

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WITHDRAWN	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 Tuck offered the following:

4

5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Section 624.604, Florida Statutes, is amended to
 8 read:

9 624.604 "Property insurance" defined.—"Property insurance"
 10 is insurance on real or personal property of every kind and of
 11 every interest therein, whether on land, water, or in the air,
 12 against loss or damage from any and all hazard or cause, and
 13 against loss consequential upon such loss or damage, other than
 14 noncontractual legal liability for any such loss or damage.
 15 Property insurance includes pet insurance that provides coverage
 16 for accidents and for illnesses or diseases of pets. Property

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17 insurance may contain a provision for accidental death or injury
18 as part of a multiple peril homeowner's policy. Such insurance,
19 which is incidental to the property insurance, is not subject to
20 the provisions of this code applicable to life or health
21 insurance. Property insurance does not include title insurance,
22 as defined in s. 624.608.

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

25 626.9541 Unfair methods of competition and unfair or
26 deceptive acts or practices defined.—

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

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

31 1. A pet insurance agent may not market a wellness program
32 as pet insurance.

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

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

36 b. The costs of the wellness program must be separate and
37 identifiable from any pet insurance policy sold by the pet
38 insurance agent;

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

41 d. The products or coverages available through the wellness
42 program may not duplicate the products or coverages available

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43 through the pet insurance policy; and

44 e. The advertising of the wellness program must not be
45 misleading.

46 Section 3. Section 627.71545, Florida Statutes, is created
47 to read:

48 627.71545 Pet insurance; noninsurance wellness programs.-

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

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

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

54 (a) Pet insurance policies that are issued to any resident
55 of this state or that are sold, solicited, negotiated, or
56 offered in this state.

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

59 (4) (a) This section may not be construed to prohibit or
60 limit the types of exclusions pet insurers may use in their
61 policies or to require pet insurers to include in such policies
62 any of the limitations or exclusions specified in subsection
63 (9).

64 (b) All other applicable provisions of the Florida
65 Insurance Code apply to pet insurance, except that this section
66 supersedes any general provisions of the Florida Insurance Code
67 which otherwise apply to pet insurance.

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

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

71 2. "Congenital anomaly or disorder" means a condition that
72 is present from birth, whether inherited or caused by the
73 environment, and that may cause or contribute to illness or
74 disease.

75 3. "Hereditary disorder" means an abnormality that is
76 genetically transmitted from parent to offspring and may cause
77 illness or disease.

78 4. "Orthopedic" refers to a condition that affects the
79 bones, skeletal muscle, cartilage, tendons, ligaments, or
80 joints. Orthopedic conditions include, but are not limited to,
81 elbow dysplasia, hip dysplasia, intervertebral disc
82 degeneration, patellar luxation, and cranial cruciate ligament
83 rupture but do not include any cancer or any metabolic,
84 hematopoietic, or autoimmune disease.

85 5. "Pet insurance" means an insurance policy that provides
86 coverage for accidents and for illnesses and diseases of pets.
87 Such insurance reimburses a policyholder for expenses associated
88 with medical advice, diagnosis, care, or treatment provided by a
89 veterinarian, including, but not limited to, the cost of drugs
90 prescribed by the veterinarian.

91 6. "Pet insurance policy" or "policy" includes pet
92 insurance certificates.

93 7. "Preexisting condition" means a condition for which any
94 of the following is true before the effective date or during a

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95 waiting period applicable to a pet insurance policy:

96 a. A veterinarian provided medical advice.

97 b. The pet received previous treatment.

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

101
102 A condition for which coverage is afforded on a policy is not
103 deemed to be a preexisting condition on any renewal of the
104 policy.

105 8. "Renewal" means the issuance and delivery at the end of
106 an insurance policy period of a policy that supersedes the
107 policy previously issued and delivered by the same pet insurer
108 or affiliated pet insurer and that provides types and limits of
109 coverage substantially similar to those contained in the policy
110 being superseded.

111 9. "Veterinarian" means a health care practitioner who is
112 licensed to engage in the practice of veterinary medicine in
113 Florida under chapter 474.

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

118 11. "Wellness program" means a subscription or
119 reimbursement-based program that is separate from an insurance
120 policy and that provides goods and services to promote the

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121 general health, safety, or well-being of the covered pet. If the
122 subscription or program includes language such as "undertakes to
123 indemnify another," "pays a specified amount upon determinable
124 contingencies," or "provides coverage for a fortuitous event,"
125 the subscription or program is transacting in the business of
126 insurance and is subject to the Florida Insurance Code. This
127 definition is not intended to classify a contract directly
128 between a service provider and a pet owner which involves only
129 the two parties as being the business of insurance, unless other
130 indications of insurance also exist.

