

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WITHDRAWN	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 LaMarca offered the following:

4

5 **Amendment (with title amendment)**

6 Remove lines 710-1171 and insert:

7 subsection (5) within 21 ~~10-business~~ days after receipt of the
 8 written request of the department, such failure shall be deemed
 9 an immediate serious danger to public health, safety, or welfare
 10 sufficient to justify service by the department of a stop-work
 11 order on the employer, requiring the cessation of all business
 12 operations. If the department makes such a determination, the
 13 department shall issue a stop-work order within 72 hours. The
 14 order shall take effect when served upon the employer or, for a
 15 particular employer worksite, when served at that worksite. In

Amendment No. 1

16 addition to serving a stop-work order at a particular worksite
17 which shall be effective immediately, the department shall
18 immediately proceed with service upon the employer which shall
19 be effective upon all employer worksites in the state for which
20 the employer is not in compliance. A stop-work order may be
21 served with regard to an employer's worksite by posting a copy
22 of the stop-work order in a conspicuous location at the
23 worksite. Information related to an employer's stop-work order
24 shall be made available on the division's website, ~~be updated~~
25 ~~daily~~, and remain on the website for at least 5 years. The order
26 shall remain in effect until the department issues an order
27 releasing the stop-work order upon a finding that the employer
28 has come into compliance with the coverage requirements of this
29 chapter and has paid any penalty assessed under this section.
30 The department may issue an order of conditional release from a
31 stop-work order to an employer upon a finding that the employer
32 has complied with the coverage requirements of this chapter,
33 paid a penalty of \$1,000 as a down
34 payment, and agreed to remit periodic payments of the remaining
35 penalty amount pursuant to a payment agreement schedule with the
36 department or pay the remaining penalty amount in full. An
37 employer may not enter into a payment agreement schedule unless
38 the employer has fully paid any previous penalty assessed under
39 this section. If an order of conditional release is issued,

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Amendment No. 1

40 failure by the employer to pay the penalty in full or enter into
41 a payment agreement with the department within 21 ~~28~~ days after
42 service of the first penalty assessment calculation ~~stop-work~~
43 ~~order~~ upon the employer, or to meet any term or condition of
44 such penalty payment agreement, shall result in the immediate
45 reinstatement of the stop-work order and the entire unpaid
46 balance of the penalty shall become immediately due.

47 (d)1. In addition to any penalty, stop-work order, or
48 injunction, the department shall assess against an ~~any~~ employer
49 who has failed to secure the payment of compensation as required
50 by this chapter a penalty equal to 2 times the amount the
51 employer would have paid in premium when applying approved
52 manual rates to the employer's payroll during periods for which
53 it failed to secure the payment of workers' compensation
54 required by this chapter within the preceding 12-month ~~2-year~~
55 period or \$1,000, whichever is greater. However, for an employer
56 who is issued a stop-work order for materially understating or
57 concealing payroll or has been previously issued a stop-work
58 order or order of penalty assessment, the preceding 24-month
59 period shall be used to calculate the penalty as specified in
60 this subparagraph.

61 a. For an employer ~~employers~~ who has ~~have~~ not been
62 previously issued a stop-work order or order of penalty
63 assessment, the department must allow the employer to receive a

Amendment No. 1

64 credit for the initial payment of the estimated annual workers'
65 compensation policy premium, as determined by the carrier, to be
66 applied to the penalty. Before applying the credit to the
67 penalty, the employer must provide the department with
68 documentation reflecting that the employer has secured the
69 payment of compensation pursuant to s. 440.38 and proof of
70 payment to the carrier. In order for the department to apply a
71 credit for an employer that has secured workers' compensation
72 for leased employees by entering into an employee leasing
73 contract with a licensed employee leasing company, the employer
74 must provide the department with a written confirmation, by a
75 representative from the employee leasing company, of the dollar
76 or percentage amount attributable to the initial estimated
77 workers' compensation expense for leased employees, and proof of
78 payment to the employee leasing company. The credit may not be
79 applied unless the employer provides the documentation and proof
80 of payment to the department within 21 ~~28~~ days after the
81 employer's receipt of the written request to produce business
82 records for calculating the penalty under this subparagraph
83 ~~service of the stop-work order or first order of penalty~~
84 ~~assessment upon the employer.~~

85 b. For an employer ~~employers~~ who has ~~have~~ not been
86 previously issued a stop-work order or order of penalty
87 assessment, the department must reduce the final assessed

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Published On: 1/18/2022 7:11:47 PM

Amendment No. 1

88 penalty by 25 percent if the employer has complied with
89 administrative rules adopted pursuant to subsection (5) and has
90 provided such business records to the department within 21 ~~10~~
91 ~~business~~ days after the employer's receipt of the written
92 request to produce business records for calculating the penalty
93 under this subparagraph.

94 c. For an employer who has not been previously issued a
95 stop-work order or order of penalty assessment, the department
96 must reduce the final assessed penalty by 15 percent if the
97 employer correctly answers at least 80 percent of the questions
98 from an online workers' compensation coverage and compliance
99 tutorial, developed by the department, within 21 days after the
100 employer's receipt of the written request to produce business
101 records for calculating the penalty under this subparagraph. The
102 online tutorial must be taken in a department office location
103 identified by rule.

104
105 ~~e.~~ The \$1,000 penalty shall be assessed against the employer
106 even if the calculated penalty after the credit provided in sub-
107 subparagraph a., the and 25 percent reduction provided in sub-
108 subparagraph b., and the 15 percent reduction provided in sub-
109 subparagraph c., as applicable, have been applied is less than
110 \$1,000.

Amendment No. 1

111 2. Any subsequent violation within 5 years after the most
112 recent violation shall, in addition to the penalties set forth
113 in this subsection, be deemed a knowing act within the meaning
114 of s. 440.105.

