

**AGENDA
FINANCIAL SERVICES COMMISSION
OFFICE OF INSURANCE REGULATION**

January 27, 2004

MEMBERS

Governor Jeb Bush
Attorney General Charlie Crist
Chief Financial Officer Tom Gallagher
Commissioner Charles Bronson

**Contact: Audrey Sumrall
Cabinet Liaison
(850-413-2552)**

9:00 A. M.
LL-03, The Capitol
Tallahassee, Florida

ITEM	SUBJECT	RECOMMENDATION
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1. MINUTES OF THE FINANCIAL SERVICES COMMISSION, NOVEMBER 12, 2003.

(ATTACHMENT 1)

FOR APPROVAL

2. APPROVAL FOR ADOPTION OF AMENDMENTS TO RULE CHAPTER **690-154 PART III**, MINIMUM RESERVE STANDARDS FOR INDIVIDUAL AND GROUP HEALTH INSURANCE CONTRACTS.

The rules define minimum actuarial reserve and liability standards for accident and health policies. The amendments update the rules to conform to the amended model regulation, and make it consistent with NAIC Accounting Practices and Procedures Manual appendix A-010 (adopted in Rule 690-137.001(4)(a)4., F.A.C.) which is updated periodically by the NAIC Accident and Health Working Group. The changes to the rules are technical in nature.

(ATTACHMENT 2)

FOR APPROVAL

3. APPROVAL FOR ADOPTION OF AMENDMENTS TO RULE **690-176.013**, NOTIFICATION OF INSURED'S RIGHTS AND STANDARD DISCLOSURE FORM; PERSONAL INJURY PROTECTION BENEFITS.

This rule adopts two forms required by law. The first form is a disclosure form signed by the insured and the medical provider upon initiation of treatment, and is intended to prevent insurance fraud. The second form is a notice of rights form sent to the insured when a claim is filed to inform the insured of his/her rights under the PIP. Senate Bill 32A requires the Financial Services Commission to adopt by rule a Standard Disclosure and Acknowledgement form to be used in personal injury protection insurance claims. The form is required to be signed by the licensed medical provider and the insured claimant upon initiation of treatment or services. The form requires the insured to confirm that the services were actually rendered, they were not solicited, that the medical provider explained the services rendered, and that they may notify the insurer of billing errors and may be entitled to a portion of the savings up to \$500.

The medical provider must likewise confirm that the insured was not solicited; the services were explained; the statement or bill is properly completed; and the coding of procedures has not been upcoded or unbundled, and does not constitute an invalid or not medically necessary diagnostic test described by law.

The rule also updates and corrects references in the Notification of Insured's Rights form resulting from the legislation.

(ATTACHMENT 3)

FOR APPROVAL

4. APPROVAL FOR REPEAL OF RULE **690-200.007**, MOTOR VEHICLE SERVICE AGREEMENT COMPANIES; CANCELLATION REFUNDS.

The rule allows the motor vehicle warranty company to deduct from the cancellation refund the amount of the claims that have been paid if a cancellation occurs after the first 60 days of the policy. This is in conflict with Section 634.121(5), Florida Statutes, which states that when such an agreement is cancelled by the *holder* (the consumer) after the first 60 days, the refund must be not less than 90% of the unearned pro rata premium. When the agreement is cancelled by the *company* (the licensee) after the first 60 days, the refund must be not less than 100% of the paid unearned pro rata premium. Consequently, the rule must be repealed.

(ATTACHMENT 4)

FOR APPROVAL

5. DEPARTMENT OF FINANCIAL SERVICES AND OFFICE OF INSURANCE REGULATION RULES HAVE BEEN TRANSFERRED FROM TITLE 4 TO TITLE 69 F.A.C.

(ATTACHMENT 5)

FOR INFORMATIONAL PURPOSES