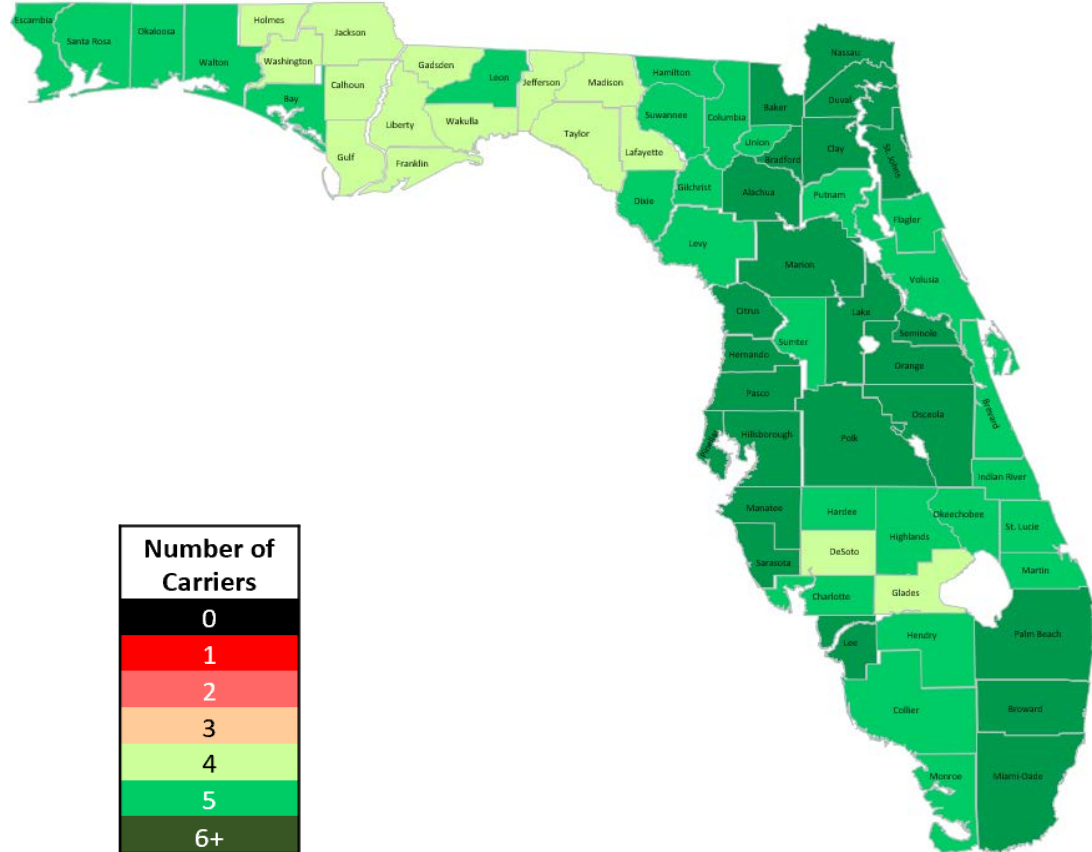
(4) Weighted averages give more weight to companies with larger membership.

## Number of Carriers by County: Silver On-Exchange



# Plan Year 2022 Small Group Market Carriers by County

Despite the challenges facing this market, it has maintained a healthy amount of competition and choice across the entire state.





# 2022 Individual PPACA Market Rates

	Company	Network Type <sup>(1)</sup>	Florida File Log Number	Average 2021 Monthly Premium <sub>(3)</sub> per Person for Actual 2021 Enrollment	Average 2022 Monthly Premium <sub>(3)</sub> per Person for Actual 2021 Enrollment	Average Percentage Change Approved <sup>(4)</sup>
<b>Federal Exchange Availability<sup>(2)</sup>: ON and OFF Exchange</b>						
1	Avmed, Inc.	HMO	21-018142	\$582	\$565	-2.9%
2	Blue Cross & Blue Shield Of Florida, Inc.	EPO	21-018182	\$683	\$751	9.8%
3	Bright Health Insurance Company Of Florida	EPO	21-018196	\$536	\$582	8.6%
4	Capital Health Plan, Inc.	HMO	21-018213	New Forms	New Forms	New Forms
5	Celtic Insurance Company	EPO	21-018178	\$587	\$651	9.9%
6	Cigna Health And Life Insurance Company	EPO	21-018141	\$549	\$581	5.8%
7	Coventry Health Plan Of Florida, Inc.	HMO	21-018203	New Forms	New Forms	New Forms
8	Florida Health Care Plan, Inc.	HMO	21-018031	\$613	\$633	3.3%
9	Health First Commercial Plans, Inc.	HMO	21-017991	\$593	\$606	2.2%
10	Health Options, Inc.	HMO	21-018183	\$601	\$627	4.3%
11	Molina Healthcare Of Florida, Inc.	HMO	21-018204	\$510	\$543	6.5%
12	Oscar Insurance Company Of Florida	EPO	21-018212	\$551	\$559	1.4%
13	Sunshine State Health Plan, Inc.	HMO	21-018180	New Forms	New Forms	New Forms
14	Unitedhealthcare Of Florida, Inc.	HMO	21-018193	New Forms	New Forms	New Forms
<b>Weighted Average using Actual Membership(5):</b>				<b>\$600</b>	<b>\$642</b>	<b>6.6%</b>

