

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WITHDRAWN	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 Raschein offered the following:

4

5 **Amendment**

6 Remove everything after the enacting clause and insert:

7 Section 1. Subsection (9) is added to section 626.9891,
 8 Florida Statutes, to read:

9 626.9891 Insurer anti-fraud investigative units; reporting
 10 requirements; penalties for noncompliance.-

11 (9) (a) The information submitted to the department pursuant
 12 to paragraphs (3) (d), (e), and (f) and paragraphs
 13 (5) (d), (e), (f), (g), and (k) is exempt from s. 119.07(1) and s.
 14 24(a), Art. I of the State Constitution.

15 (b) This paragraph is subject to the Open Government
 16 Sunset Review Act in accordance with s. 119.15 and shall stand

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17 repealed on October 2, 2022, unless reviewed and saved from
18 repeal through reenactment by the Legislature.

19 (c) This exemption applies to records held before, on, or
20 after the effective date of this exemption.

21 Section 2. (a) The Legislature finds that it is a public
22 necessity to make exempt from s. 119.07(1), Florida Statutes,
23 and s. 24(a), Art I. of the State Constitution the description
24 of an insurer's anti-fraud education and training, the
25 description of an insurer's anti-fraud investigative unit, and
26 an insurer's rationale for the level of staffing and resources
27 it provides to the anti-fraud investigative unit as required in
28 paragraphs (3)(d), (e), and (f) and filed with the Division of
29 the Investigative and Forensic Services pursuant to subsection
30 (2) and the data collected and reported to the Division of
31 Investigative and Forensic Services pursuant to paragraphs
32 (5)(d), (e), (f), (g), and (k).

33 (b) The description of an insurer's anti-fraud education
34 and training that is designed to assist in identifying and
35 evaluating instances of suspected fraudulent insurance acts, the
36 description of an insurer's anti-fraud investigative unit, and
37 an insurer's rationale for the level of staffing and resources
38 it provides to the anti-fraud investigative unit will allow the
39 department to ensure that insurers have adequate procedures in
40 place to properly detect, investigate, and report potential
41 insurance fraud. The public disclosure of this information would

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42 allow criminal elements to use such information to identify
43 fraud prevention or detection strategies employed by insurers
44 and use this information to commit insurance fraud. The
45 Legislature further finds that disclosure of this information
46 would allow persons suspected of fraud to be alerted to a
47 potential or ongoing investigation and alter behavior to impede
48 an investigation. To ensure the integrity of such records
49 already in the possession of the department, this exemption is
50 made retroactive in its application.

51 (c) The data submitted pursuant to paragraphs
52 (5) (d), (e), (f), (g), and (k) allow the department to track and
53 assess trends in insurance fraud in this state. Such information
54 includes the number of claims referred to the anti-fraud
55 investigative unit, the number of matters referred to the anti-
56 fraud investigative unit that were not claim related, the number
57 of claims investigated or accepted by the anti-fraud
58 investigative unit, the number of other insurance fraud matters
59 investigated or accepted by the anti-fraud investigative unit
60 that were not claim related, and the estimated dollar amount or
61 range of damages on cases referred to the Division of
62 Investigative and Forensic Services or other agencies. The
63 public disclosure of this information could injure a business in
64 the marketplace by providing its competitors with detailed
65 insights into the claim investigation processes and statistics
66 of these companies, thereby diminishing the advantage that the

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67 business maintains over competitors that do not possess such
68 information. Without this exemption, insurers might refrain from
69 providing accurate and unbiased data, thus impairing the
70 department's ability to track and assess insurance fraud in this
71 state. This data will allow insurance fraud investigators to
72 better track, predict, and curb fraud trends in this state by
73 providing access to data gathered by insurers' anti-fraud
74 investigative units. Information regarding the amount of
75 insurance fraud experienced, referred, and addressed internally
76 will be valuable material for the department and will better
77 enable law enforcement agencies to assist state prosecutors in
78 the successful prosecution of fraudulent behavior.

79 Section 3. This act shall take effect on the same date
80 that HB 1007 or similar legislation takes effect, if such
81 legislation is adopted in the same legislative session or an
82 extension thereof and becomes a law.