

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

**August 12, 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

<b>ITEM</b>	<b>SUBJECT</b>	<b>RECOMMENDATION</b>
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1. Request for Approval to Repeal Rule 69P-2.001, 002; Commercial Property Joint Underwriting Association

During the January 2007 Special Session, the Legislature passed House Bill 1A, which deactivated the Property and Casualty Joint Underwriting Association (PCJUA). In accordance with the legislation, all policies of the PCJUA were assumed by Citizens Property Insurance Corporation (Citizens).

Consequently, this rule, which is the Plan of Operation of the PCJUA, needs to be repealed.

**(ATTACHMENT 1)**

**APPROVAL FOR FINAL ADOPTION**

2. Request for Approval to Adopt Proposed Rule 69O-149.0025,.005,.006; Health Rate Filing Standards

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 rule is being amended to clarify the standards for credibility in using company experience as support for rate filings.

**(ATTACHMENT 2)**

**APPROVAL FOR FINAL ADOPTION**

3. Request for Approval to Repeal Rule 69O-220.001,.051,.201; Adjusters

When the Department of Insurance (DOI) was reorganized into the Office of Insurance Regulation (OIR) and the Department of Financial Services (DFS), the regulation of

insurance adjusters, chapter 626, part VI, F.S., was assigned to DFS. However, the rules regulating adjusters, rule chapter 4-144, were assigned to both agencies.

The Office does not have the statutory authority to regulate adjusters; therefore this rule chapter should be repealed. DFS actively regulates adjusters and has rules implementing the applicable statutes.

**(ATTACHMENT 3)**

**APPROVAL FOR FINAL ADOPTION**

4. Request for Approval to Adopt Proposed Rule 69O-149.003(2)(b)4.a.; Medicare Supplement Rate Collection

In 2007, the Legislature appropriated funds to the Office to establish a system to collect Medicare Supplement rates and publish a premium search and comparison tool on the Office's website. This tool allows consumers to shop and compare, online, Medicare Supplement rates.

This rule change requires insurers to submit Medicare Supplement filings through the new system, called Medigap. The data submitted through the Medigap system will enable the search and comparison tool to be functional.

**(ATTACHMENT 4)**

**APPROVAL FOR FINAL ADOPTION**

5. Request for Approval to Adopt Proposed Rule 69O-157.301, .302, .303, .304; Long Term Care, Rates 2007

Section 627.9407(7)(c), F.S., provides that rates charged to an insured for renewal of an existing long term care insurance policy may not exceed the price the insurer charges for newly issued policies. The problem this statute addresses relates to "closed blocks" of business. A closed block of business occurs when a particular approved policy is no longer being sold to new customers. There will be a group of insureds who continue to be renewed but no new customers will be sold that policy.

This statute protects those insureds in that closed block by precluding an insurer from having higher renewal rates than its rates for new business. This new rule implements this statute by defining terms used in the statute and explaining how calculations are to be done so the insurer can be sure it is in compliance with the statute.

**(ATTACHMENT 5)**

**APPROVAL FOR FINAL ADOPTION**

6. Request for Approval for Publication of Proposed Rule 69O-170.0144; Hurricane Loss Projection Model; Fee Schedule

In order to implement Section 18 of Chapter 2008-66, Laws of Florida, this rule will establish a fee schedule for use of the Public Hurricane Loss Projection Model by Residential Property Insurers.

**(ATTACHMENT 6)**

**APPROVAL FOR PUBLICATION**