

By the Committee on Banking and Insurance; and Senator DiCeglie

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1 A bill to be entitled
2 An act relating to pet health; amending s. 624.604,
3 F.S.; revising the definition of the term "property
4 insurance"; amending s. 626.9541, F.S.; providing that
5 certain practices related to pet wellness programs are
6 unfair methods of competition and unfair or deceptive
7 acts or practices; creating s. 627.71545, F.S.;
8 providing a short title; providing the purpose of the
9 act; providing applicability; providing construction;
10 defining terms; requiring pet insurers that use such
11 defined terms in their pet insurance policies to use
12 the statutory definition in their policies; requiring
13 pet insurers to also make such definitions available
14 on their website or their program administrator's
15 website; requiring pet insurers to make certain
16 disclosures to pet insurance applicants and
17 policyholders; requiring pet insurers to provide a
18 summary of their bases or formulas for determination
19 of claim payments under a pet insurance policy on
20 their website or their program administrator's
21 website; requiring pet insurers to disclose certain
22 requirements for required medical examinations of a
23 pet by a veterinarian; requiring pet insurers to
24 create a document with a summary of certain
25 disclosures, to post such document on their website or
26 their program administrator's website, and, upon
27 issuance or delivery of a policy to a policyholder, to
28 provide the disclosure document to the policyholder;
29 requiring additional written disclosures; providing

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30 that certain required disclosures are in addition to
31 disclosures required by the insurance code or
32 Financial Services Commission rule; authorizing pet
33 insurance applicants and policyholders to examine and
34 return insurance policies and riders under certain
35 circumstances; requiring that premiums be refunded
36 under certain circumstances; requiring that pet
37 insurance policies and riders have a specified notice
38 printed on or attached to the first page; authorizing
39 pet insurers to issue policies that exclude coverage
40 on the basis of preexisting conditions with
41 appropriate written disclosure to the applicant or
42 policyholder; providing that the pet insurer has a
43 specified burden of proof with regard to such
44 exclusions; authorizing pet insurers to issue policies
45 that impose a waiting period of up to a specified
46 period of time for specified illnesses, diseases, or
47 conditions; prohibiting pet insurers from issuing
48 policies imposing a waiting period for accidents;
49 requiring pet insurers who issue a policy that imposes
50 a waiting period to include a provision allowing for
51 waiver of the waiting period upon completion of a
52 medical examination of the covered pet by a
53 veterinarian; authorizing pet insurers to require an
54 examination to be conducted by a veterinarian after
55 the purchase of the policy; imposing a requirement and
56 making an authorization related to such examination;
57 prohibiting a pet insurer from requiring a medical
58 examination of the covered pet to renew a policy;

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59 requiring that certain benefits comply with certain
60 provisions of the Florida Insurance Code; prohibiting
61 insurance applicants' eligibility from being based on
62 participation or lack of participation in wellness
63 programs; requiring pet insurers to ensure that its
64 agents are trained on specified topics; providing
65 rulemaking authority; providing an effective date.
66

67 Be It Enacted by the Legislature of the State of Florida:
68

69 Section 1. Section 624.604, Florida Statutes, is amended to
70 read:

71 624.604 "Property insurance" defined.—"Property insurance"
72 is insurance on real or personal property of every kind and of
73 every interest therein, whether on land, water, or in the air,
74 against loss or damage from any and all hazard or cause, and
75 against loss consequential upon such loss or damage, other than
76 noncontractual legal liability for any such loss or damage.
77 Property insurance may include pet insurance that provides
78 coverage for accidents and for illnesses or diseases of pets.

79 Property insurance may contain a provision for accidental death
80 or injury as part of a multiple peril homeowner's policy. Such
81 insurance, which is incidental to the property insurance, is not
82 subject to the provisions of this code applicable to life or
83 health insurance. Property insurance does not include title
84 insurance, as defined in s. 624.608.

85 Section 2. Paragraph (hh) is added to subsection (1) of
86 section 626.9541, Florida Statutes, to read:

87 626.9541 Unfair methods of competition and unfair or

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88 deceptive acts or practices defined.—

89 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE
90 ACTS.—The following are defined as unfair methods of competition
91 and unfair or deceptive acts or practices:

92 (hh) Sales practices for pet wellness programs.—

93 1. A pet insurance agent may not market a wellness program
94 as pet insurance.