115 Section 14. Subsection (12) of section 440.13, Florida
116 Statutes, is amended to read:

117 440.13 Medical services and supplies; penalty for
118 violations; limitations.—

119 (12) CREATION OF THREE-MEMBER PANEL; GUIDES OF MAXIMUM
120 REIMBURSEMENT ALLOWANCES.—

121 (a) A three-member panel is created, consisting of the
122 Chief Financial Officer, or the Chief Financial Officer's
123 designee, and two members to be appointed by the Governor,
124 subject to confirmation by the Senate, one member who, on
125 account of present or previous vocation, employment, or
126 affiliation, shall be classified as a representative of
127 employers, the other member who, on account of previous
128 vocation, employment, or affiliation, shall be classified as a
129 representative of employees. The panel shall determine statewide
130 schedules of maximum reimbursement allowances for medically
131 necessary treatment, care, and attendance provided by
132 physicians, hospitals, ambulatory surgical centers, work-
133 hardening programs, pain programs, and durable medical
134 equipment. The maximum reimbursement allowances for inpatient

Amendment No. 1

135 hospital care shall be based on a schedule of per diem rates, to
136 be approved by the three-member panel no later than March 1,
137 1994, to be used in conjunction with a precertification manual
138 as determined by the department, including maximum hours in
139 which an outpatient may remain in observation status, which
140 shall not exceed 23 hours. All compensable charges for hospital
141 outpatient care shall be reimbursed at 75 percent of usual and
142 customary charges, except as otherwise provided by this
143 subsection. Annually, the three-member panel shall adopt
144 schedules of maximum reimbursement allowances for physicians,
145 hospital inpatient care, hospital outpatient care, ambulatory
146 surgical centers, work-hardening programs, and pain programs. An
147 individual physician, hospital, ambulatory surgical center, pain
148 program, or work-hardening program shall be reimbursed:

- 149 1. either The agreed-upon contract price; or
150 2. If there is no agreed-upon contract price, the lesser
151 of the provider's billed charge or the maximum reimbursement
152 allowance in the appropriate schedule.

153 (b) It is the intent of the Legislature to increase the
154 schedule of maximum reimbursement allowances for selected
155 physicians effective January 1, 2004, and to pay for the
156 increases through reductions in payments to hospitals. Revisions
157 developed pursuant to this subsection are limited to the
158 following:

Amendment No. 1

159 1. Payments for outpatient physical, occupational, and
160 speech therapy provided by hospitals shall be reduced to the
161 schedule of maximum reimbursement allowances for these services
162 which applies to nonhospital providers.

163 2. Payments for scheduled outpatient nonemergency
164 radiological and clinical laboratory services that are not
165 provided in conjunction with a surgical procedure shall be
166 reduced to the schedule of maximum reimbursement allowances for
167 these services which applies to nonhospital providers.

168 3. Outpatient reimbursement for scheduled surgeries shall
169 be reduced from 75 percent of charges to 60 percent of charges.

170 4. Maximum reimbursement for a physician licensed under
171 chapter 458 or chapter 459 shall be increased to 110 percent of
172 the reimbursement allowed by Medicare, using appropriate codes
173 and modifiers or the medical reimbursement level adopted by the
174 three-member panel as of January 1, 2003, whichever is greater.

175 5. Maximum reimbursement for surgical procedures shall be
176 increased to 140 percent of the reimbursement allowed by
177 Medicare or the medical reimbursement level adopted by the
178 three-member panel as of January 1, 2003, whichever is greater.

179 (c) As to reimbursement for a prescription medication, the
180 reimbursement amount for a prescription shall be the average
181 wholesale price plus \$4.18 for the dispensing fee. For
182 repackaged or relabeled prescription medications dispensed by a

Amendment No. 1

183 dispensing practitioner as provided in s. 465.0276, the fee
184 schedule for reimbursement shall be 112.5 percent of the average
185 wholesale price, plus \$8.00 for the dispensing fee. For purposes
186 of this subsection, the average wholesale price shall be
187 calculated by multiplying the number of units dispensed times
188 the per-unit average wholesale price set by the original
189 manufacturer of the underlying drug dispensed by the
190 practitioner, based upon the published manufacturer's average
191 wholesale price published in the Medi-Span Master Drug Database
192 as of the date of dispensing. All pharmaceutical claims
193 submitted for repackaged or relabeled prescription medications
194 must include the National Drug Code of the original
195 manufacturer. Fees for pharmaceuticals and pharmaceutical
196 services shall be reimbursable at the applicable fee schedule
197 amount except where the employer or carrier, or a service
198 company, third party administrator, or any entity acting on
199 behalf of the employer or carrier directly contracts with the
200 provider seeking reimbursement for a lower amount.

201 (d) Reimbursement for all fees and other charges for such
202 treatment, care, and attendance, including treatment, care, and
203 attendance provided by any hospital or other health care
204 provider, ambulatory surgical center, work-hardening program, or
205 pain program, must not exceed the amounts provided by the
206 uniform schedule of maximum reimbursement allowances as

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Published On: 1/18/2022 7:11:47 PM

Amendment No. 1

207 determined by the panel or as otherwise provided in this
208 section. This subsection also applies to independent medical
209 examinations performed by health care providers under this
210 chapter. In determining the uniform schedule, the panel shall
211 first approve the data which it finds representative of
212 prevailing charges in the state for similar treatment, care, and
213 attendance of injured persons. Each health care provider, health
214 care facility, ambulatory surgical center, work-hardening
215 program, or pain program receiving workers' compensation
216 payments shall maintain records verifying their usual charges.
217 In establishing the uniform schedule of maximum reimbursement
218 allowances, the panel must consider:

219 1. The levels of reimbursement for similar treatment,
220 care, and attendance made by other health care programs or
221 third-party providers;

222 2. The impact upon cost to employers for providing a level
223 of reimbursement for treatment, care, and attendance which will
224 ensure the availability of treatment, care, and attendance
225 required by injured workers;

226 3. The financial impact of the reimbursement allowances
227 upon health care providers and health care facilities, including
228 trauma centers as defined in s. 395.4001, and its effect upon
229 their ability to make available to injured workers such
230 medically necessary remedial treatment, care, and attendance.