(1) Network types are Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), and Exclusive Provider Organization (EPO).

(2) A plan marketed through the Federally Facilitated Exchange (FFE) may or may not be marketed outside of the FFE.

(3) Average Monthly Premiums do not include the impact of potential premium subsidies.

(4) Percent changes are based on actual 2021 enrollment and do not represent the percent difference for a single policyholder.

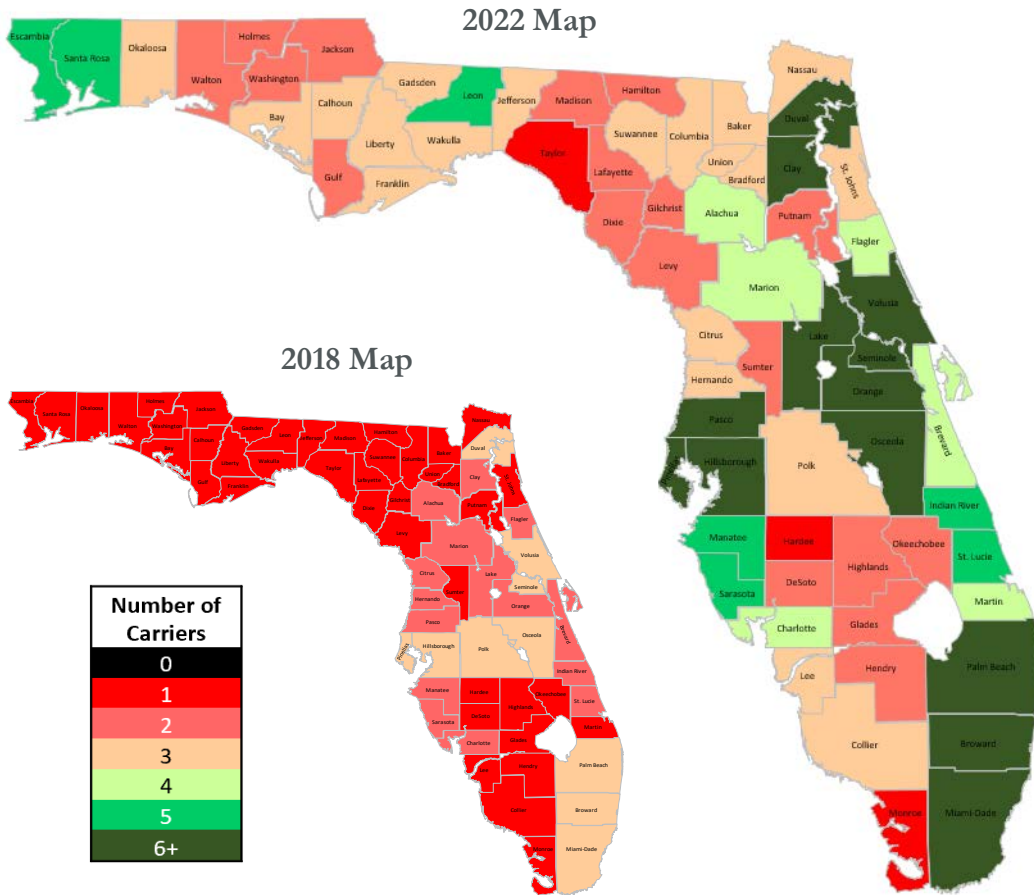
(5) Weighted averages give more weight to companies with larger membership.



# Plan Year 2022 Individual Market Carriers by County

There remain three single carrier counties.

There are three new entrants to the market and many carriers continue to expand.