95 2. If a wellness program is sold by a pet insurance agent:

96 a. The purchase of the wellness program may not be a
97 prerequisite to the purchase of pet insurance;

98 b. The costs of the wellness program must be separate and
99 identifiable from any pet insurance policy sold by the pet
100 insurance agent;

101 c. The terms and conditions of the wellness program must be
102 separate from any pet insurance policy sold by the agent;

103 d. The products or coverages available through the wellness
104 program may not duplicate the products or coverages available
105 through the pet insurance policy; and

106 e. The advertising of the wellness program must not be
107 misleading.

108 Section 3. Section 627.71545, Florida Statutes, is created
109 to read:

110 627.71545 Pet insurance; noninsurance wellness programs.—

111 (1) This section may be cited as the "Pet Insurance Act."

112 (2) The purpose of this section is to promote the public
113 welfare by creating a comprehensive regulatory framework within
114 which pet insurance may be sold in this state.

115 (3) This section applies to all of the following:

116 (a) Pet insurance policies that are issued to any resident

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117 of this state or that are sold, solicited, negotiated, or
118 offered in this state.

119 (b) Pet insurance policies or certificates that are
120 delivered or issued for delivery in the state.

121 (4) (a) This section may not be construed to prohibit or
122 limit the types of exclusions pet insurers may use in their
123 policies or to require pet insurers to include in such policies
124 any of the limitations or exclusions specified in subsection
125 (9).

126 (b) All other applicable provisions of the Florida
127 Insurance Code apply to pet insurance, except that this section
128 supersedes any general provisions of the Florida Insurance Code
129 which otherwise apply to pet insurance.

130 (5) (a) As used in this section, the term:

131 1. "Chronic condition" means a condition that can be
132 treated or managed, but not cured.

133 2. "Congenital anomaly or disorder" means a condition that
134 is present from birth, whether inherited or caused by the
135 environment, and that may cause or contribute to illness or
136 disease.

137 3. "Hereditary disorder" means an abnormality that is
138 genetically transmitted from parent to offspring and may cause
139 illness or disease.

140 4. "Orthopedic" refers to a condition that affects the
141 bones, skeletal muscle, cartilage, tendons, ligaments, or
142 joints. Orthopedic conditions include, but are not limited to,
143 elbow dysplasia, hip dysplasia, intervertebral disc
144 degeneration, patellar luxation, and cranial cruciate ligament
145 rupture but do not include any cancer or any metabolic,

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146 hematopoietic, or autoimmune disease.

147 5. "Pet insurance" means an insurance policy that provides
148 coverage for accidents and for illnesses and diseases of pets.
149 Such insurance reimburses a policyholder for expenses associated
150 with medical advice, diagnosis, care, or treatment provided by a
151 veterinarian, including, but not limited to, the cost of drugs
152 prescribed by the veterinarian.

153 6. "Pet insurance policy" or "policy" includes pet
154 insurance certificates.

155 7. "Preexisting condition" means a condition for which any
156 of the following is true before the effective date or during a
157 waiting period applicable to a pet insurance policy:

158 a. A veterinarian provided medical advice.

159 b. The pet received previous treatment.

160 c. Based on information from verifiable sources, the pet
161 had signs or symptoms directly related to the condition for
162 which a claim is being made.

163
164 A condition for which coverage is afforded on a policy is not
165 deemed to be a preexisting condition on any renewal of the
166 policy.

167 8. "Renewal" means the issuance and delivery at the end of
168 an insurance policy period of a policy that supersedes the
169 policy previously issued and delivered by the same pet insurer
170 or affiliated pet insurer and that provides types and limits of
171 coverage substantially similar to those contained in the policy
172 being superseded.

173 9. "Veterinarian" means a health care practitioner who is
174 licensed to engage in the practice of veterinary medicine in

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175 Florida under chapter 474.

176 10. "Waiting period" means the period of time specified in
177 a pet insurance policy which is required to run before some or
178 all of the coverage in the policy may begin. This period may not
179 be applied to renewals of existing coverage.

