

AGENDA
FINANCIAL SERVICES COMMISSION
Office of Insurance Regulation
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November 17, 2009

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 August 11, 2009 and September 15, 2009. | |
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(ATTACHMENT 1)

FOR APPROVAL

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| 2. | Request for Approval for Adoption of Amendments to Proposed Rule 69O-156 Part 1; Medicare Supplement Insurance | |
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On September 24, 2008, the National Association of Insurance Commissioners (NAIC) adopted revisions to the *NAIC Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act*. The revised NAIC model regulation includes major changes to Medicare Supplement plans and benefits first approved by the NAIC in March 2007, and authorized by the *Medicare Improvements for Patients and Providers Act of 2008 (MIPPA)*. In addition, the model revisions contain changes required by the *Genetic Information Nondiscrimination Act of 2008 (GINA)*. States must adopt the NAIC model revisions in order to continue to regulate the Medigap market. (Medicare Supplement plans are commonly referred to as Medigap.)

(ATTACHMENT 2)

APPROVAL FOR FINAL ADOPTION

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| 3. | Request for Approval for Adoption of Amendments to Proposed Rule 69O-137.001; Annual and Quarterly Reporting Requirements | |
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Section 624.424, Florida Statutes, requires every authorized insurer to file annual and quarterly statements of its financial condition with the Office of Insurance Regulation (Office). To allow uniformity in filing, the Legislature permitted the Financial Services Commission to adopt, by rule, the form for financial statements approved by the NAIC. This

rule is being amended to adopt the 2009 NAIC manuals for annual and quarterly statements and the 2009 NAIC accounting practices and procedures manual. The 2009 version is the latest version of these manuals. This will replace the current rule which adopted the 2008 version.

This rule is being amended to adopt the 2009 NAIC Quarterly and Annual Statement Instructions and also adopts the 2009 NAIC accounting practices and procedures manual.

(ATTACHMENT 3)

APPROVAL FOR FINAL ADOPTION

4. Request for Approval for Adoption of Amendments to Proposed Rule 69O-138.001; NAIC Financial Condition Examiners Handbook Adopted

Section 624.316, Florida Statutes, requires the Office to examine the affairs, transactions, accounts and records of authorized insurers. The law allows the Commission to adopt by rule the Financial Condition Examiners Handbook of the NAIC, in order to facilitate uniformity in examinations and reduce the frictional costs of doing business in Florida.

This rule is being amended to adopt the 2009 NAIC Financial Condition Examiners Handbook. The current rule adopted the 2008 version.

(ATTACHMENT 4)

APPROVAL FOR FINAL ADOPTION

5. Request for Approval for Publication of Proposed Rule 69O-170.0155; Form OIR-B1-1655 Notice of Premium Discounts for Hurricane Loss Mitigation

Section 627.711, Florida Statutes, requires the Office to adopt a form to be used by insurers to notify applicants and policy holders of premium discounts for actions taken to mitigate the impact of hurricanes.

This rule is being amended to adopt a revised version of existing form OIR-B1-1655, "Notice of Premium Discounts for Hurricane Loss Mitigation." Last revised in July 2007, the form is being updated to reflect changes to the My Safe Florida Home program and the experience of the Office, insurers and consumers with the form since the last revision.

(ATTACHMENT 5)

APPROVAL FOR PUBLICATION

6. Request for Approval for Publication of Proposed Rule 69O-170.0155; Form OIR-B1-1802 Uniform Mitigation Verification Inspection

This rule is being amended to adopt revised versions of form OIR-B1-1802, "Uniform Mitigation Verification Inspection Form." Last revised in July 2007, the form is being updated to reflect changes to the My Safe Florida Home program and the experience of the Office, insurers and consumers with the form since the last revision.

(ATTACHMENT 6)

APPROVAL FOR PUBLICATION

7. Request by the Office and the Office of the Consumer Advocate for Approval for Publication of Proposed Rule 69O-236.001; Annual Report Card

Section 627.0613(4), Florida Statutes, requires the Consumer Advocate's office to prepare an annual report card for each authorized personal residential property (homeowners) insurer, on a form and using a letter-grade scale developed by the Commission. The rule being proposed sets out the procedure by which the insurers would be graded and adopts the form by which the results are presented.

(ATTACHMENT 7)

APPROVAL FOR PUBLICATION

8. Approval of the Office of Insurance Regulation to Contract with the Proposed Vendor to Conduct the Workers' Compensation Peer Review

Section 627.285, Florida Statutes, requires that the Financial Services Commission contract, at least once every other year, for an independent actuarial peer review and analysis of the ratemaking processes of any licensed rating organization that makes rate filings for workers' compensation insurance in Florida.

The National Council on Compensation Insurance (NCCI) is responsible for collecting statistical information and making workers' compensation rate filings, on behalf of Florida's insurers. By law, the contract requires the submission of a final report to the Commission, the President of the Senate, and the Speaker of the House of Representatives by February 1, 2010.

In order to meet this statutory requirement, the Office issued a Request for Proposal and received ten responses. The recommended winning response was submitted by American Actuarial Consulting Group, LLC. This item requests approval for the Office to enter into a contract with American Actuarial Consulting Group, LLC to perform the peer review.

(ATTACHMENT 8)

FOR APPROVAL