643035 - H0959Line710.docx

Published On: 1/18/2022 7:11:47 PM

Amendment No. 1

231 The uniform schedule of maximum reimbursement allowances must be
232 reasonable, must promote health care cost containment and
233 efficiency with respect to the workers' compensation health care
234 delivery system, and must be sufficient to ensure availability
235 of such medically necessary remedial treatment, care, and
236 attendance to injured workers; and

237 4. The most recent average maximum allowable rate of
238 increase for hospitals determined by the Health Care Board under
239 chapter 408.

240 (e) In addition to establishing the uniform schedule of
241 maximum reimbursement allowances, the panel shall:

242 1. Take testimony, receive records, and collect data to
243 evaluate the adequacy of the workers' compensation fee schedule,
244 nationally recognized fee schedules and alternative methods of
245 reimbursement to health care providers and health care
246 facilities for inpatient and outpatient treatment and care.

247 2. Survey health care providers and health care facilities to
248 determine the availability and accessibility of workers'
249 compensation health care delivery systems for injured workers.

250 3. Survey carriers to determine the estimated impact on
251 carrier costs and workers' compensation premium rates by
252 implementing changes to the carrier reimbursement schedule or
253 implementing alternative reimbursement methods.

Amendment No. 1

254 4. Submit recommendations on or before January 15, 2017,
255 and biennially thereafter, to the President of the Senate and
256 the Speaker of the House of Representatives on methods to
257 improve the workers' compensation health care delivery system.
258
259 The department, as requested, shall provide data to the panel,
260 including, but not limited to, utilization trends in the
261 workers' compensation health care delivery system. The
262 department shall provide the panel with an annual report
263 regarding the resolution of medical reimbursement disputes and
264 any actions pursuant to subsection (8). The department shall
265 provide administrative support and service to the panel to the
266 extent requested by the panel and may adopt rules necessary to
267 administer this subsection. For prescription medication
268 purchased under the requirements of this subsection, a
269 dispensing practitioner shall not possess such medication unless
270 payment has been made by the practitioner, the practitioner's
271 Section 14. Subsection (12) of section 440.13, Florida
272 Statutes, is amended to read:
273 440.13 Medical services and supplies; penalty for
274 violations; limitations.—
275 (12) CREATION OF THREE-MEMBER PANEL; GUIDES OF MAXIMUM
276 REIMBURSEMENT ALLOWANCES.—

643035 - H0959Line710.docx

Published On: 1/18/2022 7:11:47 PM

Page 12 of 38

Amendment No. 1

277 (a) A three-member panel is created, consisting of the
278 Chief Financial Officer, or the Chief Financial Officer's
279 designee, and two members to be appointed by the Governor,
280 subject to confirmation by the Senate, one member who, on
281 account of present or previous vocation, employment, or
282 affiliation, shall be classified as a representative of
283 employers, the other member who, on account of previous
284 vocation, employment, or affiliation, shall be classified as a
285 representative of employees. The panel shall determine statewide
286 schedules of maximum reimbursement allowances for medically
287 necessary treatment, care, and attendance provided by
288 physicians, hospitals, ambulatory surgical centers, work-
289 hardening programs, pain programs, and durable medical
290 equipment. The maximum reimbursement allowances for inpatient
291 hospital care shall be based on a schedule of per diem rates, to
292 be approved by the three-member panel no later than March 1,
293 1994, to be used in conjunction with a precertification manual
294 as determined by the department, including maximum hours in
295 which an outpatient may remain in observation status, which
296 shall not exceed 23 hours. All compensable charges for hospital
297 outpatient care shall be reimbursed at 75 percent of usual and
298 customary charges, except as otherwise provided by this
299 subsection. Annually, the three-member panel shall adopt
300 schedules of maximum reimbursement allowances for physicians,

Amendment No. 1

301 hospital inpatient care, hospital outpatient care, ambulatory
302 surgical centers, work-hardening programs, and pain programs. An
303 individual physician, hospital, ambulatory surgical center, pain
304 program, or work-hardening program shall be reimbursed:

305 1. either The agreed-upon contract price; or
306 2. If there is no agreed-upon contract price, the lesser
307 of the provider's billed charge or the maximum reimbursement
308 allowance in the appropriate schedule.

309 (b) It is the intent of the Legislature to increase the
310 schedule of maximum reimbursement allowances for selected
311 physicians effective January 1, 2004, and to pay for the
312 increases through reductions in payments to hospitals. Revisions
313 developed pursuant to this subsection are limited to the
314 following:

315 1. Payments for outpatient physical, occupational, and
316 speech therapy provided by hospitals shall be reduced to the
317 schedule of maximum reimbursement allowances for these services
318 which applies to nonhospital providers.

319 2. Payments for scheduled outpatient nonemergency
320 radiological and clinical laboratory services that are not
321 provided in conjunction with a surgical procedure shall be
322 reduced to the schedule of maximum reimbursement allowances for
323 these services which applies to nonhospital providers.

Amendment No. 1

324 3. Outpatient reimbursement for scheduled surgeries shall
325 be reduced from 75 percent of charges to 60 percent of charges.

326 4. Maximum reimbursement for a physician licensed under
327 chapter 458 or chapter 459 shall be increased to 110 percent of
328 the reimbursement allowed by Medicare, using appropriate codes
329 and modifiers or the medical reimbursement level adopted by the
330 three-member panel as of January 1, 2003, whichever is greater.

331 5. Maximum reimbursement for surgical procedures shall be
332 increased to 140 percent of the reimbursement allowed by
333 Medicare or the medical reimbursement level adopted by the
334 three-member panel as of January 1, 2003, whichever is greater.

