

Bill No. CS for CS for SB 2264

Amendment No. ____ Barcode 281282

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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2	04/30/2003	.	
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11	Senator Atwater moved the following amendment:		
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13	Senate Amendment (with title amendment)		
14	On page 1, line 19,		
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16	insert:		
17	Section 1. Paragraph (g) of subsection (1) of section		
18	626.9541, Florida Statutes, is amended to read:		
19	626.9541 Unfair methods of competition and unfair or		
20	deceptive acts or practices defined.--		
21	(1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR		
22	DECEPTIVE ACTS.--The following are defined as unfair methods		
23	of competition and unfair or deceptive acts or practices:		
24	(g) Unfair discrimination.--		
25	1. Knowingly making or permitting any unfair		
26	discrimination between individuals of the same actuarially		
27	supportable class and equal expectation of life, in the rates		
28	charged for any life insurance or annuity contract, in the		
29	dividends or other benefits payable thereon, or in any other		
30	of the terms and conditions of such contract.		
31	2.a. Knowingly making or permitting any unfair		

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1 discrimination between individuals of the same actuarially
2 supportable class, as determined at the original time of
3 issuance of the coverage, and essentially the same hazard, in
4 the amount of premium, policy fees, or rates charged for any
5 policy or contract of accident, disability, or health
6 insurance, in the benefits payable thereunder, in any of the
7 terms or conditions of such contract, or in any other manner
8 whatever.

9 b. Unless such pricing structure is approved by the
10 office, any pricing structure that results or is reasonably
11 expected to result in rate escalations resulting in a death
12 spiral, which is a rate escalation caused by segmenting
13 healthy and unhealthy lives resulting in an ultimate pool of
14 primarily less healthy insureds, is considered a predatory
15 pricing structure and constitutes unfair discrimination. The
16 Financial Services Commission is authorized to adopt rules to
17 implement this provision.

18 3. For a health insurer, life insurer, disability
19 insurer, property and casualty insurer, automobile insurer, or
20 managed care provider to underwrite a policy, or refuse to
21 issue, reissue, or renew a policy, refuse to pay a claim,
22 cancel or otherwise terminate a policy, or increase rates
23 based upon the fact that an insured or applicant who is also
24 the proposed insured has made a claim or sought or should have
25 sought medical or psychological treatment in the past for
26 abuse, protection from abuse, or shelter from abuse, or that a
27 claim was caused in the past by, or might occur as a result
28 of, any future assault, battery, or sexual assault by a family
29 or household member upon another family or household member as
30 defined in s. 741.28. A health insurer, life insurer,
31 disability insurer, or managed care provider may refuse to

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1 | underwrite, issue, or renew a policy based on the applicant's
2 | medical condition, but shall not consider whether such
3 | condition was caused by an act of abuse. For purposes of this
4 | section, the term "abuse" means the occurrence of one or more
5 | of the following acts:

6 | a. Attempting or committing assault, battery, sexual
7 | assault, or sexual battery;

8 | b. Placing another in fear of imminent serious bodily
9 | injury by physical menace;

10 | c. False imprisonment;

11 | d. Physically or sexually abusing a minor child; or

12 | e. An act of domestic violence as defined in s.

13 | 741.28.

14 |

15 | This subparagraph does not prohibit a property and casualty
16 | insurer or an automobile insurer from excluding coverage for
17 | intentional acts by the insured if such exclusion does not
18 | constitute an act of unfair discrimination as defined in this
19 | paragraph.

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21 | (Redesignate subsequent sections.)

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23 |

24 | ===== T I T L E A M E N D M E N T =====

25 | And the title is amended as follows:

26 | On page 1, line 2, delete that line

27 |

28 | and insert:

29 | An act relating to insurance; amending s.

30 | 626.9541, F.S., relating to unfair insurance

31 | trade practices and predatory pricing;

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1 authorizing rulemaking; amending
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