

Bill No. CS for CS for SB 1488

Barcode 954378

CHAMBER ACTION

Senate

House

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Senator Aronberg moved the following amendment:

Senate Amendment (with title amendment)

On page 65, between lines 26 and 27,

insert:

Section 22. Paragraph (i) 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:

(i) Unfair claim settlement practices.--

1. Attempting to settle claims on the basis of an application, when serving as a binder or intended to become a part of the policy, or any other material document which was altered without notice to, or knowledge or consent of, the insured;

2. A material misrepresentation made to an insured or any other person having an interest in the proceeds payable

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1 under such contract or policy, for the purpose and with the
2 intent of effecting settlement of such claims, loss, or damage
3 under such contract or policy on less favorable terms than
4 those provided in, and contemplated by, such contract or
5 policy; or

6 3. Committing or performing with such frequency as to
7 indicate a general business practice any of the following:

8 a. Failing to adopt and implement standards for the
9 proper investigation of claims;

10 b. Misrepresenting pertinent facts or insurance policy
11 provisions relating to coverages at issue;

12 c. Failing to acknowledge and act promptly upon
13 communications with respect to claims;

14 d. Denying claims without conducting reasonable
15 investigations based upon available information;

16 e. Failing to affirm or deny full or partial coverage
17 of claims, and, as to partial coverage, the dollar amount or
18 extent of coverage, or failing to provide a written statement
19 that the claim is being investigated, upon the written request
20 of the insured within 30 days after proof-of-loss statements
21 have been completed;

22 f. Failing to promptly provide a reasonable
23 explanation in writing to the insured of the basis in the
24 insurance policy, in relation to the facts or applicable law,
25 for denial of a claim or for the offer of a compromise
26 settlement;

27 g. Failing to promptly notify the insured of any
28 additional information necessary for the processing of a
29 claim; or

30 h. Failing to clearly explain the nature of the
31 requested information and the reasons why such information is

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1 necessary.

2 i. Failing to fairly and honestly participate in the
3 alternative procedures for resolution of disputed insurance
4 claims.

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6 (Redesignate subsequent sections.)

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

10 And the title is amended as follows:

11 On page 1, line 2, delete that line

12

13 and insert:

14 An act relating to insurance; amending s.
15 626.9541, F.S.; providing that it is an unfair
16 method of competition and unfair or deceptive
17 act or practice to fail to participate fairly
18 and honestly in alternative dispute resolution
19 procedures; amending

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