335 (c) As to reimbursement for a prescription medication, the
336 reimbursement amount for a prescription shall be the average
337 wholesale price plus \$4.18 for the dispensing fee. For
338 repackaged or relabeled prescription medications dispensed by a
339 dispensing practitioner as provided in s. 465.0276, the fee
340 schedule for reimbursement shall be 112.5 percent of the average
341 wholesale price, plus \$8.00 for the dispensing fee. For purposes
342 of this subsection, the average wholesale price shall be
343 calculated by multiplying the number of units dispensed times
344 the per-unit average wholesale price set by the original
345 manufacturer of the underlying drug dispensed by the
346 practitioner, based upon the published manufacturer's average
347 wholesale price published in the Medi-Span Master Drug Database

643035 - H0959Line710.docx

Published On: 1/18/2022 7:11:47 PM

Amendment No. 1

348 as of the date of dispensing. All pharmaceutical claims
349 submitted for repackaged or relabeled prescription medications
350 must include the National Drug Code of the original
351 manufacturer. Fees for pharmaceuticals and pharmaceutical
352 services shall be reimbursable at the applicable fee schedule
353 amount except where the employer or carrier, or a service
354 company, third party administrator, or any entity acting on
355 behalf of the employer or carrier directly contracts with the
356 provider seeking reimbursement for a lower amount.

357 (d) Reimbursement for all fees and other charges for such
358 treatment, care, and attendance, including treatment, care, and
359 attendance provided by any hospital or other health care
360 provider, ambulatory surgical center, work-hardening program, or
361 pain program, must not exceed the amounts provided by the
362 uniform schedule of maximum reimbursement allowances as
363 determined by the panel or as otherwise provided in this
364 section. This subsection also applies to independent medical
365 examinations performed by health care providers under this
366 chapter. In determining the uniform schedule, the panel shall
367 first approve the data which it finds representative of
368 prevailing charges in the state for similar treatment, care, and
369 attendance of injured persons. Each health care provider, health
370 care facility, ambulatory surgical center, work-hardening
371 program, or pain program receiving workers' compensation

643035 - H0959Line710.docx

Published On: 1/18/2022 7:11:47 PM

Page 16 of 38

Amendment No. 1

372 payments shall maintain records verifying their usual charges.
373 In establishing the uniform schedule of maximum reimbursement
374 allowances, the panel must consider:

375 1. The levels of reimbursement for similar treatment,
376 care, and attendance made by other health care programs or
377 third-party providers;

378 2. The impact upon cost to employers for providing a level
379 of reimbursement for treatment, care, and attendance which will
380 ensure the availability of treatment, care, and attendance
381 required by injured workers;

382 3. The financial impact of the reimbursement allowances
383 upon health care providers and health care facilities, including
384 trauma centers as defined in s. 395.4001, and its effect upon
385 their ability to make available to injured workers such
386 medically necessary remedial treatment, care, and attendance.
387 The uniform schedule of maximum reimbursement allowances must be
388 reasonable, must promote health care cost containment and
389 efficiency with respect to the workers' compensation health care
390 delivery system, and must be sufficient to ensure availability
391 of such medically necessary remedial treatment, care, and
392 attendance to injured workers; and

393 4. The most recent average maximum allowable rate of
394 increase for hospitals determined by the Health Care Board under
395 chapter 408.

643035 - H0959Line710.docx

Published On: 1/18/2022 7:11:47 PM

Amendment No. 1

396 (e) In addition to establishing the uniform schedule of
397 maximum reimbursement allowances, the panel shall:

398 1. Take testimony, receive records, and collect data to
399 evaluate the adequacy of the workers' compensation fee schedule,
400 nationally recognized fee schedules and alternative methods of
401 reimbursement to health care providers and health care
402 facilities for inpatient and outpatient treatment and care.

403 2. Survey health care providers and health care facilities
404 to determine the availability and accessibility of workers'
405 compensation health care delivery systems for injured workers.

406 3. Survey carriers to determine the estimated impact on
407 carrier costs and workers' compensation premium rates by
408 implementing changes to the carrier reimbursement schedule or
409 implementing alternative reimbursement methods.

410 4. Submit recommendations on or before January 15, 2017,
411 and biennially thereafter, to the President of the Senate and
412 the Speaker of the House of Representatives on methods to
413 improve the workers' compensation health care delivery system.

414
415 The department, as requested, shall provide data to the panel,
416 including, but not limited to, utilization trends in the
417 workers' compensation health care delivery system. The
418 department shall provide the panel with an annual report
419 regarding the resolution of medical reimbursement disputes and

643035 - H0959Line710.docx

Published On: 1/18/2022 7:11:47 PM

Amendment No. 1

420 any actions pursuant to subsection (8). The department shall
421 provide administrative support and service to the panel to the
422 extent requested by the panel and may adopt rules necessary to
423 administer this subsection. For prescription medication
424 purchased under the requirements of this subsection, a
425 dispensing practitioner shall not possess such medication unless
426 payment has been made by the practitioner, the practitioner's
427 professional practice, or the practitioner's practice management
428 company or employer to the supplying manufacturer, wholesaler,
429 distributor, or drug repackager within 60 days of the dispensing
430 practitioner taking possession of that medication.

431 Section 15. Subsection (3) of section 440.185, Florida
432 Statutes, is amended to read:

433 440.185 Notice of injury or death; reports; penalties for
434 violations.-

435 (3) Within 3 business days after the employer or the
436 employee informs the carrier of an injury, the carrier shall
437 send by regular mail or e-mail to the injured worker an
438 informational brochure approved by the department which sets
439 forth in clear and understandable language an explanation of the
440 rights, benefits, procedures for obtaining benefits and
441 assistance, criminal penalties, and obligations of injured
442 workers and their employers under the Florida Workers'
443 Compensation Law. Annually, the carrier or its third-party

643035 - H0959Line710.docx

Published On: 1/18/2022 7:11:47 PM

Amendment No. 1

444 administrator shall send by regular mail or e-mail to the
445 employer an informational brochure approved by the department
446 which sets forth in clear and understandable language an
447 explanation of the rights, benefits, procedures for obtaining
448 benefits and assistance, criminal penalties, and obligations of
449 injured workers and their employers under the Florida Workers'
450 Compensation Law. All such informational brochures shall contain
451 a notice that clearly states in substance the following: "Any
452 person who, knowingly and with intent to injure, defraud, or
453 deceive any employer or employee, insurance company, or self-
454 insured program, files a statement of claim containing any false
455 or misleading information commits a felony of the third degree."

