

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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Representative Negron offered the following:

**Amendment (with title amendment)**

Remove line(s) 28-135, and insert:

Section 1. Paragraph (e) of subsection (1) of section 627.411, Florida Statutes, is amended, and subsection (3) is added to said section, to read:

627.411 Grounds for disapproval.--

(1) The department shall disapprove any form filed under s. 627.410, or withdraw any previous approval thereof, only if the form:

(e) Is for health insurance and:

1. Provides benefits that ~~which~~ are unreasonable in relation to the premium charged;7

2. Contains provisions that ~~which~~ are unfair or inequitable or contrary to the public policy of this state or that ~~which~~ encourage misrepresentation;7 or

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28        3. Contains provisions that which apply rating practices  
29 that which result in premium escalations that are not viable for  
30 the policyholder market or result in unfair discrimination  
31 pursuant to s. 626.9541(1)(g)2. in sales practices.

32        (3)(a) For health insurance coverage as described in s.  
33 627.6561(5)(a)2., the minimum loss ratio standard of incurred  
34 claims to earned premium for the form shall be 65 percent.

35        (b) Incurred claims are claims occurring within a fixed  
36 period, whether or not paid during the same period, under the  
37 terms of the policy period.

38        1. Claims include scheduled benefit payments, or services  
39 provided by a provider or through a provider network for dental,  
40 vision, disability, and similar health benefits.

41        2. Claims do not include state assessments, taxes,  
42 company expenses, or any expense incurred by the company for the  
43 cost of adjusting and settling a claim, including the review,  
44 qualification, oversight, management, or monitoring of a claim  
45 or incentives or compensation to providers for other than the  
46 provisions of health care services.

47        3. A company may at its discretion include costs that are  
48 demonstrated to reduce claims, such as fraud intervention  
49 programs or case management costs, which are identified in each  
50 filing, are demonstrated to reduce claims costs, and do not  
51 result in increasing the experience period loss ratio by more  
52 than 5 percent.

53        4. For scheduled claim payments, such as disability  
54 income or long-term care, the incurred claims shall be the  
55 present value of the benefit payments discounted for continuance  
56 and interest.

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

Remove line(s) 11-13, and insert:  
An act relating to health insurance; amending s. 627.411,  
F.S.; providing conditions for disapproval of health  
insurance forms by the Office of Insurance Regulation;  
amending s. 627.6515, F.S.; revising