

1                                   A bill to be entitled  
2           An act relating to motor vehicle insurance;  
3           amending ss. 324.031 and 324.032, F.S.;  
4           increasing certain limits of financial  
5           responsibility; specifying effect; amending s.  
6           627.7295, F.S.; clarifying an exception;  
7           providing an additional exception to a  
8           requirement that a minimum of 2 months' premium  
9           be collected to issue a policy or binder for  
10          motor vehicle insurance; amending s. 627.736,  
11          F.S.; revising provisions for charges for  
12          treatment of injured persons; providing an  
13          effective date.

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15   Be It Enacted by the Legislature of the State of Florida:

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17           Section 1. Section 324.031, Florida Statutes, is  
18   amended to read:

19           324.031 Manner of proving financial  
20   responsibility.--The owner or operator of a taxicab,  
21   limousine, jitney, or any other for-hire passenger  
22   transportation vehicle may prove financial responsibility by  
23   providing satisfactory evidence of holding a motor vehicle  
24   liability policy as defined in s. 324.021(8) or s. 324.151,  
25   which policy is issued by an insurance carrier which is a  
26   member of the Florida Insurance Guaranty Association. The  
27   operator or owner of any other vehicle may prove his or her  
28   financial responsibility by:

29           (1) Furnishing satisfactory evidence of holding a  
30   motor vehicle liability policy as defined in ss. 324.021(8)  
31   and 324.151;

1 (2) Posting with the department a satisfactory bond of  
2 a surety company authorized to do business in this state,  
3 conditioned for payment of the amount specified in s.  
4 324.021(7);

5 (3) Furnishing a certificate of the department showing  
6 a deposit of cash or securities in accordance with s. 324.161;  
7 or

8 (4) Furnishing a certificate of self-insurance issued  
9 by the department in accordance with s. 324.171.

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11 Any person, including any firm, partnership, association,  
12 corporation, or other person, other than a natural person,  
13 electing to use the method of proof specified in subsection  
14 (2) or subsection (3) shall post a bond or deposit equal to  
15 the number of vehicles owned times \$30,000, to a maximum of  
16 \$120,000; in addition, any such person, other than a natural  
17 person, shall maintain insurance providing coverage in excess  
18 of limits of \$10,000/20,000/10,000 or \$30,000 combined single  
19 limits, and such excess insurance shall provide minimum limits  
20 of \$125,000/250,000/50,000 ~~\$50,000/100,000/50,000~~ or \$300,000  
21 ~~\$150,000~~ combined single limits. These increased limits shall  
22 not affect the requirements for proving financial  
23 responsibility under s. 324.032(1).

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Section 2. Subsection (1) of section 324.032, Florida  
Statutes, is amended to read:

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324.032 Manner of proving financial responsibility;  
for-hire passenger transportation vehicles.--

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(1) Notwithstanding the provisions of s. 324.031, a  
29 person who is either the owner or a lessee required to  
30 maintain insurance under s. 324.021(9)(b) and who operates at  
31 least 300 taxicabs, limousines, jitneys, or any other for-hire

1 passenger transportation vehicles may prove financial  
2 responsibility by satisfying the following:

3 (a) Furnishing satisfactory evidence of holding a  
4 motor vehicle liability policy as defined in s. 324.031; or

5 (b) Complying with the provisions of s. 324.171, such  
6 compliance to be demonstrated by maintaining at its principal  
7 place of business an audited financial statement, prepared in  
8 accordance with generally accepted accounting principles, and  
9 providing to the department a certification issued by a  
10 certified public accountant that the applicant's net worth is  
11 at least equal to the requirements of s. 324.171 as determined  
12 by the Department of Insurance, including claims liabilities  
13 in an amount certified as adequate by a Fellow of the Casualty  
14 Actuarial Society.