131 (b) If a pet insurer uses any of the terms defined in
132 paragraph (a) in a pet insurance policy, the pet insurer must
133 use the definition of each term as provided in paragraph (a) and
134 must include each such definition in the policy. The pet insurer
135 must also make such definitions available through a clear and
136 conspicuous link on the main page of the website of the pet
137 insurer or the pet insurer's program administrator.

138 (6) (a) A pet insurer transacting pet insurance must
139 disclose the following to pet insurance applicants and
140 policyholders:

141 1. Whether the policy excludes coverage due to any of the
142 following:

143 a. A chronic condition;

144 b. A congenital anomaly or disorder;

145 c. A hereditary disorder; or

146 d. A preexisting condition.

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

151 3. Any policy provision that limits coverage through a
152 waiting period, a deductible, a coinsurance payment, or an
153 annual or lifetime policy limit. Waiting periods and applicable
154 requirements must be clearly and prominently disclosed to
155 applicants before the policy purchase.

156 4. Whether the pet insurer reduces coverage or increases
157 premium based on the policyholder's claim history, the age of
158 the covered pet, or a change in the geographic location of the
159 policyholder.

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

162 (b) Before issuing a pet insurance policy, a pet insurer
163 shall, through a clear and conspicuous link on the main page of
164 the pet insurer's or the pet insurer's program administrator's
165 website, provide a summary description of the basis or formula
166 for the pet insurer's determination of claim payments under the
167 policy.

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

171 a. The applicable benefit schedule in the policy.

172 b. All benefit schedules used by the pet insurer under its

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173 pet insurance policies through a clear and conspicuous link on
174 the main page of the pet insurer's or pet insurer's program
175 administrator's website.

176 2. A pet insurer that determines claim payments under a pet
177 insurance policy based on usual and customary fees, or any other
178 reimbursement limitation based on prevailing veterinary service
179 provider charges, shall do both of the following:

180 a. Include a usual and customary fee limitation provision
181 in the policy which clearly describes the pet insurer's basis or
182 formula for determining usual and customary fees and the manner
183 in which that basis or formula is applied in calculating claim
184 payments.

185 b. Disclose the pet insurer's basis for determining usual
186 and customary fees through a clear and conspicuous link on the
187 main page of the pet insurer's or pet insurer's program
188 administrator's website.

189 (c) If any medical examination of the pet by a veterinarian
190 is required to effectuate coverage, the pet insurer must clearly
191 and conspicuously disclose any requirement for the examination
192 before the policy is purchased and must disclose that
193 examination documentation may result in a preexisting condition
194 exclusion.

195 (d) A pet insurer shall create a summary of all policy
196 disclosures required in paragraphs (a), (b), and (c) in a
197 separate document titled "Insurer Disclosure of Important Policy
198 Provisions." The pet insurer shall post the document through a

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199 clear and conspicuous link on the main page of the pet insurer's
200 or pet insurer's program administrator's website.

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

207 1. Contact information for the Division of Consumer
208 Services of the department, including a link and toll-free
209 telephone number, for consumers to submit inquiries and
210 complaints relating to pet insurance products regulated by the
211 department or office.

212 2. The address and customer service telephone number of the
213 pet insurance agent.

214 (f) The disclosures required in this subsection are in
215 addition to any other disclosures required by the insurance code
216 or rules prescribed by the commission.

217 (7) Unless the policyholder has filed a claim under the pet
218 insurance policy, a pet insurance applicant or policyholder may
219 examine and return the policy or rider to the pet insurer or pet
220 insurance agent or broker within 30 days after the applicant or
221 policyholder obtains the receipt and is entitled to the premium
222 refunded if, after examining the policy or rider, he or she is
223 not satisfied for any reason.

224 (8) A pet insurance policy and rider must have a notice

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225 prominently printed on or attached to the first page which
226 includes specific instructions to accomplish a return, in type
227 at least as large as any type appearing on the policy or rider
228 contract and in substantially the following language:

229
230 You have 30 days from the day you receive this policy,
231 certificate, or rider to review it and return it to
232 the company if you decide not to keep it. You do not
233 have to tell the company why you are returning it. If
234 you decide not to keep policy, certificate, or rider,
235 simply return it to the company at its administrative
236 office or return it to the insurance agent or broker
237 who you bought it from as long as you have not filed a
238 claim. You must return policy, certificate, or rider
239 within 30 days after the day you first received it in
240 order to receive a refund. The company must refund the
241 full amount of any premium paid within 30 days after
242 it receives the returned policy, certificate, or
243 rider. The premium refund will be sent directly to the
244 person who paid it. The policy, certificate, or rider
245 will be void as if it had never been issued.

