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1 A bill to be entitled
2 An act relating to insurance; amending s. 408.909,
3 F.S.; revising the due date for an annual report
4 relating to health flex plans which must be submitted
5 by the Office of Insurance Regulation and the Agency
6 for Health Care Administration; amending s. 440.13,
7 F.S.; revising the due date for a biennial report
8 relating to methods to improve the workers'
9 compensation health care delivery system which must be
10 submitted by a certain three-member panel; amending s.
11 624.413, F.S.; increasing the number of years that a
12 specified examination report remains valid and may be
13 considered for the purpose of applying for a
14 certificate of authority; amending s. 624.425, F.S.;
15 providing that the absence of a countersignature does
16 not affect the validity of a policy or contract of
17 insurance; amending s. 627.211, F.S.; revising the due
18 date for an annual report relating to certain workers'
19 compensation issues which must be submitted by the
20 office; amending s. 627.971, F.S.; providing that the
21 term "financial guaranty insurance" does not include
22 guarantees of higher education loans unless written by
23 a financial guaranty insurance corporation; providing
24 an effective date.

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

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28 Section 1. Subsection (9) of section 408.909, Florida
29 Statutes, is amended to read:

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30 408.909 Health flex plans.—

31 (9) PROGRAM EVALUATION.—The agency and the office shall
32 evaluate the pilot program and its effect on the entities that
33 seek approval as health flex plans, on the number of enrollees,
34 and on the scope of the health care coverage offered under a
35 health flex plan; shall provide an assessment of the health flex
36 plans and their potential applicability in other settings; shall
37 use health flex plans to gather more information to evaluate
38 low-income consumer driven benefit packages; and shall, by
39 January 15, 2016 ~~January 1, 2005~~, and annually thereafter,
40 jointly submit a report to the Governor, the President of the
41 Senate, and the Speaker of the House of Representatives.

42 Section 2. Paragraph (e) of subsection (12) of section
43 440.13, Florida Statutes, is amended to read:

44 440.13 Medical services and supplies; penalty for
45 violations; limitations.—

46 (12) CREATION OF THREE-MEMBER PANEL; GUIDES OF MAXIMUM
47 REIMBURSEMENT ALLOWANCES.—

48 (e) In addition to establishing the uniform schedule of
49 maximum reimbursement allowances, the panel shall:

50 1. Take testimony, receive records, and collect data to
51 evaluate the adequacy of the workers' compensation fee schedule,
52 nationally recognized fee schedules and alternative methods of
53 reimbursement to health care providers and health care
54 facilities for inpatient and outpatient treatment and care.

55 2. Survey health care providers and health care facilities
56 to determine the availability and accessibility of workers'
57 compensation health care delivery systems for injured workers.

58 3. Survey carriers to determine the estimated impact on

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59 carrier costs and workers' compensation premium rates by
60 implementing changes to the carrier reimbursement schedule or
61 implementing alternative reimbursement methods.

62 4. Submit recommendations on or before January 15, 2017
63 ~~January 1, 2003~~, and biennially thereafter, to the President of
64 the Senate and the Speaker of the House of Representatives on
65 methods to improve the workers' compensation health care
66 delivery system.

67
68 The department, as requested, shall provide data to the panel,
69 including, but not limited to, utilization trends in the
70 workers' compensation health care delivery system. The
71 department shall provide the panel with an annual report
72 regarding the resolution of medical reimbursement disputes and
73 any actions pursuant to subsection (8). The department shall
74 provide administrative support and service to the panel to the
75 extent requested by the panel. For prescription medication
76 purchased under the requirements of this subsection, a
77 dispensing practitioner shall not possess such medication unless
78 payment has been made by the practitioner, the practitioner's
79 professional practice, or the practitioner's practice management
80 company or employer to the supplying manufacturer, wholesaler,
81 distributor, or drug repackager within 60 days of the dispensing
82 practitioner taking possession of that medication.

83 Section 3. Paragraph (f) of subsection (1) of section
84 624.413, Florida Statutes, is amended to read:

85 624.413 Application for certificate of authority.—

86 (1) To apply for a certificate of authority, an insurer
87 shall file its application therefor with the office, upon a form

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88 adopted by the commission and furnished by the office, showing
89 its name; location of its home office and, if an alien insurer,
90 its principal office in the United States; kinds of insurance to
91 be transacted; state or country of domicile; and such additional
92 information as the commission reasonably requires, together with
93 the following documents:

94 (f) If a foreign or alien insurer, a copy of the report of
95 the most recent examination of the insurer certified by the
96 public official having supervision of insurance in its state of
97 domicile or of entry into the United States. The end of the most
98 recent year covered by the examination must be within the 5-year
99 ~~3-year~~ period preceding the date of application. In lieu of the
100 certified examination report, the office may accept an audited
101 certified public accountant's report prepared on a basis
102 consistent with the insurance laws of the insurer's state of
103 domicile, certified by the public official having supervision of
104 insurance in its state of domicile or of entry into the United
105 States.

