

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Insurance & Banking
 2 Subcommittee

3 Representative Hager offered the following:

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 5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:
 7 Section 1. Section 627.4619, Florida Statutes, is created
 8 to read:

9 627.4619 Unclaimed life insurance benefits.—

10 (1) Definitions.—For purposes of this section, the term:

11 (a) "Account owner" means an owner of a retained asset
 12 account.

13 (b) "Annuity" means an annuity contract. The term does not
 14 include an annuity contract used to fund an employment-based
 15 retirement plan, the sponsor or administrator of which directs
 16 the insurer that issues the annuity contract.

17 (c) "Death master file" means:

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18 1. The federal Social Security Administration's Death
19 Master File; or

20 2. Another data source that, for the purpose of
21 determining that a person is reported to have died, is at least
22 as comprehensive as the federal Social Security Administration's
23 Death Master File.

24 (d) "Death master file match" means the result of a search
25 of a death master file that indicates a match of a person's name
26 with the person's social security number or date of birth.

27 (e) "Knowledge of death" means one of the following:

28 1. Receipt of a certified original or copy of a death
29 certificate of a person.

30 2. A death master file match that an insurer has validated
31 through a good faith effort, which shall be documented by the
32 insurer, to confirm the death of the person against other
33 available records and information.

34 (f) "Person" means an insured, annuity owner, annuitant, or
35 a retained asset account owner.

36 (g) "Policy" means a policy or certificate that provides
37 the kind of insurance defined in s. 624.602. The term does not
38 include the following:

39 1. A policy or certificate that provides a death benefit
40 under an employee benefit plan that is subject to the federal
41 Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001
42 et seq., or a federal employee benefit program.

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43 2. A policy or certificate that is used to fund a preneed
44 funeral contract or prearrangement.

45 3. A policy or certificate of credit life or accidental
46 death insurance.

47 4. A policy issued to a group policy owner for which the
48 insurer does not provide record keeping services.

49 (h) "Record keeping services" means those circumstances
50 under which the insurer has agreed with a group policyholder to
51 be responsible for obtaining, maintaining, and administering, in
52 its own or its agents' systems, information about each
53 individual insured under an insured's group insurance contract,
54 or a line of coverage thereunder, the following minimum
55 information:

56 1. The social security number, name, or date of birth;

57 2. Beneficiary designation information;

58 3. Coverage eligibility;

59 4. Benefit amount; and

60 5. Premium payment status.

61 (2) Comparison of in-force policies, annuities, and
62 retained asset accounts against death master file; frequency.

63 (a) An insurer shall, at least every six months, perform a
64 comparison of in-force policies, annuities, and retained asset
65 accounts against a death master file to identify potential death
66 master file matches.

67 (b) An insurer that performs a comparison under paragraph
68 (2) (a) using a complete death master file one time per year, and

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69 only the update files of the death master file used under
70 paragraph (2) (a) for additional comparisons during the twelve
71 months after the comparison under paragraph (2) (a), is
72 considered to be compliant with paragraph (2) (a).

73 (c) This section does not prevent an insurer from
74 requesting a certified original or copy of a death certificate
75 as a part of a claim validation process.

76 (3) An insurer shall, not later than ninety days after
77 learning of the possible death of a person through a comparison
78 performed under subsection (2), do the following:

79 (a) Complete and document a good faith effort to confirm
80 the death of the person against other available records and
81 information.

82 (b) Review the insurer's records to determine whether the
83 person had purchased any other products from the insurer.

84 (c) Determine whether benefits may be due under a policy,
85 annuity, or retained asset account.

86 (d) If the beneficiary or authorized representative under a
87 policy, annuity, or retained asset account has not communicated
88 with the insurer before the expiration of the ninety day period,
89 complete and document a good faith effort to locate and contact
90 the beneficiary or authorized representative, including sending
91 to the beneficiary or authorized representative information
92 concerning the insurer's claim process the need to provide a
93 certified original or copy of the death certificate, if
94 applicable under the policy, annuity, or retained asset account.

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95 (4) An insurer may, to the extent permitted by law,
96 disclose the minimum necessary personal information about a
97 person or a beneficiary to an individual or entity reasonably
98 believed by the insurer to possess the ability to assist the
99 insurer in locating the beneficiary or another individual or
100 entity that is entitled to payment of the claim proceeds.

101 (5) An insurer, and an entity providing services to an
102 insurer, shall not charge a beneficiary or authorized
103 representative a fee or cost associated with a death master file
104 search or verification of a death master file match conducted
105 under this chapter.

106 (6) Pursuant to criteria prescribed by commission rule,
107 the office may do the following:

108 (a) Limit an insurer's death master file comparisons
109 required by subsection (2) of this section to the insurer's
110 electronic searchable files;

111 (b) Approve a plan and time period for conversion of an
112 insurer's files to electronic searchable files;

113 (c) Exempt an insurer from the death master file
114 comparisons required by subsection (2);

115 (d) Upon demonstration of hardship by the insurer, exempt
116 an insurer from the requirements of this section or to permit an
117 insurer to perform the death master file comparisons less
118 frequently than required by subsection (2);

119 (e) Allow an insurer to begin compliance with this chapter
120 according to a plan and time period approved by the office.

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121 (7) Report and remittance of proceeds; failure to find
122 beneficiary.

123 (a) With respect to a policy, an annuity, or a retained
124 asset account for which an insurer has knowledge of death, if:

125 1. Within one year after the insurer has obtained the
126 knowledge of death, the insurer conducts reasonable search
127 efforts and is unable to locate in this state a beneficiary
128 under the policy, annuity, or retained asset account, or

129 2. No beneficiary was named and the person had a last known
130 address in this state, and the insurer has, without success,
131 attempted to make the contacts required by this section,

132 the insurer may, without further notice to or consent by
133 the state, report and remit the proceeds of the policy, annuity,
134 or retained asset account to the state on an early reporting
135 basis in accordance with ch. 717.

136 (b) After a report and remittance of proceeds described in
137 paragraph (7) (a), the insurer is relieved and indemnified from
138 any additional liability in relation to the proceeds.

139 (8) An insurer's failure to comply with this section is an
140 unfair or deceptive act or practice in the business of insurance
141 under ch. 626.

142 (9) The commission may adopt rules to implement this
143 section.

144 Section 2. The amendments made by this act are remedial in
145 nature and apply retroactively.

146 Section 3. This act shall take effect on January 1, 2017.

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

Remove everything before the enacting clause and insert:
An act relating to unclaimed property, creating s. 627.4619,
F.S., defining the terms "account owner," "annuity," "death
master file," "death master file match," "knowledge of death,"
"person," "policy," and "record keeping services"; requiring
insurers to perform a comparison of policies, annuities, and
retained asset accounts against a death master file and
determine whether any benefits are due; authorizing insurers to
disclose the minimum necessary personal information; prohibiting
an insurer and specified entities from charging fees and costs
associated with certain activities; authorizing the Office of
Insurance Regulation to exempt or limit an insurer from the
requirements of this section, subject to commission rule;
providing procedures for reporting and remitting proceeds in
accordance with ch. 717, F.S.; providing that a violation of
this section is an unfair and deceptive insurance practice under
ch. 626, F.S.; authorizing the Financial Services Commission to
adopt rules; providing a statement of retroactive applicability;
providing an effective date.