456 Section 16. Subsection (3) of section 440.381, Florida
457 Statutes, is amended to read:

458 440.381 Application for coverage; reporting payroll;
459 payroll audit procedures; penalties.-

460 (3) The Financial Services Commission, in consultation
461 with the department, shall establish by rule minimum
462 requirements for audits of payroll and classifications ~~in order~~
463 to ensure that the appropriate premium is charged for workers'
464 compensation coverage. The rules must ~~shall~~ ensure that audits
465 performed by both carriers and employers are adequate to provide
466 that all sources of payments to employees, subcontractors, and
467 independent contractors are ~~have been~~ reviewed and that the

Amendment No. 1

468 accuracy of classification of employees ~~is has been~~ verified.
469 The rules must require ~~shall provide~~ that employers in all
470 classes other than the construction class be audited at least
471 ~~not less frequently than~~ biennially and may provide for more
472 frequent audits of employers in specified classifications based
473 on factors such as amount of premium, type of business, loss
474 ratios, or other relevant factors. ~~In no event shall~~ Employers
475 in the construction class, generating more than the amount of
476 premium required to be experience rated ~~must,~~ be audited at
477 least less than annually. The annual audits required for
478 construction classes must ~~shall~~ consist of physical onsite
479 audits for policies only if the estimated annual premium is
480 \$10,000 or more. Payroll verification audit rules must include,
481 but need not be limited to, the use of state and federal reports
482 of employee income, payroll and other accounting records,
483 certificates of insurance maintained by subcontractors, and
484 duties of employees. At the completion of an audit, the employer
485 or officer of the corporation and the auditor must print and
486 sign their names on the audit document and attach proof of
487 identification to the audit document.

488 Section 17. Subsection (2) of section 497.277, Florida
489 Statutes, is amended to read:

490 497.277 Other charges.—Other than the fees for the sale of
491 burial rights, burial merchandise, and burial services, no other

Amendment No. 1

492 fee may be directly or indirectly charged, contracted for, or
493 received by a cemetery company as a condition for a customer to
494 use any burial right, burial merchandise, or burial service,
495 except for:

496 (2) Charges paid for transferring burial rights from one
497 purchaser to another; ~~however, no such fee may exceed \$50.~~

498 Section 18. Paragraph (b) of subsection (1) of section
499 497.369, Florida Statutes, is amended to read:

500 497.369 Embalmers; licensure as an embalmer by
501 endorsement; licensure of a temporary embalmer.-

502 (1) The licensing authority shall issue a license by
503 endorsement to practice embalming to an applicant who has
504 remitted an examination fee set by rule of the licensing
505 authority not to exceed \$200 and who the licensing authority
506 certifies:

507 (b)1. Holds a valid license in good standing to practice
508 embalming in another state of the United States and has engaged
509 in the full-time, licensed practice of embalming in that state
510 for at least 5 years, ~~provided that, when the applicant secured~~
511 ~~her or his original license, the requirements for licensure were~~
512 ~~substantially equivalent to or more stringent than those~~
513 ~~existing in this state; or~~

514 2. Meets the qualifications for licensure in s. 497.368,
515 except that the internship requirement shall be deemed to have

Amendment No. 1

516 | been satisfied by 1 year's practice as a licensed embalmer in
517 | another state, and has, within 10 years before ~~prior to~~ the date
518 | of application, successfully completed a state, regional, or
519 | national examination in mortuary science, which, as determined
520 | by rule of the licensing authority, is substantially equivalent
521 | to or more stringent than the examination given by the licensing
522 | authority.

523 | Section 19. Paragraphs (b) and (f) of subsection (1) of
524 | section 497.372, Florida Statutes, are amended to read:

525 | 497.372 Funeral directing; conduct constituting practice
526 | of funeral directing.-

527 | (1) The practice of funeral directing shall be construed
528 | to consist of the following functions, which may be performed
529 | only by a licensed funeral director:

530 | (b) Planning or arranging, on an at-need basis, the
531 | details of funeral services, embalming, cremation, or other
532 | services relating to the final disposition of human remains, and
533 | ~~including the removal of such remains from the state; setting~~
534 | ~~the time of the services;~~ establishing the type of services to
535 | be rendered; ~~acquiring the services of the clergy; and obtaining~~
536 | ~~vital information for the filing of death certificates and~~
537 | ~~obtaining of burial transit permits.~~

538 | (f) Directing, being in charge or apparent charge of, or
539 | supervising, directly or indirectly, any memorial service held

Amendment No. 1

540 ~~prior to or within 72 hours of the burial or cremation,~~ if such
541 memorial service is sold or arranged by a licensee.

542 Section 20. Paragraph (b) of subsection (1) of section
543 497.374, Florida Statutes, is amended to read:

544 497.374 Funeral directing; licensure as a funeral director
545 by endorsement; licensure of a temporary funeral director.—

546 (1) The licensing authority shall issue a license by
547 endorsement to practice funeral directing to an applicant who
548 has remitted a fee set by rule of the licensing authority not to
549 exceed \$200 and who:

550 (b)1. Holds a valid license in good standing to practice
551 funeral directing in another state of the United States and has
552 engaged in the full-time, licensed practice of funeral directing
553 in that state for at least 5 years, ~~provided that, when the~~
554 ~~applicant secured her or his original license, the requirements~~
555 ~~for licensure were substantially equivalent to or more stringent~~
556 ~~than those existing in this state; or~~

557 2. Meets the qualifications for licensure in s. 497.373,
558 except that the applicant need not hold an associate degree or
559 higher if the applicant holds a diploma or certificate from an
560 accredited program of mortuary science, and has successfully
561 completed a state, regional, or national examination in mortuary
562 science or funeral service arts, which, as determined by rule of

Amendment No. 1

563 the licensing authority, is substantially equivalent to or more
564 stringent than the examination given by the licensing authority.

