

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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Representative Negron offered the following:

Amendment (with directory and title amendments)

Remove line(s) 27 and 28, and insert:

Section 1. Paragraph (g) of subsection (1) of section 626.9541, Florida Statutes, is amended to read:

626.9541 Unfair methods of competition and unfair or deceptive acts or practices defined.--

(1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE ACTS.--The following are defined as unfair methods of competition and unfair or deceptive acts or practices:

(g) *Unfair discrimination*.--

1. Knowingly making or permitting any unfair discrimination between individuals of the same actuarially supportable class and equal expectation of life, in the rates charged for any life insurance or annuity contract, in the

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27 dividends or other benefits payable thereon, or in any other of
28 the terms and conditions of such contract.

29 2. Knowingly making or permitting any unfair
30 discrimination between individuals of the same actuarially
31 supportable class, as determined at the original time of
32 issuance of the coverage, and essentially the same hazard, in
33 the amount of premium, policy fees, or rates charged for any
34 policy or contract of accident, disability, or health insurance,
35 in the benefits payable thereunder, in any of the terms or
36 conditions of such contract, or in any other manner whatever.
37 Unfair discrimination includes predatory pricing structures
38 which result or are reasonably expected to result in rate
39 escalations resulting in a death spiral, which is a rate
40 escalation caused by segmenting healthy and unhealthy lives
41 resulting in an ultimate pool of primarily less healthy
42 insureds. An annual rate increase less than or equal to 10
43 percent or 150 of medical trend, whichever is greater or an
44 increase approved by the Office of Insurance Regulation, will
45 not be considered a predatory price increase. The Financial
46 Services Commission may, by rule, define other unfairly
47 discriminatory or predatory health insurance rating practices.

48 3. For a health insurer, life insurer, disability insurer,
49 property and casualty insurer, automobile insurer, or managed
50 care provider to underwrite a policy, or refuse to issue,
51 reissue, or renew a policy, refuse to pay a claim, cancel or
52 otherwise terminate a policy, or increase rates based upon the
53 fact that an insured or applicant who is also the proposed
54 insured has made a claim or sought or should have sought medical
55 or psychological treatment in the past for abuse, protection

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56 from abuse, or shelter from abuse, or that a claim was caused in
 57 the past by, or might occur as a result of, any future assault,
 58 battery, or sexual assault by a family or household member upon
 59 another family or household member as defined in s. 741.28. A
 60 health insurer, life insurer, disability insurer, or managed
 61 care provider may refuse to underwrite, issue, or renew a policy
 62 based on the applicant's medical condition, but shall not
 63 consider whether such condition was caused by an act of abuse.
 64 For purposes of this section, the term "abuse" means the
 65 occurrence of one or more of the following acts:

- 66 a. Attempting or committing assault, battery, sexual
 67 assault, or sexual battery;
- 68 b. Placing another in fear of imminent serious bodily
 69 injury by physical menace;
- 70 c. False imprisonment;
- 71 d. Physically or sexually abusing a minor child; or
- 72 e. An act of domestic violence as defined in s. 741.28.

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 74 This subparagraph does not prohibit a property and casualty
 75 insurer or an automobile insurer from excluding coverage for
 76 intentional acts by the insured if such exclusion does not
 77 constitute an act of unfair discrimination as defined in this
 78 paragraph.

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 80 ===== D I R E C T O R Y A M E N D M E N T =====

81 Remove line(s) , and insert:
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85 ===== T I T L E A M E N D M E N T =====

86 Remove line(s) 11, and insert:

87 An act relating to health insurance; amending s. 626.9541, F.S.;
88 revising a definition of unfair discrimination for purposes of
89 unfair methods of competition and unfair or deceptive acts or
90 practices; authorizing the Financial Services Commission to
91 define, by rule, certain health insurance rating practices as
92 unfairly discriminatory or predatory; amending s. 627.410,