180 11. "Wellness program" means a subscription or
181 reimbursement-based program that is separate from an insurance
182 policy and that provides goods and services to promote the
183 general health, safety, or well-being of the covered pet. If the
184 subscription or program includes language such as "undertakes to
185 indemnify another," "pays a specified amount upon determinable
186 contingencies," or "provides coverage for a fortuitous event,"
187 the subscription or program is transacting in the business of
188 insurance and is subject to the Florida Insurance Code. This
189 definition is not intended to classify a contract directly
190 between a service provider and a pet owner which involves only
191 the two parties as being the business of insurance, unless other
192 indications of insurance also exist.

193 (b) If a pet insurer uses any of the terms defined in
194 paragraph (a) in a pet insurance policy, the pet insurer must
195 use the definition of each term as provided in paragraph (a) and
196 must include each such definition in the policy. The pet insurer
197 must also make such definitions available through a clear and
198 conspicuous link on the main page of the website of the pet
199 insurer or the pet insurer's program administrator.

200 (6) (a) A pet insurer transacting pet insurance must
201 disclose the following to pet insurance applicants and
202 policyholders:

203 1. Whether the policy excludes coverage due to any of the

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204 following:

205 a. A chronic condition;

206 b. A congenital anomaly or disorder;

207 c. A hereditary disorder; or

208 d. A preexisting condition.

209 2. If the policy includes any other exclusions not listed
210 in subparagraph 1., the pet insurer must state the following in
211 the disclosure: "Other exclusions may apply. Please refer to the
212 exclusions section of the policy for more information."

213 3. Any policy provision that limits coverage through a
214 waiting period, a deductible, a coinsurance payment, or an
215 annual or lifetime policy limit. Waiting periods and applicable
216 requirements must be clearly and prominently disclosed to
217 applicants before the policy purchase.

218 4. Whether the pet insurer reduces coverage or increases
219 premium based on the policyholder's claim history, the age of
220 the covered pet, or a change in the geographic location of the
221 policyholder.

222 5. Whether the underwriting company differs from the brand
223 name used to market and sell the pet insurance.

224 (b) Before issuing a pet insurance policy, a pet insurer
225 shall, through a clear and conspicuous link on the main page of
226 the pet insurer's or the pet insurer's program administrator's
227 website, provide a summary description of the basis or formula
228 for the pet insurer's determination of claim payments under the
229 policy.

230 1. A pet insurer that uses a benefit schedule to determine
231 claim payments under a pet insurance policy must clearly
232 disclose both of the following:

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- 233 a. The applicable benefit schedule in the policy.
- 234 b. All benefit schedules used by the pet insurer under its
235 pet insurance policies through a clear and conspicuous link on
236 the main page of the pet insurer's or pet insurer's program
237 administrator's website.
- 238 2. A pet insurer that determines claim payments under a pet
239 insurance policy based on usual and customary fees, or any other
240 reimbursement limitation based on prevailing veterinary service
241 provider charges, shall do both of the following:
- 242 a. Include a usual and customary fee limitation provision
243 in the policy which clearly describes the pet insurer's basis or
244 formula for determining usual and customary fees and the manner
245 in which that basis or formula is applied in calculating claim
246 payments.
- 247 b. Disclose the pet insurer's basis for determining usual
248 and customary fees through a clear and conspicuous link on the
249 main page of the pet insurer's or pet insurer's program
250 administrator's website.
- 251 (c) If any medical examination of the pet by a veterinarian
252 is required to effectuate coverage, the pet insurer must clearly
253 and conspicuously disclose any requirement for the examination
254 before the policy is purchased and must disclose that
255 examination documentation may result in a preexisting condition
256 exclusion.
- 257 (d) A pet insurer shall create a summary of all policy
258 disclosures required in paragraphs (a), (b), and (c) in a
259 separate document titled "Insurer Disclosure of Important Policy
260 Provisions." The pet insurer shall post the document through a
261 clear and conspicuous link on the main page of the pet insurer's

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262 or pet insurer's program administrator's website.

263 (e) At the time a pet insurance policy is issued or
264 delivered to a policyholder, the pet insurer shall provide the
265 policyholder with a copy of the Insurer Disclosure of Important
266 Policy Provisions document required under paragraph (d), in at
267 least 12-point type. At such time, the pet insurer shall also
268 include a written disclosure with all of the following:

269 1. Contact information for the Division of Consumer
270 Services of the department, including a link and toll-free
271 telephone number, for consumers to submit inquiries and
272 complaints relating to pet insurance products regulated by the
273 department or office.

