

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

March 25, 2008

MEMBERS

Governor Charlie Crist
Attorney General Bill McCollum
Chief Financial Officer Alex Sink
Commissioner Charles Bronson

**Contact: Monte Stevens
(850-413-2571)**

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

ITEM	SUBJECT	RECOMMENDATION
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1. Minutes of the Financial Services Commission for January 15, 2008.

(ATTACHMENT 1)

FOR APPROVAL

2. Request for Approval to Adopt proposed Rules 69O-204.101; Disclosure to Viator of Disbursement, F.A.C.

Pursuant to section 626.9925, F.S., the Commission may adopt rules establishing disclosures to viators. This proposed new rule requires a viatical settlement provider to disclose to consumers the gross amount the company paying for the insurance policy being viaticated, the net being paid to the consumer, and a break down of all funds the company is paying to other persons, such as viatical settlement brokers.

(ATTACHMENT 2)

APPROVAL FOR FINAL ADOPTION

3. Request for Approval to Adopt proposed Rules 69O-143.041, .042, Insurer Conduct, F.A.C.

During the 2007 Legislative Session, the Legislature passed and the Governor signed SB 562 which amended Section 628.511, F.S. allowing domestic insurers to own or transfer securities without physical delivery of the certificates. That is, insurers can keep their securities with their broker/dealers. Subsection (4) of existing Section 628.511 gives the Commission rulemaking authority to adopt rules governing the deposit of securities. Consequently, Rules 69O-143.041, .042, which govern the deposits of securities, need to be amended to comply with the changes made in SB 562.

(ATTACHMENT 3)

APPROVAL FOR FINAL ADOPTION

4. Approval for publication of Amendments to Rule 69O-149.003, .005, .007; Health Rate Filing Standards, F.A.C.

Florida law requires that rates for health insurance are reasonable in relation to the benefits being provided. These rules establish guidelines for insurers so they can be assured the rates they charge comply with this mandate. There are three amendments to the rules. The first establishes rules for pooling of cancer claims. The second prohibits an insurer from knowingly pricing an individual rate to be charged to a consumer to be excessive. The third tightens up the requirements for rate certifications, to make sure that when an insurer annually states that its rates meet Florida law, that statement is true. The rule does this by setting forth the steps an insurer must take if the Office determines a rate certification was inaccurate. Pursuant to the rule, using rates that have been certified to meet the standards of law and rule, but which are determined to not meet such standards, constitutes an unfair and deceptive trade practice in violation of s. 626.9541(1)(e).

(ATTACHMENT 4)

APPROVAL FOR PUBLICATION

5. Approval for publication of Amendments to Rule 69O-157.004, .104, .114, .117, Long Term Care F.A.C.

HB 947 made changes to Florida law regarding Long Term Care. These rules are being adopted to implement these changes. The rule amendments do two things. First, they add the new stronger incontestable language standard as a requirement for out of state group long term care. Second, they remove the 24-month nursing home requirement for coverage sold after July 1, 2006.

(ATTACHMENT 5)

APPROVAL FOR PUBLICATION

6. Approval for publication of Amendments to Rule 69O-203.070; Annual and Quarterly Reports, F.A.C.

Section 636.043, F.S. states that a Prepaid Limited Health Service Organization (PLHSO) is to file an annual report with the Office on forms prescribed by the Commission. Under the existing rule the PLHSO files the annual report on forms which were created specifically for this purpose by the Office. Under this revision the annual reports are to be filed on the NAIC forms (blanks) that are used for this purpose by health insurers.

(ATTACHMENT 6)

APPROVAL FOR PUBLICATION

7. Approval for publication of Amendments to Rule 69O-149.0025, .005, .006; Health Rate Filing Standards, F.A.C.

Section 627.410(6)(b), F.S. states that the Commission may establish by rule procedures to be used in ascertaining the reasonableness of benefits in relation to premium rates. These rules establish such procedures. The rules are being amended to clarify the standards for credibility in using company experience as support for rate filings. Though these standards are in the present rules, they have not been stated clearly enough to guarantee that the intent of the existing rules are being met. Consequently, these amendments will tighten up the language.

(ATTACHMENT 7)

APPROVAL FOR PUBLICATION

8. Overview of the Office of Insurance Regulation's 2008 Legislative Priorities.

(ATTACHMENT 8)

FOR INFORMATION