

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Horner offered the following:

2
3 **Amendment (with title amendment)**

4 Between lines 248 and 249, insert:

5 Section 2. Paragraph (e) of subsection (1) of section
6 624.4625, Florida Statutes, is amended, subsection (5) of that
7 section is renumbered as subsection (6), and a new subsection
8 (5) is added to that section, to read:

9 624.4625 Corporation not for profit self-insurance funds.—

10 (1) Notwithstanding any other provision of law, any two or
11 more corporations not for profit located in and organized under
12 the laws of this state may form a self-insurance fund for the
13 purpose of pooling and spreading liabilities of its group
14 members in any one or combination of property or casualty risk,
15 provided the corporation not for profit self-insurance fund that
16 is created:

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17 (e) Maintains a continuing program of excess insurance
18 coverage and reserve evaluation to protect the financial
19 stability of the fund in an amount and manner determined by a
20 qualified actuary. At a minimum, this program must:

21 1. Purchase excess insurance from authorized insurance
22 carriers or eligible surplus lines insurers or reinsurers.

23 2. Retain a per-loss occurrence that does not exceed
24 \$350,000.

25 (5) A corporation not for profit self-insurance fund
26 formed under this section, which is hereby deemed to be an
27 association in compliance with s. 627.654, may purchase for its
28 members, on a group basis, any one or more policies of health,
29 accident, or hospitalization coverage, provided:

30 (a) Insurance policies purchased to provide coverage under
31 this subsection are purchased only from authorized insurance
32 companies that participate in the Florida Life and Health
33 Insurance Guaranty Association and such policy forms have been
34 filed with and approved by the office;

35 (b) The corporation not for profit self-insurance fund
36 retains no risk related to coverage provided under this
37 subsection;

38 (c) An insurance policy purchased to provide coverage
39 under this subsection shall not be subject to the restrictions
40 relating to the premium rates for small employer groups under
41 chapter 627;

42 (d) The premiums paid for insurance policies purchased
43 pursuant to paragraph (a) shall not count toward the \$5 million
44 requirement in paragraph (1) (a); and

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45 (e) Any individual not-for-profit entity participating as
46 a member of the association for the purchase of a master health,
47 accident, or hospitalization policy by the association under
48 this subsection may retain its individual insurance agent and
49 such agent shall be deemed an additional agent of record for the
50 master policy issued to the association.

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52
53 **T I T L E A M E N D M E N T**

54 Remove line 5 and insert:

55 under certain circumstances; amending s. 624.4625,
56 F.S.; authorizing corporation not for profit self-
57 insurance funds that are required to maintain a
58 continuing program of excess insurance coverage and
59 reserve evaluation to purchase excess insurance from
60 eligible surplus lines insurers or reinsurers;
61 authorizing certain corporation not for profit self-
62 insurance funds to purchase certain group insurance
63 coverage for its members; providing requirements and
64 conditions relating to such purchases; amending s.
65 624.501,