565 Section 21. Subsection (6) of section 554.108, Florida
566 Statutes, is renumbered as subsection (7), subsection (1) is
567 amended, and a new subsection (6) is added to that section, to
568 read:

569 554.108 Inspection.—

570 (1) The inspection requirements of this chapter apply only
571 to boilers located in public assembly locations. A ~~potable hot~~
572 ~~water supply~~ boiler with an ~~a heat~~ input of 200,000 British
573 thermal units (Btu) per hour and above, up to an ~~a heat~~ input
574 not exceeding 400,000 Btu per hour, is exempt from inspection;
575 however, such an exempt boiler, if manufactured after July 1,
576 2022, but must be stamped with the A.S.M.E. code symbol.
577 Additionally, "HLW" and the boiler's A.S.M.E data report of a
578 boiler with an input of 200,000 to 400,000 Btu per hour must be
579 filed as required under s. 554.103(2).

580 (6) Each enclosed space or room containing a boiler
581 regulated under this chapter which is fired by the direct
582 application of energy from the combustion of fuels and which is
583 located in any portion of a public lodging establishment under
584 s. 509.242 shall be equipped with one or more carbon monoxide
585 detector devices.

Amendment No. 1

586 Section 22. Paragraphs (a) and (e) of subsection (1) and
587 paragraph (a) of subsection (2) of section 554.111, Florida
588 Statutes, are amended to read:

589 554.111 Fees.—

590 (1) The department shall charge the following fees:

591 (a) For an applicant for a certificate of competency, the
592 initial application fee shall be \$50, and the annual renewal fee
593 shall be \$30. ~~The fee for examination shall be \$50.~~

594 (e) An application for a boiler permit must include the
595 manufacturer's data report ~~applicable certificate inspection fee~~
596 ~~provided in paragraph (b).~~

597 (2) Not more than an amount equal to one certificate
598 inspection fee may be charged or collected for any and all
599 boiler inspections in any inspection period, except as otherwise
600 provided in this chapter.

601 (a) When it is necessary to make a special trip for
602 testing and verification inspections ~~to observe the application~~
603 ~~of a hydrostatic test~~, an additional fee equal to the fee for a
604 certificate inspection of the boiler must be charged.

605 Section 23. Subsection (4) of section 554.114, Florida
606 Statutes, is amended to read:

607 554.114 Prohibitions; penalties.—

608 (4) A boiler insurance company, authorized inspection
609 agency, or other person in violation of this section for more

Amendment No. 1

610 than 30 days shall pay a fine of \$10 per day for the subsequent
611 ~~first~~ 10 days of noncompliance, \$50 per day for the subsequent
612 20 days of noncompliance, and \$100 per day for each subsequent
613 day ~~over 20 days~~ of noncompliance thereafter.

614 Section 24. Subsection (9) of section 624.307, Florida
615 Statutes, is amended to read:

616 624.307 General powers; duties.—

617 (9) Upon receiving service of legal process issued in any
618 civil action or proceeding in this state against any regulated
619 person or any unauthorized insurer under s. 626.906 or s.
620 626.937 that ~~which~~ is required to appoint the Chief Financial
621 Officer as its agent ~~attorney~~ to receive service of all legal
622 process, the Chief Financial Officer shall make the process
623 available through a secure online portal, ~~as attorney, may, in~~
624 ~~lieu of sending the process by registered or certified mail,~~
625 ~~send the process or make it available by any other verifiable~~
626 ~~means, including, but not limited to, making the documents~~
627 ~~available by electronic transmission from a secure website~~
628 established by the department to the person last designated by
629 the regulated person or the unauthorized insurer to receive the
630 process. When process documents are made available
631 electronically, the Chief Financial Officer shall promptly send
632 a notice of receipt of service of process to the person last
633 designated by the regulated person or unauthorized insurer to

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Amendment No. 1

634 receive legal process. The notice must state the date ~~and manner~~
635 ~~in which the copy of~~ the process was made available to the
636 regulated person or unauthorized insurer being served and
637 contain the uniform resource locator (URL) where ~~for a hyperlink~~
638 ~~to access files and information on the department's website to~~
639 ~~obtain a copy of~~ the process may be obtained.

640 Section 25. Section 624.422, Florida Statutes, are amended
641 to read:

642 624.422 Service of process; appointment of Chief Financial
643 Officer as process agent.—

644 (1) Each licensed insurer, whether domestic, foreign, or
645 alien, shall be deemed to have appointed the Chief Financial
646 Officer and her or his successors in office as its agent
647 ~~attorney~~ to receive service of all legal process issued against
648 it in any civil action or proceeding in this state; and process
649 so served shall be valid and binding upon the insurer.

650 (2) Before ~~Prior to~~ its authorization to transact
651 insurance in this state, each insurer shall file with the
652 department designation of the name and e-mail address of the
653 person to whom process against it served upon the Chief
654 Financial Officer is to be made available through the
655 department's secure online portal ~~forwarded~~. Each insurer shall
656 also file with the department designation of the name and e-mail
657 address of the person to whom the department shall forward civil

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Amendment No. 1

658 remedy notices filed under s. 624.155. The insurer may change a
659 designation at any time by a new filing.

