

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WITHDRAWN	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>	

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1 Committee/Subcommittee hearing bill: Commerce Committee  
2 Representative Tuck offered the following:

**Amendment**

Remove lines 79-321 and insert:

6 coverage for accidents and for illnesses of pets. Property  
7 insurance may contain a provision for accidental death or injury  
8 as part of a multiple peril homeowner's policy. Such insurance,  
9 which is incidental to the property insurance, is not subject to  
10 the provisions of this code applicable to life or health  
11 insurance. Property insurance does not include title insurance,  
12 as defined in s. 624.608.

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

15 626.9541 Unfair methods of competition and unfair or  
16 deceptive acts or practices defined.-

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

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

21 1. A pet insurance agent may not market a wellness program  
22 as pet insurance.

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

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

26 b. The costs of the wellness program must be separate and  
27 identifiable from any pet insurance policy sold by the pet  
28 insurance agent;

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

31 d. The products or coverages available through the  
32 wellness program may not duplicate the products or coverages  
33 available through the pet insurance policy; and

34 e. The advertising of the wellness program must not be  
35 misleading.

36 Section 3. Section 627.71545, Florida Statutes, is created  
37 to read:

38 627.71545 Pet insurance; noninsurance wellness programs.—

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

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

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

44       (a) Pet insurance policies that are issued to any resident  
45 of this state or that are sold, solicited, negotiated, or  
46 offered in this state.

47       (b) Pet insurance policies or certificates that are  
48 delivered or issued for delivery in this state.

49       (4) (a) This section may not be construed to prohibit or  
50 limit the types of exclusions pet insurers may use in their  
51 policies or to require pet insurers to include in such policies  
52 any of the limitations or exclusions specified in subsection  
53 (9).

54       (b) All other applicable provisions of the Florida  
55 Insurance Code apply to pet insurance, except that this section  
56 supersedes any general provisions of the Florida Insurance Code  
57 which otherwise apply to pet insurance.

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

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

61       2. "Congenital anomaly or disorder" means a condition that  
62 is present from birth, whether inherited or caused by the  
63 environment, and that may cause or contribute to illness or  
64 disease.

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65       3. "Hereditary disorder" means an abnormality that is  
66 genetically transmitted from parent to offspring and may cause  
67 illness or disease.

68       4. "Orthopedic" refers to a condition that affects the  
69 bones, skeletal muscle, cartilage, tendons, ligaments, or  
70 joints. Orthopedic conditions include, but are not limited to,  
71 elbow dysplasia, hip dysplasia, intervertebral disc  
72 degeneration, patellar luxation, and cranial cruciate ligament  
73 rupture but do not include any cancer or any metabolic,  
74 hematopoietic, or autoimmune disease.

75       5. "Pet insurance" means an insurance policy that provides  
76 coverage for accidents and for illnesses and diseases of pets.  
77 Such insurance reimburses a policyholder for expenses associated  
78 with medical advice, diagnosis, care, or treatment provided by a  
79 veterinarian, including, but not limited to, the cost of drugs  
80 prescribed by the veterinarian.

81       6. "Pet insurance policy" or "policy" includes pet  
82 insurance certificates.

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

86           a. A veterinarian provided medical advice.

87           b. The pet received previous treatment.

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

91  
92 A condition for which coverage is afforded on a policy is not  
93 deemed to be a preexisting condition on any renewal of the  
94 policy.

95 8. "Renewal" means the issuance and delivery at the end of  
96 an insurance policy period of a policy that supersedes the  
97 policy previously issued and delivered by the same pet insurer  
98 or affiliated pet insurer and that provides types and limits of  
99 coverage substantially similar to those contained in the policy  
100 being superseded.

101 9. "Veterinarian" means a health care practitioner who is  
102 licensed to engage in the practice of veterinary medicine in  
103 this state under chapter 474.

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

108 11. "Wellness program" means a subscription or  
109 reimbursement-based program that is separate from an insurance  
110 policy and that provides goods and services to promote the  
111 general health, safety, or well-being of the covered pet. If the  
112 subscription or program includes language such as "undertakes to

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113 indemnify another," "pays a specified amount upon determinable  
114 contingencies," or "provides coverage for a fortuitous event,"  
115 the subscription or program is transacting in the business of  
116 insurance and is subject to the Florida Insurance Code. This  
117 definition is not intended to classify a contract directly  
118 between a service provider and a pet owner which involves only  
119 the two parties as being the business of insurance, unless other  
120 indications of insurance also exist.

121 (b) If a pet insurer uses any of the terms defined in  
122 paragraph (a) in a pet insurance policy, the pet insurer must  
123 use the definition of each term as provided in paragraph (a) and  
124 must include each such definition in the policy. The pet insurer  
125 must also make such definitions available through a clear and  
126 conspicuous link on the main page of the website of the pet  
127 insurer or the pet insurer's program administrator.

