

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

26 | websites or their program administrators' websites,
27 | and, upon issuance or delivery of a policy to a
28 | policyholder, to provide the disclosure document to
29 | the policyholder; requiring additional written
30 | disclosures; providing that certain required
31 | disclosures are in addition to disclosures required by
32 | the Florida Insurance Code or the Financial Services
33 | Commission rules; authorizing pet insurance applicants
34 | and policyholders to examine and return insurance
35 | policies and riders under certain circumstances;
36 | requiring that premiums be refunded under certain
37 | circumstances; requiring that pet insurance policies
38 | and riders have a specified notice printed on or
39 | attached to the first page; authorizing pet insurers
40 | to issue policies that exclude coverage on the basis
41 | of preexisting conditions with appropriate written
42 | disclosure to the applicant or policyholder; providing
43 | that the pet insurer has a specified burden of proof
44 | with regard to such exclusions; authorizing pet
45 | insurers to issue policies that impose a waiting
46 | period of up to a specified period of time for
47 | specified illnesses, diseases, or conditions;
48 | prohibiting pet insurers from issuing policies
49 | imposing a waiting period for accidents; requiring pet
50 | insurers who issue a policy that imposes a waiting

51 period to include a provision allowing for waiver of
 52 the waiting period upon completion of a medical
 53 examination of the covered pet by a veterinarian;
 54 authorizing pet insurers to require an examination to
 55 be conducted by a veterinarian after the purchase of
 56 the policy; providing requirements and authorizations
 57 relating to such examination; prohibiting a pet
 58 insurer from requiring a medical examination of the
 59 covered pet to renew a policy; requiring that certain
 60 benefits comply with certain provisions of the Florida
 61 Insurance Code; prohibiting insurance applicants'
 62 eligibility from being based on participation or lack
 63 of participation in wellness programs; requiring pet
 64 insurers to ensure that its agents are trained on
 65 specified topics; providing rulemaking authority;
 66 providing an effective date.

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

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

72 624.604 "Property insurance" defined.—"Property insurance"
 73 is insurance on real or personal property of every kind and of
 74 every interest therein, whether on land, water, or in the air,
 75 against loss or damage from any and all hazard or cause, and

76 | against loss consequential upon such loss or damage, other than
 77 | noncontractual legal liability for any such loss or damage.
 78 | Property insurance may include pet insurance that provides
 79 | coverage for accidents and for illnesses or diseases of pets.
 80 | Property insurance may contain a provision for accidental death
 81 | or injury as part of a multiple peril homeowner's policy. Such
 82 | insurance, which is incidental to the property insurance, is not
 83 | subject to the provisions of this code applicable to life or
 84 | health insurance. Property insurance does not include title
 85 | insurance, as defined in s. 624.608.

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

88 | 626.9541 Unfair methods of competition and unfair or
 89 | deceptive acts or practices defined.—

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

93 | (hh) Sales practices for pet wellness programs.—

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

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

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

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

101 insurance agent;

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

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

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

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

111 627.71545 Pet insurance; noninsurance wellness programs.—

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

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

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

117 (a) Pet insurance policies that are issued to any resident
 118 of this state or that are sold, solicited, negotiated, or
 119 offered in this state.

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

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

126 (9).

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

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

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

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

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

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

148 5. "Pet insurance" means an insurance policy that provides
 149 coverage for accidents and for illnesses and diseases of pets.
 150 Such insurance reimburses a policyholder for expenses associated

151 with medical advice, diagnosis, care, or treatment provided by a
152 veterinarian, including, but not limited to, the cost of drugs
153 prescribed by the veterinarian.

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

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

159 a. A veterinarian provided medical advice.

160 b. The pet received previous treatment.

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

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

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

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

176 this state under chapter 474.

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

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

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

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

204 1. Whether the policy excludes coverage due to any of the
 205 following:

206 a. A chronic condition;
 207 b. A congenital anomaly or disorder;
 208 c. A hereditary disorder; or
 209 d. A preexisting condition.

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

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

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

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

225 (b) Before issuing a pet insurance policy, a pet insurer

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

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

234 a. The applicable benefit schedule in the policy.

235 b. All benefit schedules used by the pet insurer under its
 236 pet insurance policies through a clear and conspicuous link on
 237 the main page of the pet insurer's or pet insurer's program
 238 administrator's website.

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

243 a. Include a usual and customary fee limitation provision
 244 in the policy which clearly describes the pet insurer's basis or
 245 formula for determining usual and customary fees and the manner
 246 in which that basis or formula is applied in calculating claim
 247 payments.

248 b. Disclose the pet insurer's basis for determining usual
 249 and customary fees through a clear and conspicuous link on the
 250 main page of the pet insurer's or pet insurer's program

251 administrator's website.

252 (c) If any medical examination of the pet by a
253 veterinarian is required to effectuate coverage, the pet insurer
254 must clearly and conspicuously disclose any requirement for the
255 examination before the policy is purchased and must disclose
256 that examination documentation may result in a preexisting
257 condition exclusion.

258 (d) A pet insurer shall create a summary of all policy
259 disclosures required in paragraphs (a), (b), and (c) in a
260 separate document titled "Insurer Disclosure of Important Policy
261 Provisions." The pet insurer shall post the document through a
262 clear and conspicuous link on the main page of the pet insurer's
263 or pet insurer's program administrator's website.

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

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

275 2. The address and customer service telephone number of

276 the pet insurance agent.

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

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

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

292
293 You have 30 days after the date you receive this
294 policy, certificate, or rider to review and return it
295 to the company if you decide not to keep it. You do
296 not have to tell the company why you are returning it.
297 If you decide not to keep policy, certificate, or
298 rider, simply return it to the company at the
299 company's administrative office, or to the insurance
300 agent or broker from whom you bought it, as long as

301 you have not filed a claim. You must return the
302 policy, certificate, or rider within 30 days after the
303 day you first receive it in order to receive a refund.
304 The company must refund the full amount of any premium
305 paid within 30 days after it receives the returned
306 policy, certificate, or rider. The premium refund will
307 be sent directly to the person who paid it. The
308 policy, certificate, or rider will be void as if it
309 had never been issued.

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

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

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

326 require the examination to be conducted by a veterinarian after
327 the purchase of the policy.

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

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

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

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

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

345 (10) (a) A pet insurer must ensure that its agents are
346 trained on the topics specified in paragraph (b) and that its
347 agents have been appropriately trained on the coverages and
348 conditions of its pet insurance products.

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

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