660 (3) Service of process submitted through the department's
661 secure online portal upon the Chief Financial Officer as the
662 insurer's agent ~~attorney~~ pursuant to such an appointment shall
663 be the sole method of service of process upon an authorized
664 domestic, foreign, or alien insurer in this state

665 Section 26. Subsection (1) of section 624.423, Florida
666 Statutes, is amended to read:

667 624.423 Serving process.—

668 (1) Service of process upon the Chief Financial Officer as
669 process agent of the insurer under s. 624.422 and s. 626.937
670 shall be made ~~by serving a copy of the process upon the Chief~~
671 ~~Financial Officer or upon her or his assistant, deputy, or other~~
672 ~~person in charge of her or his office. Service may also be made~~
673 ~~by mail or electronically as provided in s. 48.151(3) s. 48.151.~~
674 Upon receiving such service, the Chief Financial Officer shall
675 retain a record of the process copy and promptly notify and make
676 ~~forward one copy of~~ the process available through the
677 department's secure online portal ~~by registered or certified~~
678 ~~mail or by other verifiable means,~~ as provided under s.
679 624.307(9), to the person last designated by the insurer to
680 receive the same, as provided under s. 624.422(2). For purposes

Amendment No. 1

681 of this section, records shall ~~may~~ be retained electronically ~~as~~
682 ~~paper or electronic copies.~~

683 Section 27. Subsections (3) and (4) of section 626.937,
684 Florida Statutes, are amended to read:

685 626.937 Actions against insurer; service of process.—

686 (3) Each unauthorized insurer requesting eligibility
687 pursuant to s. 626.918 shall file with the department its
688 appointment of the Chief Financial Officer, on a form as
689 furnished by the department, as its agent ~~attorney~~ to receive
690 service of all legal process issued against it in any civil
691 action or proceeding in this state, and agreeing that process so
692 served shall be valid and binding upon the insurer. The
693 appointment shall be irrevocable, shall bind the insurer and any
694 successor in interest as to the assets or liabilities of the
695 insurer, and shall remain in effect as long as there is
696 outstanding in this state any obligation or liability of the
697 insurer resulting from its insurance transactions therein.

698 (4) At the time of such appointment of the Chief Financial
699 Officer as its process agent, the insurer shall file with the
700 department designation of the name and e-mail address of the
701 person to whom process against it served upon the Chief
702 Financial Officer is to be made available through the
703 department's secure online portal ~~forwarded~~. The insurer may
704 change the designation at any time by a new filing.

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Amendment No. 1

705 Section 28. Subsections (1) and (3) of section 48.151,
706 Florida Statutes, are amended to read:
707 48.151 Service on statutory agents for certain persons.-
708 (1) When any law designates a public officer, board,
709 agency, or commission as the agent for service of process on any
710 person, firm, or corporation, service of process thereunder
711 shall be made by leaving one copy of the process with the public
712 officer, board, agency, or commission or in the office thereof,
713 or by mailing one copy to the public officer, board, agency, or
714 commission, except as provided in subsection (3). The public
715 officer, board, agency, or commission so served shall retain a
716 record copy and promptly send the copy served, by registered or
717 certified mail, to the person to be served as shown by his or
718 her or its records. Proof of service on the public officer,
719 board, agency, or commission shall be by a notice accepting the
720 process which shall be issued by the public officer, board,
721 agency, or commission promptly after service and filed in the
722 court issuing the process. The notice accepting service shall
723 state the date upon which the copy of the process was mailed by
724 the public officer, board, agency, or commission to the person
725 being served and the time for pleading prescribed by the rules
726 of procedure shall run from this date. The service is valid
727 service for all purposes on the person for whom the public

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Published On: 1/18/2022 7:11:47 PM

Page 31 of 38

Amendment No. 1

728 officer, board, agency, or commission is statutory agent for
729 service of process.

730 (3) The Chief Financial Officer ~~or his or her assistant or~~
731 ~~deputy or another person in charge of the office~~ is the agent
732 for service of process on all insurers applying for authority to
733 transact insurance in this state, all licensed nonresident
734 insurance agents, all nonresident disability insurance agents
735 licensed pursuant to s. 626.835, any unauthorized insurer under
736 s. 626.906 or s. 626.937, domestic reciprocal insurers,
737 fraternal benefit societies under chapter 632, warranty
738 associations under chapter 634, prepaid limited health service
739 organizations under chapter 636, and persons required to file
740 statements under s. 628.461. ~~As an alternative to service of~~
741 ~~process made by mail or personal service on the Chief Financial~~
742 ~~Officer, on his or her assistant or deputy, or on another person~~
743 ~~in charge of the office,~~ The Department of Financial Services
744 shall may create a secure online portal as the sole means an
745 Internet-based transmission system to accept service of process
746 on the Chief Financial Officer, ~~or his or her assistant or~~
747 ~~deputy, or another person in charge of the office~~ pursuant to
748 this section.

749 Section 29. Subsection (3)(f) of section 624.610, Florida
750 Statutes, is amended to read:

751 624.610 Reinsurance.—

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Amendment No. 1

752 (3)(f) If the assuming insurer is not authorized or
753 accredited to transact insurance or reinsurance in this state
754 pursuant to paragraph (a) or paragraph (b), the credit permitted
755 by paragraph (c) or paragraph (d) must not be allowed unless the
756 assuming insurer agrees in the reinsurance agreements:

757 1.a. That in the event of the failure of the assuming
758 insurer to perform its obligations under the terms of the
759 reinsurance agreement, the assuming insurer, at the request of
760 the ceding insurer, shall submit to the jurisdiction of any
761 court of competent jurisdiction in any state of the United
762 States, will comply with all requirements necessary to give the
763 court jurisdiction, and will abide by the final decision of the
764 court or of any appellate court in the event of an appeal; and

765 b. To designate the Chief Financial Officer, pursuant to
766 s. 48.151, as its true and lawful ~~agent attorney~~ upon whom may
767 be served any lawful process in any action, suit, or proceeding
768 instituted by or on behalf of the ceding company.

