

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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Representative Negron offered the following:

**Amendment (with amendment)**

Remove line(s) 136-327, and insert:

Section 2. Subsection (2) of section 627.6515, Florida Statutes, is amended, and subsection (9) is added to said section, to read:

627.6515 Out-of-state groups.--

(2) Except as provided in this part, this part does not apply to a group health insurance policy issued or delivered outside this state under which a resident of this state is provided coverage if:

- (a) The policy is issued to an employee group the composition of which is substantially as described in s. 627.653; a labor union group or association group the composition of which is substantially as described in s. 627.654; an additional group the composition of which is

Amendment No. (for drafter's use only)

28 substantially as described in s. 627.656; a group insured under  
29 a blanket health policy when the composition of the group is  
30 substantially in compliance with s. 627.659; a group insured  
31 under a franchise health policy when the composition of the  
32 group is substantially in compliance with s. 627.663; an  
33 association group to cover persons associated in any other  
34 common group, which common group is formed primarily for  
35 purposes other than providing insurance; a group that is  
36 established primarily for the purpose of providing group  
37 insurance, provided the benefits are reasonable in relation to  
38 the premiums charged thereunder and the issuance of the group  
39 policy has resulted, or will result, in economies of  
40 administration; or a group of insurance agents of an insurer,  
41 which insurer is the policyholder;

42 (b) Certificates evidencing coverage under the policy are  
43 issued to residents of this state and contain in contrasting  
44 color and not less than 10-point type the following statement:  
45 "The benefits of the policy providing your coverage are governed  
46 primarily by the law of a state other than Florida"; ~~and~~

47 (c) The policy provides the benefits specified in ss.  
48 627.419, 627.6574, 627.6575, 627.6579, 627.6612, 627.66121,  
49 627.66122, 627.6613, 627.667, 627.6675, 627.6691, and 627.66911;  
50 and

51 (d) Applications for certificates of coverage offered to  
52 residents of this state contain, in contrasting color and not  
53 less than 12-point type, the following statement on the same  
54 page as the applicant signature: "This policy is primarily  
55 governed by the laws of (insert state where the master policy is  
56 filed). As a result, all of the rating laws applicable to

Amendment No. (for drafter's use only)

57 policies filed in Florida do not apply to this coverage, which  
58 may result in increases in your premium at renewal that would  
59 not be permissible under a Florida-approved policy. Any purchase  
60 of individual health insurance should be considered carefully,  
61 as future medical conditions may make it impossible to qualify  
62 for another individual health policy. For information concerning  
63 individual health coverage under a Florida-approved policy,  
64 consult your agent or the Florida Department of Financial  
65 Services." The provisions of this paragraph only apply to group  
66 certificates providing health insurance coverage, as described  
67 in s. 627.6699(3)(k), which require individual underwriting to  
68 determine coverage eligibility for an individual or premium  
69 rates to be charged to an individual except for the following:

70 1. Policies issued to provide coverage to groups of  
71 persons all of whom are in the same or functionally related  
72 licensed professions, and providing coverage only to such  
73 licensed professionals, their employees or their dependents;

74 2. Policies providing coverage to small employers as  
75 defined by s. 627.6699. Such policies shall be subject to, and  
76 governed by, the provisions of s. 627.6699; or

77 3. Policies issued to a bona fide association, as defined  
78 by s. 627.6571(5), provided there is a person or board acting as  
79 a fiduciary for the benefit of the members; such association is  
80 not owned, controlled by, or otherwise associated with the  
81 insurance company; and the renewal rate changes are the same  
82 uniform percentage adjustment for all covered members.

83 (9) Any insured shall be able to terminate membership or  
84 affiliation with the group to whom the master policy is issued.  
85 An insured that elects to terminate his membership or

930465

Amendment No. (for drafter's use only)

86 affiliation with the group, shall provide written notice to the  
87 insurer. Upon providing such notice, the member shall be  
88 entitled to the rights and options provided by s. 627.6675.

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

92 Remove line(s) 13-24, and insert:  
93 exemptions; amending s. 627.6515, F.S.; providing for disclosure  
94 and exceptions to disclosures; clarifying applicability to out-  
95 of-state group policies; providing an effective date.