

1 A bill to be entitled
 2 An act relating to public records; amending s.
 3 626.9891, F.S.; providing an exemption from public
 4 records requirements for reports, documents, or other
 5 information relating to the investigation and tracking
 6 of insurance fraud submitted by insurers to the
 7 Department of Financial Services; providing for future
 8 legislative review and repeal; providing a statement
 9 of public necessity; providing a contingent effective
 10 date.

11
 12 Be It Enacted by the Legislature of the State of Florida:

13
 14 Section 1. Subsection (9) is added to section 626.9891,
 15 Florida Statutes, to read:

16 626.9891 Insurer anti-fraud investigative units; reporting
 17 requirements; penalties for noncompliance.—

18 (9) (a) The name of any employee assigned to anti-fraud
 19 activities required by subsection (1); any description of an
 20 insurer's anti-fraud investigative unit or division or an
 21 insurer's contract with another person for fraudulent claims
 22 services required by subsection (2); an insurer's anti-fraud
 23 plan required by subsections (2) or (3); the statistical data
 24 and information required by subsection (5); and the information
 25 required to be reported by an insurer under subsection (6)

26 | submitted to the department are exempt from s. 119.07(1) and s.
27 | 24(a), Art. I of the State Constitution.

28 | (b) This paragraph is subject to the Open Government
29 | Sunset Review Act in accordance with s. 119.15 and shall stand
30 | repealed on October 2, 2022, unless reviewed and saved from
31 | repeal through reenactment by the Legislature.

32 | Section 2. (1) The Legislature finds that it is a public
33 | necessity that information provided to the Department of
34 | Financial Services by insurers admitted to do business in this
35 | state and investigative fraud units, including, but not limited
36 | to, information concerning anti-fraud plans, be made exempt from
37 | s. 119.07(1), Florida Statutes, and s. 24(a), Art. I of the
38 | State Constitution. Information provided to the department
39 | allows the department to ensure that insurers have adequate
40 | procedures in place to properly detect, investigate, and report
41 | insurance fraud. The disclosure of such information, including
42 | written procedures for detecting fraud in applications, claims,
43 | investigations, and reporting of suspected insurance fraud; the
44 | name, title, and contact information of the person responsible
45 | for managing the insurers' anti-fraud investigative units; the
46 | contract for fraudulent claims services; the description of
47 | anti-fraud training provided by the insurer; and the rationale
48 | for staffing and resources provided for the insurers' anti-fraud
49 | investigative units would allow other persons to use such
50 | information to identify fraud prevention or detection strategies

51 employed by insurers and use this information to commit
52 insurance fraud. The Legislature further finds that disclosure
53 of this information would allow persons suspected of fraudulent
54 behavior to be alerted to potential or ongoing investigations
55 into suspicious criminal insurance activity and alter behavior
56 to impede investigations.

57 (2) The Legislature finds that it is a public necessity
58 that information provided to the Department of Financial
59 Services by insurers admitted to do business in this state,
60 including, but not limited to, anti-fraud statistical reports,
61 be made exempt from s. 119.07 (1), Florida Statutes, and s.
62 24(a), Art. I of the State Constitution. The disclosure of
63 information, such as the number of claims referred to the anti-
64 fraud investigative unit personnel, the number of cases
65 investigated by anti-fraud investigative unit personnel, the
66 number of cases submitted to law enforcement agencies other than
67 the department, or other entities such as insurance fraud
68 associations, and the dollar amount of damages claimed on cases
69 referred to the department, could injure a business in the
70 marketplace by providing its competitors with detailed insights
71 into the claim investigation processes and statistics of these
72 companies, thereby diminishing the advantage that the business
73 maintains over competitors that do not possess such information.
74 Without this exemption, insurers might refrain from providing
75 accurate and unbiased data, thus impairing the department's

76 | ability to track and assess insurance fraud in this state. This
77 | data will allow the insurance fraud investigators to better
78 | track, predict, and curb fraud trends in the state by providing
79 | access to data gathered by insurers' internal anti-fraud
80 | investigative units. Information regarding the amount of
81 | insurance fraud experienced, referred, and addressed internally
82 | will be valuable material for the department and better enable
83 | law enforcement officers to assist state prosecutors in the
84 | successful prosecution of insurance fraud.

85 | Section 3. This act shall take effect on the same date
86 | that HB 1007 or similar legislation takes effect, if such
87 | legislation is adopted in the same legislative session or an
88 | extension thereof and becomes a law.