15  
16 Upon request by the department, the applicant must provide the  
17 department at the applicant's principal place of business in  
18 this state access to the applicant's underlying financial  
19 information and financial statements that provide the basis of  
20 the certified public accountant's certification. The  
21 applicant shall reimburse the requesting department for all  
22 reasonable costs incurred by it in reviewing the supporting  
23 information. The maximum amount of self-insurance permissible  
24 under this subsection is \$300,000~~\$100,000~~ and must be stated  
25 on a per-occurrence basis, and the applicant shall maintain  
26 adequate excess insurance issued by an authorized or eligible  
27 insurer licensed or approved by the Department of Insurance.  
28 All risks self-insured shall remain with the owner or lessee  
29 providing it, and the risks are not transferable to any other  
30 person, unless a policy complying with paragraph (a) is  
31 obtained.

1           Section 3. Subsection (7) of section 627.7295, Florida  
2 Statutes, is amended to read:

3           627.7295 Motor vehicle insurance contracts.--

4           (7) A policy of private passenger motor vehicle  
5 insurance or a binder for such a policy may be initially  
6 issued in this state only if the insurer or agent has  
7 collected from the insured an amount equal to 2 months'  
8 premium. An insurer, agent, or premium finance company may  
9 not directly or indirectly take any action resulting in the  
10 insured having paid from the insured's own funds an amount  
11 less than the 2 months' premium required by this subsection.  
12 This subsection applies without regard to whether the premium  
13 is financed by a premium finance company or is paid pursuant  
14 to a periodic payment plan of an insurer or an insurance  
15 agent. This subsection does not apply if an insured or member  
16 of the insured's family is renewing or replacing a policy or a  
17 binder for such policy written by the same insurer or a member  
18 of the same insurer group. This subsection does not apply to  
19 an insurer that issues private passenger motor vehicle  
20 coverage primarily to active duty or former military personnel  
21 or their dependents. This subsection does not apply if all  
22 policy payments are paid pursuant to a payroll deduction plan  
23 or an automatic electronic funds transfer payment plan from  
24 the policyholder, provided that the first policy payment may  
25 be ~~is~~ made by cash, cashier's check, check, or a money order.  
26 This subsection and subsection (4) do not apply if all policy  
27 payments to an insurer are paid pursuant to an automatic  
28 electronic funds transfer payment plan from an agent or a  
29 managing general agent, or if the policy is issued pursuant to  
30 the transfer of a private passenger motor vehicle insurance  
31 book of business by an agent from one insurer to another,

1 provided that ~~and if~~ the policy includes, at a minimum,  
2 personal injury protection pursuant to ss. 627.730-627.7405;  
3 motor vehicle property damage liability pursuant to s.  
4 627.7275; and bodily injury liability in at least the amount  
5 of \$10,000 because of bodily injury to, or death of, one  
6 person in any one accident and in the amount of \$20,000  
7 because of bodily injury to, or death of, two or more persons  
8 in any one accident. This subsection and subsection (4) do not  
9 apply if an insured has had a policy in effect for at least 6  
10 months, the insured's agent is terminated by the insurer that  
11 issued the policy, and the insured obtains coverage on the  
12 policy's renewal date with a new company through the  
13 terminated agent.

14 Section 4. Paragraph (b) of subsection (5) of section  
15 627.736, Florida Statutes, is amended to read:

16 627.736 Required personal injury protection benefits;  
17 exclusions; priority; claims.--

18 (5) CHARGES FOR TREATMENT OF INJURED PERSONS.--

19 (b)1. An insurer or insured is not required to pay a  
20 claim made by a broker or by a person making a claim on behalf  
21 of a broker. However, this sub-paragraph shall not be  
22 construed to require reimbursement for persons not otherwise  
23 reimbursable.

24 2. Charges for medically necessary cephalic  
25 thermograms, peripheral thermograms, spinal ultrasounds,  
26 extremity ultrasounds, video fluoroscopy, and surface  
27 electromyography shall not exceed the maximum reimbursement  
28 allowance for such procedures as set forth in the applicable  
29 fee schedule or other payment methodology established pursuant  
30 to s. 440.13.

