

AGENDA
FINANCIAL SERVICES COMMISSION
Office of Insurance Regulation
Materials Available on the Web at:

<http://www.flor.com/Sections/GovAffairs/FSC.aspx>

June 26, 2012

MEMBERS

Governor Rick Scott
Attorney General Pam Bondi
Chief Financial Officer Jeff Atwater
Commissioner Adam Putnam

Contact: Ashlee Falco
(850-413-5069)

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

<u>ITEM</u>	<u>SUBJECT</u>	<u>RECOMMENDATION</u>
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| 1. | Minutes of the Financial Services Commission for September 20, 2011; November 1, 2011; and December 6, 2011. | |
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FOR APPROVAL

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| 2. | Request for Approval for Publication of Proposed Amendments to Rules 69O-137.001, Annual and Quarterly Reporting Requirements and 69O-138.001, NAIC Financial Condition Examiners Handbook Adopted | |
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These rules are being amended to adopt the current versions of the NAIC instructions, manuals and Financial Condition Examiners Handbook. The adoption of these rules will put Florida in compliance with national standards, thereby reducing regulatory costs to business.

(ATTACHMENT 2)

APPROVAL FOR PUBLICATION

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| 3. | Request for Approval for Publication of Proposed Amendments to Rule 69O-149.003, Rate Filing Procedures | |
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Pursuant to Section 627.410(6)(a), F.S., health insurers seeking to issue or renew health insurance policy forms in the State of Florida must submit documentation to the Office demonstrating that the proposed policy's premium rates are reasonable in relation to the benefits provided. Rule 69O-149.003 provides insurers with instructions on how to make these filings.

Rule 69O-149.003(5) allows insurers without fully credible data to make streamlined rate increase filings with the Office that are simpler in format and content than the full filing format defined in Rule 69O-149.003(2). Insurers who qualify and elect to file streamlined rate increase filings with the Office are limited to rate increases equal to the maximum annual medical trend for medical expense coverage or the maximum annual medical trend for Medicare Supplement coverage. The current version of Rule 69O-149.003(6) includes

tables which display the applicable maximum annual medical trend. The proposed rule amendment simply makes these tables available on the Office's website instead of in the rule itself. The Office will update the tables as needed.

Rule 69O-149.003(5)(a) defines the qualifications insurers must meet to make streamlined rate increase filings. These proposed amendments to 69O-149.003(5)(a) provide for streamlined rate filings for Medicare Supplement providers with fewer than 1,000 policyholders nationwide rather than to 1,000 policyholders in Florida.

(ATTACHMENT 3)

APPROVAL FOR PUBLICATION

4. Request for Approval for Publication of Proposed Amendments to Rule 69O-149.022, Forms Adopted

The purpose of this rule is to update and edit the contents of the Universal Standardized Data Letter (UDL) form and instructions used by Life and Health insurers to make electronic form filings via the Office's I-File system. The proposed revisions simplify the reporting entries to reflect recent technological upgrades.

(ATTACHMENT 4)

APPROVAL FOR PUBLICATION

5. Request for Approval for Publication of Notice to Repeal Rule 69O-164.030, Application of Rule 69O-164.020 to Various Product Designs

The Office of Insurance Regulation (Office) recently conducted a comprehensive review of all agency rules to determine whether some rules should be modified or eliminated. As a result, it has been determined that Rule 69O-164.030 is unnecessary and should be repealed. This rule concerns reserving approaches for guarantees established by universal life insurance policies. The repeal of this rule will make the Florida Insurance Code more consistent with the National Association of Insurance Commissioners' (NAIC) model laws and rules, thereby reducing the regulatory cost of doing business in Florida.

(ATTACHMENT 5)

APPROVAL FOR PUBLICATION

6. Request for Approval for Publication of Notice to Repeal Rules:

69O-198.003, License Required;
69O-200.013, Rate Filings;
69O-170.012, Sinkhole Insurance;
69O-191.072, Reinsurance (excess Loss Insurance)

These rules are being repealed either because the statutes adopted to implement them have been repealed (making them obsolete) or they restate language already contained in the Florida Insurance Code.

(ATTACHMENT 6)

APPROVAL FOR PUBLICATION

7. Request for Approval for Publication of Notice to Repeal Rule 69O-143.045, Definitions

Rule 69O-143.045 was originally promulgated in the early 1970s. The rule defines a list of insurance terms. Many of the terms defined in the rule are inconsistent with current portions of the Florida Insurance Code. As a result of these inconsistencies, the Office requests the rule be repealed.

(ATTACHMENT 7)

APPROVAL FOR PUBLICATION

8. Request for Approval for Publication of Notice to Repeal Rule 69O-142.011, Insurer Conduct Penalty Guidelines

This rule establishes guidelines for the assessment of administrative fines concerning certain violations of the Florida Insurance Code.

This rule became effective on November 6, 1994. Since that time, many of the fines prescribed by the rule have become antiquated. Section 624.4211, F.S., contains guidelines for the assessment of administrative fines. As a result, this rule is unnecessary and should be repealed.

(ATTACHMENT 8)

APPROVAL FOR PUBLICATION

9. Request for Approval for Adoption of Proposed Amendments to Rules 69O-200.004, 005,.006,.009,.014,.015, Auto Manufacturer Warranty Rules

In Sections 634.011(7) and 634.041(12), F.S., the Legislature created a new category of Motor Vehicle Service Agreement Companies: "Motor Vehicle Manufacturers." The purpose of the legislation was to *eliminate certain regulatory requirements* for these large corporations, under certain circumstances. These amendments address the legislative mandate to modify these rules and forms to incorporate this new category.

(ATTACHMENT 9)

APPROVAL FOR FINAL ADOPTION

10. Request for Approval to Repeal Rule 69O-170 Part V; Arbitration Rules

Section 627.062(6), F.S., originally granted insurers the right to arbitrate rate filing disputes with the Office. The Financial Services Commission adopted the above referenced rules regarding arbitration of rate filings. This section of law has subsequently been amended to remove the provision for arbitration. Consequently, the Office requests the rules associated with it be repealed.

(ATTACHMENT 10)

APPROVAL FOR FINAL ADOPTION