274 2. The address and customer service telephone number of the
275 pet insurance agent.

276 (f) The disclosures required in this subsection are in
277 addition to any other disclosures required by the insurance code
278 or rules prescribed by the commission.

279 (7) Unless the policyholder has filed a claim under the pet
280 insurance policy, a pet insurance applicant or policyholder may
281 examine and return the policy or rider to the pet insurer or pet
282 insurance agent or broker within 30 days after the applicant or
283 policyholder obtains the receipt and is entitled to the premium
284 refunded if, after examining the policy or rider, he or she is
285 not satisfied for any reason.

286 (8) A pet insurance policy and rider must have a notice
287 prominently printed on or attached to the first page which
288 includes specific instructions to accomplish a return, in type
289 at least as large as any type appearing on the policy or rider
290 contract and in substantially the following language:

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292 You have 30 days from the day you receive this policy,
293 certificate, or rider to review it and return it to
294 the company if you decide not to keep it. You do not
295 have to tell the company why you are returning it. If
296 you decide not to keep policy, certificate, or rider,
297 simply return it to the company at its administrative
298 office or return it to the insurance agent or broker
299 who you bought it from as long as you have not filed a
300 claim. You must return policy, certificate, or rider
301 within 30 days after the day you first received it in
302 order to receive a refund. The company must refund the
303 full amount of any premium paid within 30 days after
304 it receives the returned policy, certificate, or
305 rider. The premium refund will be sent directly to the
306 person who paid it. The policy, certificate, or rider
307 will be void as if it had never been issued.

308
309 (9) (a) A pet insurer may issue a policy that excludes
310 coverage on the basis of one or more preexisting conditions with
311 appropriate written disclosure to the applicant or policyholder.
312 The pet insurer has the burden of proving that the preexisting
313 condition exclusion applies to the condition for which a claim
314 is being made.

315 (b)1. A pet insurer may issue a policy imposing a waiting
316 period before the effective date of a new policy which does not
317 exceed 30 days for illnesses or diseases or for orthopedic
318 conditions not resulting from an accident. A pet insurer may not
319 issue a policy imposing a waiting period for accidents.

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320 2. A pet insurer issuing a policy that imposes a waiting
321 period shall include a provision in its contract which allows
322 the waiting period to be waived upon completion of a medical
323 examination of the pet by a veterinarian. The pet insurer may
324 require the examination to be conducted by a veterinarian after
325 the purchase of the policy.

326 a. A medical examination required under this subparagraph
327 must be paid for by the policyholder, unless the policy
328 specifies that the pet insurer will pay for the examination.

329 b. A pet insurer may specify requirements for the
330 examination and require documentation that the requirements have
331 been satisfied, provided that the specifications do not
332 unreasonably restrict the ability of the applicant or
333 policyholder to waive the waiting period.

334 (c) A pet insurer may not require a medical examination of
335 the covered pet for the policyholder to renew a policy.

336 (d) If a pet insurer includes any prescriptive, wellness,
337 or noninsurance benefit in the policy form, the benefit is made
338 part of the policy contract and must comply with all of the
339 applicable provisions of the Florida Insurance Code.

340 (e) An applicant's eligibility to purchase a pet insurance
341 policy may not be based on his or her participation, or lack of
342 participation, in a separate wellness program.

343 (10) (a) Pet insurers must ensure that its agents are
344 trained on the topics specified in paragraph (b) and that its
345 agents have been appropriately trained on the coverages and
346 conditions of its pet insurance products.

347 (b) The training required under this subsection must
348 include information on all of the following topics:

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- 349 1. Preexisting conditions and waiting periods.
- 350 2. The differences between pet insurance and noninsurance
351 wellness programs.
- 352 3. Chronic conditions, congenital anomalies or disorders,
353 and hereditary disorders and the way pet insurance policies
354 address those conditions or disorders.
- 355 4. Rating, underwriting, renewal, and other related
356 administrative topics.
- 357 (11) The commission may adopt rules necessary to administer
358 this section.
- 359 Section 4. This act shall take effect January 1, 2025.