246
247 (9)(a) A pet insurer may issue a policy that excludes
248 coverage on the basis of one or more preexisting conditions with
249 appropriate written disclosure to the applicant or policyholder.
250 The pet insurer has the burden of proving that the preexisting

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251 condition exclusion applies to the condition for which a claim
252 is being made.

253 (b)1. A pet insurer may issue a policy imposing a waiting
254 period before the effective date of a new policy which does not
255 exceed 30 days for illnesses or diseases or for orthopedic
256 conditions not resulting from an accident. A pet insurer may not
257 issue a policy imposing a waiting period for accidents.

258 2. A pet insurer issuing a policy that imposes a waiting
259 period must include a provision in its contract which allows the
260 waiting period to be waived upon completion of a medical
261 examination of the pet by a veterinarian. The pet insurer may
262 require the examination to be conducted by a veterinarian after
263 the purchase of the policy.

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

267 b. A pet insurer may specify requirements for the
268 examination and require documentation that the requirements have
269 been satisfied, provided that the specifications do not
270 unreasonably restrict the ability of the applicant or
271 policyholder to waive the waiting period.

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

274 (d) If a pet insurer includes any prescriptive, wellness,
275 or noninsurance benefit in the policy form, the benefit is made
276 part of the policy contract and must comply with all of the

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277 applicable provisions of the Florida Insurance Code.

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

281 (10) (a) Pet insurers must ensure that its agents are
282 trained on the topics specified in paragraph (b) and that its
283 agents have been appropriately trained on the coverages and
284 conditions of its pet insurance products.

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

287 1. Preexisting conditions and waiting periods.

288 2. The differences between pet insurance and noninsurance
289 wellness programs.

290 3. Chronic conditions, congenital anomalies or disorders,
291 and hereditary disorders and the way pet insurance policies
292 address those conditions or disorders.

293 4. Rating, underwriting, renewal, and other related
294 administrative topics.

295 (11) The commission may adopt rules necessary to administer
296 this section.

297 Section 4. This act shall take effect January 1, 2025.

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

301 Remove lines 3-41 and insert:

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302 programs; amending s. 624.604, F.S.; revising the definition of
303 the term "property insurance"; amending s. 626.9541, F.S.;
304 providing that certain practices related to pet wellness
305 programs are unfair methods of competition and unfair or
306 deceptive acts or practices; creating s. 627.71545, F.S.;
307 providing a short title; providing the purpose of the act;
308 providing applicability; providing construction; defining terms;
309 requiring pet insurers that use such defined terms in their pet
310 insurance policies to use the statutory definition in their
311 policies; requiring pet insurers to also make such definitions
312 available on their website or their program administrator's
313 website; requiring pet insurers to make certain disclosures to
314 pet insurance applicants and policyholders; requiring pet
315 insurers to provide a summary of their bases or formulas for
316 determination of claim payments under a pet insurance policy on
317 their website or their program administrator's website;
318 requiring pet insurers to disclose certain requirements for
319 required medical examinations of a pet by a veterinarian;
320 requiring pet insurers to create a document with a summary of
321 certain disclosures, to post such document on their website or
322 their program administrator's website, and, upon issuance or
323 delivery of a policy to a policyholder, to provide the
324 disclosure document to the policyholder; requiring additional
325 written disclosures; providing that certain required disclosures
326 are in addition to disclosures required by the insurance code or

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327 Financial Services Commission rule; authorizing pet insurance
328 applicants and policyholders to examine and return insurance
329 policies and riders under certain circumstances; requiring that
330 premiums be refunded under certain circumstances; requiring that
331 pet insurance policies and riders have a specified notice
332 printed on or attached to the first page; authorizing pet
333 insurers to issue policies that exclude coverage on the basis of
334 preexisting conditions with appropriate written disclosure to
335 the applicant or policyholder; providing that the pet insurer
336 has a specified burden of proof with regard to such exclusions;
337 authorizing pet insurers to issue policies that impose a waiting
338 period of up to a specified period of time for specified
339 illnesses, diseases, or conditions; prohibiting pet insurers
340 from issuing policies imposing a waiting period for accidents;
341 requiring pet insurers who issue a policy that imposes a waiting
342 period to include a provision allowing for waiver of the waiting
343 period upon completion of a medical examination of the covered
344 pet by a veterinarian; authorizing pet insurers to require an
345 examination to be conducted by a veterinarian after the purchase
346 of the policy; imposing a requirement and making an
347 authorization related to such examination; prohibiting a pet
348 insurer from requiring a medical examination of the covered pet
349 to renew a policy; requiring that certain benefits comply with
350 certain provisions of the Florida Insurance Code; prohibiting
351 insurance applicants' eligibility from being based on

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352 | participation or lack of participation in wellness programs;
353 | requiring pet insurers to ensure that its agents are trained on
354 | specified topics; providing rulemaking authority; providing an
355 | effective date.