# Contact Information

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September 22, 2021

Florida Office of Insurance Regulation

9/22/2021

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*Tasha Carter*

# **CURRENT ISSUES FACING THE INSURANCE INDUSTRY AND CONSUMER IMPACT**

SENATE BANKING AND INSURANCE COMMITTEE MEETING  
SEPTEMBER 22, 2021

**TASHA CARTER**

**Florida's Insurance Consumer Advocate**

CFO JIMMY PATRONIS

# *Thinking of the Surfside Families*

**CHAMPLAIN TOWERS SOUTH COLLAPSE – JUNE 24, 2021**

## ▶ **LARGE SCALE INSURANCE EVENT**

- Life, homeowners/dwelling, renters, auto, health insurance

## ▶ **INITIAL POLICYHOLDER CONCERNS:**

- Policy Confirmation
- Navigating Claim Process

## ► OIR DATA CALL

- More than 140 companies reported 670 active individual policies that provided coverage to persons or property

- Accident/Health
- Homeowners/Dwelling
- Personal/Commercial Auto
- Life Insurance/Annuities

## ► **INSURANCE INDUSTRY'S RESPONSE**

- Handled claims with the care and concern they required and deserved.
- Proactively reached out to policyholders to initiate the claims process.
- Some companies set up on-site to provide in-person assistance and also offered to deliver checks to families personally.
- Most companies voluntarily paid policy limits without inspections or documentation.

## ► **CFO PATRONIS ISSUED DIRECTIVE TO INSURANCE COMPANIES**



SUPPORTIVE SERVICES FOR  
FAMILIES & PHYSICIANS

- ▶ **CFO DIRECTIVE**
- ▶ **ADVOCACY ACTIONS**
- ▶ **NICA PARTICIPANT SURVEY**

**[www.MyFloridaCFO.com/Division/ICA/NICA](http://www.MyFloridaCFO.com/Division/ICA/NICA)**

## FACTORS IMPACTING THE INSURANCE MARKET

Underwriting Restrictions

Litigation

Lack of Available Coverage

Insurance Fraud

Policy Cancellation/Non-renewal

Increased Rates

## ► UNDERWRITING GUIDELINES RESTRICTIONS

- Age of Roof
- Age of Home

## ► LACK OF AVAILABLE COVERAGE

- As a result of the stricter underwriting guidelines, the availability and accessibility of adequate insurance coverage is decreasing significantly.

## ► POLICY CANCELLATION/NON-RENEWAL

- Gulfstream Property and Casualty Insurance Company – **Cancel 20,311 policies**
- Universal Insurance Company of North America – **Cancel 13,294 policies**
- Southern Fidelity Insurance Company – **Non-renew 19,600**



## ▶ **LITIGATION**

- DFS Civil Remedy Notices increased by 11%
- Citizens reports average of 905 new lawsuits each month

## ▶ **INSURANCE FRAUD**

- Insurance fraud [non-medical] costs more than \$40 billion annually and costs the average family \$400 - \$700 a year in increased premiums. (Source: FBI)
- Demolish Contractor Fraud: Steps to Avoid Falling Victim

## ▶ **INCREASED RATES**

- Florida has the 3rd highest property insurance premiums in the US - average annual premium of more than \$3,600. (Source: Insurance.com)

## 2021 LEGISLATIVE SESSION

Legislature passed two bills that included provisions to directly address fraud, solicitation and litigation.

### ▶ **CFO PATRONIS' CONSUMER PROTECTION BILL - SB 1598**

### ▶ **SB 76 SPONSORED BY CHAIR BOYD**

- Nearly 4,500 Notices of Intent to Initiate Litigation - Estimated Disputed Amount of \$82 million
- Currently working closely with the Department of Business & Professional Regulation's defense team and am assisting with the defense of the prohibited advertisement provision



— Tasha Carter —

**OFFICE OF THE INSURANCE CONSUMER ADVOCATE**

[www.MyFloridaCFO.com/Division/ICA](http://www.MyFloridaCFO.com/Division/ICA)

Your**FL**Voice@MyFloridaCFO.com

850.413.5923

TASHA CARTER

FLORIDA'S INSURANCE CONSUMER ADVOCATE

  @Your**FL**Voice



# THE FLORIDA SENATE

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### COMMITTEE MEMBERSHIP:

Criminal Justice, *Chair*

Appropriations

Commerce & Tourism

Appropriations  
Subcommittee on  
Criminal & Civil Justice

Joint Committee on  
Public Counsel Oversight

**WILTON SIMPSON**  
President of the Senate

**AARON BEAN**  
President Pro Tempore

September 22, 2021

Senator Jim Boyd, *Chair*  
Committee on Banking and Insurance  
404 South Monroe Street  
Tallahassee, FL 32399

Chair Boyd,

I write to ask that you favor me with a public opportunity to recognize a truly remarkable person.

