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1 A bill to be entitled
2 An act relating to insurance policies; amending s.
3 627.94073, F.S.; revising provisions requiring that
4 insurers notify policyholders of the right to designate a
5 secondary addressee to receive a notice of termination of
6 long-term care insurance policies; requiring that a
7 canceled long-term care policy be reinstated if the
8 policyholder failed to pay the premium due to an extended
9 confinement in a hospital, skilled nursing facility, or
10 assisted living facility; providing for application;
11 amending s. 626.9543, F.S.; extending the period within
12 which certain insurers must permit claims from a Holocaust
13 victim or from a beneficiary, descendent, or heir of such
14 a victim; extending the period within which certain
15 actions brought by such a victim, descendent, or heir
16 seeking proceeds of certain insurance policies may not be
17 dismissed; providing effective dates.

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19 Be It Enacted by the Legislature of the State of Florida:

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21 Section 1. Effective January 1, 2009, and applicable to
22 policies issued or renewed on or after that date, section
23 627.94073, Florida Statutes, is amended to read:

24 627.94073 Notice of cancellation; grace period.--

25 (1) A long-term care policy shall provide that the insured
26 is entitled to a grace period of not less than 30 days, within
27 which payment of any premium after the first may be made. The
28 insurer may require payment of an interest charge not in excess
29 of 8 percent per year for the number of days elapsing before the

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30 payment of the premium, during which period the policy shall
31 continue in force. If the policy becomes a claim during the grace
32 period before the overdue premium is paid, the amount of such
33 premium or premiums with interest not in excess of 8 percent per
34 year may be deducted in any settlement under the policy.

35 (2) A long-term care policy may not be canceled for
36 nonpayment of premium unless, after expiration of the grace
37 period in subsection (1), and at least 30 days prior to the
38 effective date of such cancellation, the insurer has mailed a
39 notification of possible lapse in coverage to the policyholder
40 and to a specified secondary addressee if such addressee has been
41 designated in writing by name and address by the policyholder.
42 For policies issued or renewed on or after October 1, 1996, the
43 insurer shall notify the policyholder, at least once annually
44 ~~every 2 years~~, of the right to designate a secondary addressee.
45 The applicant has the right to designate at least one person who
46 is to receive the notice of termination, in addition to the
47 insured. Designation shall not constitute acceptance of any
48 liability on the third party for services provided to the
49 insured. The form used for the written designation must provide
50 space clearly designated for listing at least one person. The
51 form must also inform the policyholder to update any change made
52 to the address of the secondary addressee. The designation shall
53 include each person's full name and home address. In the case of
54 an applicant who elects not to designate an additional person,
55 the waiver shall state: "Protection against unintended lapse.--I
56 understand that I have the right to designate at least one person
57 other than myself to receive notice of lapse or termination of
58 this long-term care or limited benefit insurance policy for

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59 nonpayment of premium. I understand that notice will not be given
60 until 30 days after a premium is due and unpaid. I elect NOT to
61 designate any person to receive such notice." Notice shall be
62 given by United States Postal Service proof of mailing or
63 certified or registered mail to the policyholder at the address
64 shown in the policy. ~~first class United States mail, postage~~
65 ~~prepaid,~~ and notice may not be given until 30 days after a
66 premium is due and unpaid. Notice shall be deemed to have been
67 given as of 5 days after the date of mailing.

68 (3) If a policy is canceled due to nonpayment of premium,
69 the policyholder is ~~shall be~~ entitled to have the policy
70 reinstated if, within a period of not less than 5 months after
71 the date of cancellation, the policyholder or any secondary
72 addressee designated pursuant to subsection (2) demonstrates that
73 the failure to pay the premium when due was unintentional and due
74 to the policyholder's cognitive impairment, ~~or~~ loss of functional
75 capacity, or continuous confinement in a hospital, skilled
76 nursing facility, or assisted living facility for a period in
77 excess of 60 days ~~of the policyholder.~~ Policy reinstatement shall
78 be subject to payment of overdue premiums. The standard of proof
79 of cognitive impairment or loss of functional capacity shall not
80 be more stringent than the benefit eligibility criteria for
81 cognitive impairment or the loss of functional capacity, if any,
82 contained in the policy and certificate. The insurer may require
83 payment of an interest charge not in excess of 8 percent per year
84 for the number of days elapsing before the payment of the
85 premium, during which period the policy shall continue in force
86 if the demonstration of cognitive impairment is made. If the
87 policy becomes a claim during the 180-day period before the

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88 overdue premium is paid, the amount of the premium or premiums
89 with interest not in excess of 8 percent per year may be deducted
90 in any settlement under the policy.

91 (4) When the policyholder or certificateholder pays premium
92 for a long-term care insurance policy or certificate policy
93 through a payroll or pension deduction plan, the requirements in
94 subsection (2) need not be met until 60 days after the
95 policyholder or certificateholder is no longer on such a payment
96 plan. The application or enrollment form for such policies or
97 certificates shall clearly indicate the payment plan selected by
98 the applicant.

99 Section 2. Paragraph (c) of subsection (5) and subsection
100 (6) of section 626.9543, Florida Statutes, are amended to read:
101 626.9543 Holocaust victims.--

102 (5) PROOF OF A CLAIM.--Any insurer doing business in this
103 state, in receipt of a claim from a Holocaust victim or from a
104 beneficiary, descendant, or heir of a Holocaust victim, shall:

105 (c) Permit claims irrespective of any statute of
106 limitations or notice requirements imposed by any insurance
107 policy issued, provided the claim is submitted on or before July
108 1, 2018 ~~within 10 years after the effective date of this section.~~

109 (6) STATUTE OF LIMITATIONS.--Notwithstanding any law or
110 agreement among the parties to an insurance policy to the
111 contrary, any action brought by Holocaust victims or by a
112 beneficiary, heir, or a descendant of a Holocaust victim seeking
113 proceeds of an insurance policy issued or in effect between 1920
114 and 1945, inclusive, shall not be dismissed for failure to comply
115 with the applicable statute of limitations or laches provided the
116 action is commenced on or before July 1, 2018 ~~within 10 years~~

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117 ~~after the effective date of this section.~~

118 Section 3. Except as otherwise expressly provided in this
119 act, this act shall take effect July 1, 2008.

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