



Legislative Wrap-up -- May 2007

END-OF-SESSION SUMMARY

by Timothy J. Meenan, FAIFA Lobbyist

The 2007 Regular Session of the Florida Legislature adjourned "sine die" Friday afternoon, May 4th, following passage of a \$72-plus billion budget that allocates 114,757 state employee positions—of which \$5,076,862,159 and 19,552 positions were allocated to the Department of Financial Services (DFS) for oversight of the insurance, banking, and investment industries from July 1, 2007 through June 30, 2008.

The budget was sent to the Governor on May 9. However, legislators are already scheduled to come back to Tallahassee for Special Session B on property taxes from June 12 through June 22 (Special Session A, on property insurance, was held in January). Though insurance issues were not included in the proclamation calling the Legislature into Special Session B, there is always a chance that a Senator or Representative may request that an issue "outside the call" be taken up—FAIFA will be monitoring and ready for any insurance-related issues if any are considered.

Here is a recap and wrap-up of what ultimately happened regarding the bills and amendments we worked on during the 2007 Regular Session—those that passed and will become law, unless vetoed by the Governor, and those that "died."

FAIFA WINS THE BATTLE AND STOPS NON-AGENT EFFORTS TO OBTAIN BROKER-LIKE EXEMPTION FROM AGENT LICENSURE

During the last couple of weeks of this year's Regular Session, an issue emerged that will probably threaten agent interests for some time to come. FAIFA won the battle, and stopped an effort to amend the Florida Insurance Code to authorize a broker-like exemption for so-called "unaffiliated insurance consultants."

Representatives of a group of non-agents circulated a draft amendment providing for DFS to recognize and register so-called "unaffiliated insurance consultants." As proposed, "unaffiliated insurance consultants" could advise consumers regarding purchase of insurance products. FAIFA stood up against this very bad idea.

These consultants would be allowed to approach group health accounts or property insurance clients to discuss the clients' current insurance coverage. The consultant would not be required to maintain a life and health agent's license, and would not require appointment by any insurer.

As defined in the draft amendment, an "unaffiliated insurance consultant" means a person who is not affiliated with any insurer and chooses to practice as an independent insurance consultant providing "objective" advice to the buyers of insurance and who meet other specified criteria. Non-agents allowed to perform these functions would include the following:

- A person with an academic degree from an accredited college or university in risk management or insurance;
- A person who has taught a course in risk management or insurance as a professor at an accredited college or university;
- An attorney who is a member of the Florida Bar
- Persons meeting criteria that the Department of Financial Services (Department or DFS) would be authorized to create as it "deems proper."

In addition to the non-agents, insurance agents could also act as unaffiliated insurance consultants, and would not require appointment. In order for an agent to qualify as an unaffiliated insurance consultant, the amendment language required that a general lines agent must have a CPCU, ARM, or CIC designation, a life or health agent must have a CLU or CEBS designation, and all such agents must have been licensed for a minimum of 2 years.

I expect to see this issue again, next year.

PIP STANDS REPEALED --FOR NOW — EFFECTIVE OCTOBER 1

View the bill at:

<http://www.flsenate.gov/data/session/2007/Senate/bills/billtext/pdf/s1880e1.pdf>

by the Senate Committee on General Government Appropriations, the Senate Committee on Banking and Insurance, and Senator Posey

Having failed to pass legislation that would re-enact or modify Florida's current personal injury protection ("PIP/No-Fault") insurance system, the Florida Legislature has left repeal of PIP to take effect October 1, 2007 — this repeal date was established back in 2003. However, it is reasonable to expect some interested parties may succeed in convincing the Governor or the Legislature that a Special Session is needed to address this issue before the repeal takes effect later this year.

The repeal would take effect by eliminating PIP as a mandatory coverage. According to the Senate bill report for Committee Substitute for Committee Substitute for Senate Bill 1880, "Insurers are authorized to provide, in all policies issued or renewed after October 1, 2006, that such policies may terminate on or after October 1, 2007."

There was a proposal in the House of Representatives that addressed this issue, but it never reached the House Floor. The Senate bill died on the House Calendar. FAIFA supports repeal of PIP/No-Fault insurance, and replacing it with mandatory medical pay or mandatory bodily injury coverage. There is a lengthy history of widespread fraud throughout the current PIP/No-Fault system, and repeal would eliminate much of it.

The Senate made an effort to "modify" PIP/No-Fault in Committee Substitute for Committee Substitute for Senate Bill 1880. This bill provided for reenacting Florida's Motor Vehicle No-Fault Law, established several time lines and reporting and data collection requirements relating to enforcement of the PIP/No-Fault law, but also provided for future repeal of the Law on January 1, 2012.

As provided in the bill, prior to the 2012 repeal, DFS/OIR would have been required to lead a comprehensive review (in consultation with various industry, health care provider, and plaintiff's attorney representatives) of PIP/No-Fault and its effect on insurance rates,

auto insurance policyholders, health care providers, and the trial court system. To allow time to digest the review findings before the repeal of PIP/No-Fault in 2012, the bill called for DFS/OIR to submit a report summarizing the review and stating its findings by October 1, 2010, to the Governor, President of the Senate, and Speaker of the House of Representatives.