I first met Tasha Carter in a Surfside hotel's makeshift conference room, where a small group of maybe eight or nine survivors of the collapse had gathered at our invitation. This was an understandably shaken and apprehensive group, consumed with what seemed like survivor's guilt and uncertainty about their future. These men, women and children had lost their homes, their cars, their clothes, heirlooms, documents, and the familiarity and comfort that attaches. But standing with me, calmly and confidently assuring every person that we would help rebuild their lives, was Tasha Carter. The small group began texting and calling their fellow survivors, and the group grew to twelve, and then fifteen and then twenty-five – the subsequent meeting had more than 130.

As I'm sure you observed in the media coverage, the world came to Surfside to assist in rescue and recovery, but very few have remained engaged, and even fewer in the often tedious labor of simplifying otherwise complicated tasks. Thousands of hours of precious time saved, and untold thousands of dollars more have been secured for the victims' families and survivors because of Tasha's commitment and persistence.

While my hope is that no tragedy or devastation shall again befall upon our district, I take solace in knowing that true public servants like Tasha are in the world.

Thank you,

Jason

The Florida Senate

**APPEARANCE RECORD**

Deliver both copies of this form to  
Senate professional staff conducting the meeting

Bill Number or Topic

Amendment Barcode (if applicable)

Meeting Date

Committee

Name

Phone

Address

Email

Street

City

State

Zip

Speaking:

☐

For

☐

Against

☒

Information

**OR**

Waive Speaking:

☐

In Support

☐

Against

**PLEASE CHECK ONE OF THE FOLLOWING:**

☐

I am appearing without  
compensation or sponsorship.

☐

I am a registered lobbyist,  
representing:

OIR

☐

I am not a lobbyist, but received  
something of value for my appearance  
(travel, meals, lodging, etc.),  
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

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S-001 (08/10/2021)

# CourtSmart Tag Report

**Room:** KB 412  
**Caption:** Senate Banking and Insurance Committee

**Case No.:** -

**Type:**  
**Judge:**

**Started:** 9/22/2021 1:30:28 PM

**Ends:** 9/22/2021 2:30:50 PM

**Length:** 01:00:23

1:30:27 PM	Meeting called to order by Chair Boyd
1:30:40 PM	Roll Call by CAA
1:30:53 PM	Quorum present
1:31:23 PM	Comments and introductions by Chair Boyd
1:32:18 PM	Tab 1- Presentations on the Florida Insurance Market
1:32:52 PM	Commissioner David Altmaier, Florida Office of Insurance Regulation
1:34:07 PM	Overview of Florida Office of Insurance Regulation
1:43:55 PM	Key issues discussed by Commissioner Altmaier
1:49:09 PM	Senator Boyd with comments
1:49:43 PM	Senator Boyd with questions
1:50:38 PM	Commissioner Altmaier responds
1:52:53 PM	Senator Boyd with further comments
1:54:59 PM	Commissioner Altmaier responds to Senator Boyd's comments/questions
1:55:51 PM	Senator Brandes with a question
1:56:20 PM	Commissioner Altmaier responds
1:56:49 PM	Senator Brandes with a question
1:57:14 PM	Commissioner Altmaier responds
1:57:36 PM	Senator Brandes asks further questions
1:57:47 PM	Commissioner Altmaier responds
1:58:15 PM	Senator Brandes asks series of questions
1:59:04 PM	Commissioner Altmaier responds
2:00:20 PM	Senator Thurston with question
2:01:16 PM	Commissioner Altmaier responds
2:01:58 PM	Senator Thurston with followup question
2:02:15 PM	Commissioner Altmaier responds
2:04:30 PM	Senator Thurston with final question
2:04:45 PM	Commissioner Altmaier responds
2:06:13 PM	Presentation by Tasha Carter, Florida Insurance Consumer Advocate
2:08:53 PM	Speaker Carter speaks on Surfside Condo collapse
2:13:26 PM	Chair Boyd reads a letter
2:14:46 PM	Speaker Carter continues her presentation
2:18:15 PM	Senator Burgess comments
2:19:38 PM	Speaker Carter continues her presentation
2:27:57 PM	Senator Brandes with question
2:28:31 PM	Speaker Carter responds
2:29:05 PM	Senator Rouson with question
2:29:19 PM	Speaker Carter responds
2:29:44 PM	Meeting adjourned