

By Senator Farmer

34-01638A-18

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1                   A bill to be entitled  
2           An act relating to insurer reporting; creating s.  
3           627.9127, F.S.; requiring insurers filing rates with  
4           the Office of Insurance Regulation to provide  
5           specified information and projections relating to  
6           claim litigation in their rate filings; providing  
7           rulemaking authority to the Financial Services  
8           Commission; providing an effective date.

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

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12           Section 1. Section 627.9127, Florida Statutes, is created  
13 to read:

14           627.9127 Insurer reporting relating to claim litigation.-  
15 Each insurer filing rates with the office under part I of this  
16 chapter shall provide the following information, in a form  
17 prescribed by rule of the commission, to the office in any rate  
18 filing:

19           (1) For the year before the rate filing, costs associated  
20 with litigating claims, which include the total dollar value of  
21 each of the following:

22           (a) Denied or limited claims that were successfully  
23 defended by the insurer in court.

24           (b) Denied or limited claims that reached a settlement.

25           (c) Denied or limited claims that were adjudicated in favor  
26 of the insured.

27           (d) Plaintiff attorney fees paid in association with denied  
28 or limited claims.

29           (e) Defendant attorney fees paid in association with denied

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30 or limited claims.

31 (2) For the year after the rate filing, a projection of  
32 costs associated with litigating claims, which includes the  
33 total dollar value of each of the following:

34 (a) Denied or limited claims that will be successfully  
35 defended in court.

36 (b) Denied or limited claims that will reach a settlement.

37 (c) Denied or limited claims that will be adjudicated in  
38 favor of the insured.

39 (d) Plaintiff attorney fees that will be paid in  
40 association with denied or limited claims.

41 (e) Defendant attorney fees that will be paid in  
42 association with denied or limited claims.

43  
44 The commission may establish a methodology by rule for  
45 projecting costs under this subsection.

46 Section 2. This act shall take effect July 1, 2018.