128 (6)(a) A pet insurer transacting pet insurance must  
129 disclose the following to pet insurance applicants and  
130 policyholders:

131 1. Whether the policy excludes coverage due to any of the  
132 following:

- 133 a. A chronic condition;  
134 b. A congenital anomaly or disorder;  
135 c. A hereditary disorder; or  
136 d. A preexisting condition.

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

141 3. Any policy provision that limits coverage through a  
142 waiting period, a deductible, a coinsurance payment, or an  
143 annual or lifetime policy limit. Waiting periods and applicable  
144 requirements must be clearly and prominently disclosed to  
145 applicants before the policy purchase.

146 4. Whether the pet insurer reduces coverage or increases  
147 premium based on the policyholder's claims history, the age of  
148 the covered pet, or a change in the geographic location of the  
149 policyholder.

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

152 (b) Before issuing a pet insurance policy, a pet insurer  
153 shall, through a clear and conspicuous link on the main page of  
154 the pet insurer's or the pet insurer's program administrator's  
155 website, provide a summary description of the basis or formula  
156 for the pet insurer's determination of claim payments under the  
157 policy.

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

161 a. The applicable benefit schedule in the policy.

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162 b. All benefit schedules used by the pet insurer under its  
163 pet insurance policies through a clear and conspicuous link on  
164 the main page of the pet insurer's or pet insurer's program  
165 administrator's website.

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

170 a. Include a usual and customary fee limitation provision  
171 in the policy which clearly describes the pet insurer's basis or  
172 formula for determining usual and customary fees and the manner  
173 in which that basis or formula is applied in calculating claim  
174 payments.

175 b. Disclose the pet insurer's basis for determining usual  
176 and customary fees through a clear and conspicuous link on the  
177 main page of the pet insurer's or pet insurer's program  
178 administrator's website.

179 (c) If any medical examination of the pet by a  
180 veterinarian is required to effectuate coverage, the pet insurer  
181 must clearly and conspicuously disclose any requirement for the  
182 examination before the policy is purchased and must disclose  
183 that examination documentation may result in a preexisting  
184 condition exclusion.

185 (d) A pet insurer shall create a summary of all policy  
186 disclosures required in paragraphs (a), (b), and (c) in a



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187 separate document titled "Insurer Disclosure of Important Policy  
188 Provisions." The pet insurer shall post the document through a  
189 clear and conspicuous link on the main page of the pet insurer's  
190 or pet insurer's program administrator's website.

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

197 1. Contact information for the Division of Consumer  
198 Services of the department, including a link and toll-free  
199 telephone number, for consumers to submit inquiries and  
200 complaints relating to pet insurance products regulated by the  
201 department or office.

202 2. The address and customer service telephone number of  
203 the pet insurance agent.

204 (f) The disclosures required in this subsection are in  
205 addition to any other disclosures required by the insurance code  
206 or rules prescribed by the commission.

207 (7) Unless the policyholder has filed a claim under the  
208 pet insurance policy, a pet insurance applicant or policyholder  
209 may examine and return the policy or rider to the pet insurer or  
210 pet insurance agent or broker within 30 days after the applicant  
211 or policyholder obtains the receipt and is entitled to the

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212 premium refunded if, after examining the policy or rider, he or  
213 she is not satisfied for any reason.

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

219  
220 You have 30 days after the date you receive this  
221 policy, certificate, or rider to review and return it  
222 to the company if you decide not to keep it. You do  
223 not have to tell the company why you are returning it.  
224 If you decide not to keep policy, certificate, or  
225 rider, simply return it to the company at the  
226 company's administrative office, or to the insurance  
227 agent or broker from whom you bought it, as long as  
228 you have not filed a claim. You must return the  
229 policy, certificate, or rider within 30 days after the  
230 day you first receive it in order to receive a refund.  
231 The company must refund the full amount of any premium  
232 paid within 30 days after it receives the returned  
233 policy, certificate, or rider. The premium refund will  
234 be sent directly to the person who paid it. The  
235 policy, certificate, or rider will be void as if it  
236 had never been issued.

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237  
238       (9)(a) A pet insurer may issue a policy that excludes  
239 coverage on the basis of one or more preexisting conditions with  
240 appropriate written disclosure to the applicant or policyholder.  
241 The pet insurer has the burden of proving that the preexisting  
242 condition exclusion applies to the condition for which a claim  
243 is being made.

244       (b)1. A pet insurer may issue a new policy imposing a  
245 waiting period, which does not exceed 30 days from effectuation  
246 of coverage, for illnesses or diseases or for orthopedic  
247 conditions not resulting from an accident. A pet insurer may not  
248 issue a policy imposing a waiting period for accidents.