

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

**May 31, 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, April 4, 2006 and April 21, 2006.

**(ATTACHMENT 1)**

**FOR APPROVAL**

2. Adoption of new Rule 69O-125.003, Unfair Discrimination Because of Travel Plans, F.A.C.

The purpose of this new rule is to identify the denial or pricing of life insurance or health insurance to a person based upon his or her travel plans as a "prohibited act or practice" pursuant to Section 626.9541(1)(g), F.S.

**(ATTACHMENT 2)**

**APPROVAL FOR FINAL ADOPTION**

3. Adoption of amendments to Rules 69O-149.037, .038, "Calculation of Premium Rates" and "Employee Health Care Access Act Statement Reporting Requirement", F.A.C.

The amended rules addressing small group health insurance premium rates: (1) change the current ten-year age bands to five-year bands: under the present rule, the rate a person is charged for his health insurance is increased initially every ten years, that is, at 30, 40, then 50, and then every five years as he ages. Under the new rule the rates will change every five years after age 25, that is, at 25, 30, 35, etc. through age 65. The effect is that though the rates will increase every five years instead of every ten years, each increase will be less drastic. You will end up at the same basic rates, but each increase will be more affordable for the insured (you get twice as many steps, with each one roughly half the size); (2) reorders some provisions so that guidance as to how rates are to be determined for coverage of individuals age 65 and above (Medicare eligible) immediately follows the age category listings; (3) requires rate filings to be made electronically; (4) establishes a rating methodology that insurers can use to determine rates for federally and state mandated continuation of benefits coverage (commonly referred to as COBRA and mini-COBRA)

beneficiaries; and (5) clarifies that the information which carriers are required to semi-annually report to the Office shall exclude information for any group category where the carrier is not utilizing underwriting to determine the rates charged to the group. This will improve the Office's ability to monitor carrier compliance with the statutory limitations on underwriting, within the small employer group market.

**ATTACHMENT 3)**

**APPROVAL FOR FINAL ADOPTION**

4. Adoption of new Rule 69O-204.201, Life Expectancy Providers, F.A.C.

The proposed rule implements the provisions of Section 626.99175, F.S. It does three things: 1) adopts the forms to be used when a person applies for registration as a life expectancy provider, 2) requires the registrant to submit updated information to the Office while the application is pending and after the application process is completed, and 3) sets out standards for the actuarial audit required by Section 626.99175(5), F.S.

**ATTACHMENT 4)**

**APPROVAL FOR FINAL ADOPTION**