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1           3. Allowable amounts that may be charged to a personal  
 2 injury protection insurance insurer and insured for medically  
 3 necessary nerve conduction testing when done in conjunction  
 4 with a needle electromyography procedure and both are  
 5 performed and billed solely by a physician licensed under  
 6 chapter 458, chapter 459, chapter 460, or chapter 461 who is  
 7 also certified by the American Board of Electrodiagnostic  
 8 Medicine or by a board recognized by the American Board of  
 9 Medical Specialties or the American Osteopathic Association or  
 10 who holds diplomate status with the American Chiropractic  
 11 Neurology Board or its predecessors or the American Board of  
 12 Chiropractic Orthopedics shall not exceed 200 percent of the  
 13 allowable amount under the participating physician fee  
 14 schedule of Medicare Part B for year 2001, in effect on June  
 15 19, 2001 for the area in which the treatment was rendered,  
 16 adjusted annually in February of each year, beginning with  
 17 February 2003, by an additional amount equal to the prior  
 18 year's annual Medical Care Item of the Consumer Price Index  
 19 for All Urban Consumers as determined by the Bureau of Labor  
 20 Statistics of the United States Department of Labor ~~medical~~  
 21 ~~Consumer Price Index for Florida.~~

22           4. Allowable amounts that may be charged to a personal  
 23 injury protection insurance insurer and insured for medically  
 24 necessary nerve conduction testing that does not meet the  
 25 requirements of subparagraph 3. shall not exceed the  
 26 applicable fee schedule or other payment methodology  
 27 established pursuant to s. 440.13.

28           5. Effective upon this act becoming a law and before  
 29 November 1, 2001, allowable amounts that may be charged to a  
 30 personal injury protection insurance insurer and insured for  
 31 magnetic resonance imaging services shall not exceed 200

1 percent of the allowable amount under the participating  
2 physician fee schedule of Medicare Part B for year 2001 in  
3 effect on June 19, 2001, for the area in which the treatment  
4 was rendered. Beginning November 1, 2001, allowable amounts  
5 that may be charged to a personal injury protection insurance  
6 insurer and insured for magnetic resonance imaging services  
7 shall not exceed 175 percent of the allowable amount under the  
8 participating physician fee schedule of Medicare Part B for  
9 year 2001 in effect on June 19, 2001, for the area in which  
10 the treatment was rendered, adjusted annually in February of  
11 each year, beginning with February 2003, by an additional  
12 amount equal to the prior year's annual Medical Care Item of  
13 the Consumer Price Index for All Urban Consumers as determined  
14 by the Bureau of Labor Statistics of the United States  
15 ~~Department of Labor medical Consumer Price Index for Florida,~~  
16 except that allowable amounts that may be charged to a  
17 personal injury protection insurance insurer and insured for  
18 magnetic resonance imaging services provided in facilities  
19 accredited by the American College of Radiology or the Joint  
20 Commission on Accreditation of Healthcare Organizations shall  
21 not exceed 200 percent of the allowable amount under the  
22 participating physician fee schedule of Medicare Part B for  
23 year 2001 in effect on June 19, 2001, for the area in which  
24 the treatment was rendered, adjusted annually in February of  
25 each year, beginning with February 2003, by an additional  
26 amount equal to the prior year's annual Medical Care Item of  
27 the Consumer Price Index for All Urban Consumers as determined  
28 by the Bureau of Labor Statistics of the United States  
29 ~~Department of Labor medical Consumer Price Index for Florida.~~  
30 This paragraph does not apply to charges for magnetic  
31 resonance imaging services and nerve conduction testing for

1 inpatients and emergency services and care as defined in  
2 chapter 395 rendered by facilities licensed under chapter 395.  
3 Section 5. This act shall take effect upon becoming a  
4 law.

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