769 Section 30. Subsection (4)(d) of section 624.610, Florida
770 Statutes, is amended to read:

771 624.610 Reinsurance.—

772 (4)(d)

773 2. Consent in writing to the jurisdiction of the courts of
774 this state and to the designation of the Chief Financial
775 Officer, pursuant to s. 48.151, as its true and lawful ~~agent~~

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Amendment No. 1

776 ~~attorney~~ upon whom may be served any lawful process in any
777 action, suit, or proceeding instituted by or on behalf of the
778 ceding insurer. This subparagraph does not limit or alter in any
779 way the capacity of parties to a reinsurance agreement to agree
780 to an alternative dispute resolution mechanism, except to the
781 extent that such agreement is unenforceable under applicable
782 insolvency or delinquency laws.

783 Section 31. Section 626.906, Florida Statutes, is amended
784 to read:

785 626.906 Acts constituting Chief Financial Officer as
786 process agent.—Any of the following acts in this state, effected
787 by mail or otherwise, by an unauthorized foreign insurer, alien
788 insurer, or person representing or aiding such an insurer is
789 equivalent to and shall constitute an appointment by such
790 insurer or person representing or aiding such insurer of the
791 Chief Financial Officer to be its true and lawful ~~agent~~
792 ~~attorney~~, upon whom may be served all lawful process in any
793 action, suit, or proceeding instituted by or on behalf of an
794 insured or beneficiary, arising out of any such contract of
795 insurance; and any such act shall be signification of the
796 insurer's or person's agreement that such service of process is
797 of the same legal force and validity as personal service of
798 process in this state upon such insurer or person representing
799 or aiding such insurer:

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Amendment No. 1

800 Section 32. Subsection (4) of section 626.912, Florida
801 Statutes, is amended to read:

802 626.912 Exemptions from ss. 626.904-626.911.

803 (4) Issued under and in accordance with the Surplus Lines
804 Law, when such insurer or person representing or aiding such
805 insurer enters a general appearance or when such contract of
806 insurance contains a provision designating the Chief Financial
807 Officer or designating a Florida resident agent to be the true
808 and lawful ~~agent attorney~~ of such unauthorized insurer or person
809 representing or aiding such insurer upon whom may be served all
810 lawful process in any action, suit, or proceeding instituted by
811 or on behalf of an insured or person representing or aiding such
812 insurer or beneficiary arising out of any such contract of
813 insurance; and service of process effected on such Chief
814 Financial Officer or such resident agent shall be deemed to
815 confer complete jurisdiction over such unauthorized insurer or
816 person representing or aiding such insurer in such action.

817 Section 33. Subsection (3) of section 626.937, Florida
818 Statutes, is amended to read:

819 626.937 Actions against insurer; service of process.-

820 (3) Each unauthorized insurer requesting eligibility
821 pursuant to s. 626.918 shall file with the department its
822 appointment of the Chief Financial Officer, on a form as
823 furnished by the department, as its ~~agent attorney~~ to receive

Amendment No. 1

824 service of all legal process issued against it in any civil
825 action or proceeding in this state, and agreeing that process so
826 served shall be valid and binding upon the insurer. The
827 appointment shall be irrevocable, shall bind the insurer and any
828 successor in interest as to the assets or liabilities of the
829 insurer, and shall remain in effect as long as there is
830 outstanding in this state any obligation or liability of the
831 insurer resulting from its insurance transactions therein.

832

833

834

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

835

Remove lines 69-94 and insert:

836

s. 440.381, F.S.; specifying workers' compensation

837

policies that require physical onsite audits for a

838

specified class; amending s. 497.277, F.S.; deleting a

839

cap on transferring burial rights fees; amending s.

840

497.369, F.S.; revising requirements for licenses by

841

endorsement to practice embalming; amending s.

842

497.372, F.S.; revising the scope of funeral directing

843

practice; amending s. 497.374, F.S.; revising

844

requirements for licenses by endorsement to practice

845

funeral directing; amending s. 554.108, F.S.;

846

requiring boilers manufactured after a specified date,

847

rather than boilers of certain heat input, to be

Amendment No. 1

848 stamped with a specified code symbol; revising the
849 boilers' information that must be filed; requiring
850 that specified spaces and rooms be equipped with
851 carbon monoxide detector devices; amending s. 554.111,
852 F.S.; deleting a requirement for a specified fee for a
853 certificate of competency; requiring applications for
854 boiler permits to include a specified report; revising
855 the purpose for special trips that the department is
856 required to make for boiler inspections; amending s.
857 554.114, F.S.; revising the schedules of penalties
858 against boiler insurance companies, inspection
859 agencies, and other persons for specified violations;
860 amending s. 624.307, F.S.; providing that certain
861 regulated persons or unauthorized insurers are
862 required to appoint the Chief Financial Officer as
863 their agents, rather than as their attorneys, to
864 receive service of legal process; revising the method
865 in which the Chief Financial Officer makes the process
866 available; amending s. 624.422, F.S.; requiring
867 insurers to file with the department email-addresses,
868 rather than addresses, of specified persons;
869 conforming provisions to changes made by the act;
870 providing that a specified method in which process is
871 served upon the Chief Financial Officer is the sole

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Amendment No. 1

872 method of service; amending s. 624.423, F.S.; revising
873 procedures for service of process; requiring the Chief
874 Financial Officer to promptly notify certain persons
875 of the process and to make the process available to
876 such persons through a specified method; revising
877 method by which records are retained; amending s.
878 626.937, F.S.; conforming provisions to changes made
879 by the act; amending s. 48.151, F.S.; providing an
880 exception to service of process on public entities
881 under certain circumstances; requiring the department
882 to create a secure online portal as the sole means to
883 accept certain service of process; amending s.
884 624.610, F.S.; conforming provisions to changes made
885 by the act; amending s. 626.906, F.S.; conforming
886 provisions to changes made by the act; amending s.
887 626.912, F.S.; conforming provisions to changes made
888 by the act; amending s. 626.937, F.S.; conforming
889 provisions to changes made by the act; amending s.
890 626.015,