

**AGENDA**  
**FINANCIAL SERVICES COMMISSION**  
**Office of Insurance Regulation**

**April 21, 2006**

**MEMBERS**

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

**Contact: Chris Bailey**  
**(850-413-2552)**

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

<b>ITEM</b>	<b>SUBJECT</b>	<b>RECOMMENDATION</b>
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1. Minutes of the Financial Services Commission, March 16, 2006.

**(ATTACHMENT 1)**

**FOR ACTION**

2. Adoption of amendments to Rules 69O-149.205, Indemnity Standard Risk Rate; 69O-149.206, Preferred Provider/Exclusive Provider Standard Risk Rates; and 69O-149.207, Health Maintenance Organization Standard Risk Rates, F.A.C.

A conversion policy is a policy an insurer is required to provide to an insured whose insurance under a group policy has been terminated for certain specified reasons; the insured's group policy is "converted" to an individual policy. This rule helps answer the question of what rate the insurer can charge for the converted individual policy. The Office is required by Section 627.6675(3)(c), F.S., to conduct an annual survey of the individual market (as contrasted with the group market) and determine "standard risk rates". These standard risk rates are the average rates charged in the individual market for health insurance. The standard risk rates are used by the health insurers in setting their conversion rates, because pursuant to Section 627.6675(3)(a), F.S., the maximum a health insurer can charge for a conversion policy is 200% of the standard risk rate. The annual survey is conducted for PPO/EPO, Indemnity and HMO separately.

**(ATTACHMENT 2)**

**APPROVAL FOR FINAL ADOPTION**

3. Adoption of new Rule 69O-170.0195 (originally 69O-170.020), Reasonable Degree of Competition Criteria – Monroe County, F.A.C.

The Office is required by Section 627.351(6)(d)4., F.S. to establish criteria to be utilized by the Office in determining whether a reasonable degree of competition exists for personal lines residential policies (homeowners insurance) in Monroe County. This rule is in response to this statutory mandate.

**(ATTACHMENT 3)**

**APPROVAL FOR FINAL ADOPTION**

4. Adoption of new Rule 69O-189.016, Filing Procedures for Workers' Compensation Classifications, Rules, Rates, Rating Plans, Deviations and Forms, F.A.C.

The rule sets forth the procedures used by the Office to approve workers' compensation rates. The rule specifically provides for the filing of workers' compensation rates by I-file (the Office's electronic filing system; the filing is done over the internet) and incorporates by reference the necessary forms to have the rates and forms reviewed and approved by the Office. The rule also addresses the filing of deviations from approved rates by specific insurers.

**(ATTACHMENT 4)**

**APPROVAL FOR FINAL ADOPTION**