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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/25/2025	.	
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The Committee on Banking and Insurance (Bradley) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 627.4263, Florida Statutes, is created
to read:

627.4263 Mandatory human reviews of claim denials.-

(1) As used in this section, the term:

(a) "Algorithm" means a clearly specified mathematical
process for computation which uses rules designed to give



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11 prescribed results.

12 (b) "Artificial intelligence system" means a machine-based
13 system that may have varying levels of autonomy and that can,
14 for a given set of objectives, generate outputs, such as
15 predictions, recommendations, or content, influencing decisions
16 made in real or virtual environments.

17 (c) "Machine learning system" means an artificial
18 intelligence system that has the ability to learn from provided
19 data without being explicitly programmed.

20 (d) "Qualified human professional" means an individual who,
21 under the Florida Insurance Code, has the authority to adjust or
22 deny a claim or a portion of a claim and may exercise such
23 authority over a particular claim.

24 (2) An insurer's decision to deny a claim or any portion of
25 a claim must be made by a qualified human professional.

26 (3) A qualified human professional shall, before
27 determining whether to adjust or deny a claim or a portion of a
28 claim, do all of the following:

29 (a) Analyze the facts of the claim and the terms of the
30 insurance policy independently of any system or algorithm.

31 (b) Review the accuracy of any output generated by such a
32 system or algorithm.

33 (c) Conduct any review of a claim adjustment or claim
34 decision that was made by another qualified human professional.

35 (4) An insurer shall maintain detailed records of the
36 actions of qualified human professionals who are required to
37 perform the actions under subsection (3), including:

38 (a) The name and title of the qualified human professional
39 who made the decision to deny a claim or a portion of a claim



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40 and of any qualified human professional who reviewed a claim
41 adjustment or claim decision.

42 (b) The date and time of the claim decision and of any
43 review of the claim adjustment.

44 (c) Documentation of the basis for the denial of the claim
45 or a portion of the claim, including any information provided by
46 an algorithm, an artificial intelligence system, or a machine
47 learning system.

48 (5) An algorithm, an artificial intelligence system, or a
49 machine learning system may not serve as the sole basis for
50 determining whether to adjust or deny a claim.

51 (6) In all denial communications to a claimant, an insurer
52 shall:

53 (a) Clearly identify the qualified human professional who
54 made the decision to deny the claim or a portion of the claim;
55 and

56 (b) Include a statement affirming that an algorithm, an
57 artificial intelligence system, or a machine learning system did
58 not serve as the sole basis for determining whether to deny the
59 claim or a portion of the claim.

60 (7) An insurer that uses an algorithm, an artificial
61 intelligence system, or a machine learning system as part of its
62 claims handling process shall detail in its claims handling
63 manual the manner in which such systems are to be used and the
64 manner in which the insurer complies with this section.

65 (8) The office may conduct market conduct examinations and
66 investigations or use any method it deems necessary to verify
67 compliance with this section.

68 (9) The commission may adopt rules to implement this



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69 section.

70 Section 2. This act shall take effect January 1, 2026.

71

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

73 And the title is amended as follows:

74 Delete everything before the enacting clause

75 and insert:

76 A bill to be entitled

77 An act relating to mandatory human reviews of

78 insurance claim denials; creating s. 627.4263, F.S.;

79 defining terms; requiring that insurers' decisions to

80 deny claims or any portion of a claim be made by

81 qualified human professionals; specifying the duties

82 of qualified human professionals; requiring an insurer

83 to maintain certain records; prohibiting using

84 algorithms, artificial intelligence, or machine

85 learning systems as the sole basis for determining

86 whether to adjust or deny a claim; requiring insurers

87 to include certain information in denial

88 communications to claimants; requiring that certain

89 insurers detail certain information in their claims

90 handling manual; authorizing the Office of Insurance

91 Regulation to conduct market conduct examinations and

92 investigations under certain circumstances;

93 authorizing the Financial Services Commission to adopt

94 rules; providing an effective date.