



144118

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
04/28/2017	.	
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The Committee on Rules (Brandes) recommended the following:

**Senate Amendment (with title amendment)**

Between lines 272 and 273

insert:

Section 6. Paragraphs (d) and (e) of subsection (2) of section 624.4085, Florida Statutes, are amended to read:

624.4085 Risk-based capital requirements for insurers.—

(2)

(d) A life and health insurer's risk-based capital is determined in accordance with the formula set forth in the risk-based capital instructions. The formula takes into account and



12 may adjust for the covariance between:  
13       1. The risk with respect to the insurer's assets;  
14       2. The risk of adverse insurance experience with respect to  
15 the insurer's liabilities and obligations;  
16       3. The interest rate risk with respect to the insurer's  
17 business; and  
18       4. Any other business or other relevant risk set out in the  
19 risk-based capital instructions,

20  
21 determined in each case by applying the factors in the manner  
22 set forth in the risk-based capital instructions. This paragraph  
23 does not apply to a health maintenance organization.

24       (e) A property and casualty insurer's and, if subject to  
25 this section, a health maintenance organization's risk-based  
26 capital is determined in accordance with the formula set forth  
27 in the risk-based capital instructions. The formula takes into  
28 account and may adjust for the covariance between:

29       1. The asset risk;  
30       2. The credit risk;  
31       3. The underwriting risk; and  
32       4. Any other business or other relevant risk set out in the  
33 risk-based capital instructions,

34  
35 determined in each case by applying the factors in the manner  
36 set forth in the risk-based capital instructions.

37  
38 ===== T I T L E   A M E N D M E N T =====

39 And the title is amended as follows:

40       Between lines 17 and 18



144118

41 insert:  
42       amending s. 624.4085, F.S.; providing applicability of  
43       specified formulas for determining risk-based capital  
44       of insurers to health maintenance organizations;