106 Section 4. Subsection (6) is added to section 624.425,
107 Florida Statutes, to read:

108 624.425 Agent countersignature required, property,
109 casualty, surety insurance.-

110 (6) The absence of a countersignature required under this
111 section does not affect the validity of a policy or contract of
112 insurance.

113 Section 5. Subsection (6) of section 627.211, Florida
114 Statutes, is amended to read:

115 627.211 Deviations; workers' compensation and employer's
116 liability insurances.-

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117 (6) The office shall submit an annual report to the
118 President of the Senate and the Speaker of the House of
119 Representatives by January 15 ~~4~~ of each year which evaluates
120 competition in the workers' compensation insurance market in
121 this state. The report must contain an analysis of the
122 availability and affordability of workers' compensation coverage
123 and whether the current market structure, conduct, and
124 performance are conducive to competition, based upon economic
125 analysis and tests. The purpose of this report is to aid the
126 Legislature in determining whether changes to the workers'
127 compensation rating laws are warranted. The report must also
128 document that the office has complied with the provisions of s.
129 627.096 which require the office to investigate and study all
130 workers' compensation insurers in the state and to study the
131 data, statistics, schedules, or other information as it finds
132 necessary to assist in its review of workers' compensation rate
133 filings.

134 Section 6. Paragraph (b) of subsection (1) of section
135 627.971, Florida Statutes, is amended to read:

136 627.971 Definitions.—As used in this part:

137 (1)

138 (b) However, "financial guaranty insurance" does not
139 include:

140 1. Insurance of a loss resulting from an event described in
141 paragraph (a), if the loss is payable only upon the occurrence
142 of any of the following, as specified in a surety bond,
143 insurance policy, or indemnity contract:

144 a. A fortuitous physical event;

145 b. A failure of or deficiency in the operation of

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146 equipment; or

147 c. An inability to extract or recover a natural resource;

148 2. An individual or schedule public official bond;

149 3. A court bond required in connection with judicial,

150 probate, bankruptcy, or equity proceedings, including a waiver,

151 probate, open estate, or life tenant bond;

152 4. A bond running to a federal, state, county, municipal

153 government, or other political subdivision, as a condition

154 precedent to the granting of a license to engage in a particular

155 business or of a permit to exercise a particular privilege;

156 5. A loss security bond or utility payment indemnity bond

157 running to a governmental unit, railroad, or charitable

158 organization;

159 6. A lease, purchase and sale, or concessionaire surety

160 bond;

161 7. Credit unemployment insurance on a debtor in connection

162 with a specific loan or other credit transaction, to provide

163 payments to a creditor in the event of unemployment of the

164 debtor for the installments or other periodic payments becoming

165 due while a debtor is unemployed;

166 8. Credit insurance indemnifying a manufacturer, merchant,

167 or educational institution which extends credit against loss or

168 damage resulting from nonpayment of debts owed to her or him for

169 goods or services provided in the normal course of her or his

170 business;

171 9. Guaranteed investment contracts that are issued by life

172 insurance companies and that provide that the life insurer will

173 make specified payments in exchange for specific premiums or

174 contributions;

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175 10. Mortgage guaranty insurance as defined in s. 635.011(1)
176 or s. 635.021;

177 11. Indemnity contracts or similar guaranties, to the
178 extent that they are not otherwise limited or proscribed by this
179 part, in which a life insurer guarantees:

180 a. Its obligations or indebtedness or the obligations or
181 indebtedness of a subsidiary of which it owns more than 50
182 percent, other than a financial guaranty insurance corporation,
183 if:

184 (I) For any such obligations or indebtedness that are
185 backed by specific assets, such assets are at all times owned by
186 the insurer or the subsidiary; and

187 (II) For the obligations or indebtedness of the subsidiary
188 that are not backed by specific assets of the life insurer, the
189 guaranty terminates once the subsidiary ceases to be a
190 subsidiary; or

191 b. The obligations or indebtedness, including the
192 obligation to substitute assets where appropriate, with respect
193 to specific assets acquired by a life insurer in the course of
194 normal investment activities and not for the purpose of resale
195 with credit enhancement, or guarantees obligations or
196 indebtedness acquired by its subsidiary, provided that the
197 assets so acquired have been:

198 (I) Acquired by a special purpose entity where the sole
199 purpose is to acquire specific assets of the life insurer or the
200 subsidiary and issue securities or participation certificates
201 backed by such assets; or

202 (II) Sold to an independent third party; or

203 c. The obligations or indebtedness of an employee or agent

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204 of the life insurer;

205 12. Any form of surety insurance as defined in s. 624.606;

206 13. Guarantees of higher education loans, unless written by
207 a financial guaranty insurance corporation; or

208 ~~14.13.~~ Any other form of insurance covering risks which the
209 office determines to be substantially similar to any of the
210 foregoing.

211 Section 7. This act shall take effect July 1, 2015.