The House was pushing a plan to repeal PIP, and replace it with a form of medical payments insurance covering largely only inpatient costs. FAIFA favored the original House plan over the Senate plan, as it prevented the shifting of hundreds of millions of dollars in legitimate health care claims to health insurers. FAIFA fears that health insurers will soon be requesting significant rate increases to finance the cost of auto accidents. We urge the Legislature to consider enacting either a mandatory bodily injury or a mandatory inpatient medical payments auto insurance solution during Special Session.

AGENT IN CHARGE OF MULTIPLE BRANCH OFFICES AND INSURANCE AGENT PRE-LICENSING EDUCATION COURSES

View the bill at:

http://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?FileName=_h1381er.doc&DocumentType=Bill&BillNumber=1381&Session=2007

by the House Policy & Budget Council, the House Jobs & Entrepreneurship Council, and Representative Richter

Committee Substitute for Committee Substitute for House Bill 1381 passed. This bill authorizes a licensed insurance agent in charge of an insurance agency to be the agent in charge of one or more branch insurance locations, so long as an unlicensed person does not conduct the business of insurance when the agent in charge is not present.

FAIFA successfully amended the bill to ensure that any insurance agent in charge could manage more than one branch location. As originally proposed, the bill only allowed one agent in charge to be named for multiple locations of banks and financial institutions. FAIFA drafted and worked aggressively to get this language adopted. That amendment protects member interests by providing that a licensed insurance agent in charge of an insurance agency that is not affiliated with a financial institution, securities dealer, or funeral establishment may also be the agent in charge of multiple branch insurance locations.

Agencies with multiple locations will still need to get each of them licensed as a branch agency, but will no longer need to maintain a full time agent at those locations. No unlicensed individual may conduct activities that require a license when the agent in charge is not present. The amendment "levels the playing field" regarding branch insurance office activities relative to agent activities to ensure that we have the same exemption as banks, brokers, and funeral homes for our branch offices.

Under current law, effective October 1, 2006, insurance agencies that act in their own name or under a trade name as an insurance agency must obtain an insurance agency license for each place of business at which activity occurs that can only be performed by a licensed insurance agent. The current law provides that each insurance agency branch location must be in the full-time charge of a licensed general lines agent or life or health agent who is appointed to represent one or more insurers. Any entity that has established one or more branch places of business must have at least one licensed general lines agent who is appointed to represent one or more insurers at each agency location, including the headquarters, but the agent in charge cannot be in charge of more than one location. So this legislation will now allow a single agent to maintain another location, as long as insurance-agent activities do not occur at the off-site location when the agent is not present.

In a separate matter, the bill allows DFS to approve correspondence courses offered by independent programs of study as satisfying the pre-licensing education requirements for obtaining a life or health insurance agent license.

FAIFA STOPS AMENDMENT WATERING DOWN PRE-LICENSING AND CONTINUING EDUCATION REQUIREMENTS

Language was quietly added to SB 1866, in the final week of session, designed to make online course providers more prevalent in the CE and pre licensing education arena. The language was not clear but appear to be aimed a allowing open book exams for pre-licensing education courses. Worse, as written, the language appeared to grant the Department of Financial Services the authority to require that exams be required on all continuing education courses; such courses attended in person by agents need not be completed with an exam under current law.

FAIFA worked to assure that language was stripped off the final homeowners bill which was enacted late on the last day of session.

TRAVEL PROTECTION INSURANCE

View the bill at:

<http://www.flsenate.gov/data/session/2007/House/bills/billtext/pdf/h041103er.pdf>

by the House Jobs and Entrepreneurship Council and Representative Precourt

Committee Substitute for House Bill 411 authorizes a limited license for travel agencies and certain timeshare rental companies and their employees to sell or offer travel protection insurance, creates a new limited license to transact travel protection insurance business and combines it with the limited license for personal accident insurance, which would enable a license holder to transact both types of coverage. Travel protection insurance would cover losses such as accidental death and dismemberment; travel cancellations, interruptions, or delays; and emergency health-related expenses incurred while traveling.

FAIFA successfully fought to have language amended into the bill that limits the time frame for travel protection insurance products to 60-day coverage. This was done to ensure this legislation would not allow an unlicensed person to compete in the marketplace with licensed agents in selling annual and permanent insurance providing similar coverage. In addition to replacing the personal accident insurance limited license with the travel protection insurance limited license, the bill replaces the baggage and motor vehicle excess liability limited insurance license with the motor vehicle rental insurance license. FAIFA's goal is to assure no limited licensee will be authorized to directly and unfairly compete with our members.

MEDICARE SUPPLEMENT POLICIES

View the bill at:

<http://www.flsenate.gov/data/session/2007/House/bills/billtext/pdf/h009703er.pdf>

by the House Healthcare Council and Representative Hays

Committee Substitute for House Bill 97 reduces Florida's OIR regulation of Medicare supplement policies offered by employers, employer groups, or trustees acting on behalf of employers or labor organizations covering at least 50 employees when issued and only if, upon termination of eligibility, group members age 65 or older are offered

continuation of coverage under the group plan or a conversion policy with the same benefits as a Medicare supplement policy.

"Medicare supplement policy" is currently defined in s. 627.672, Florida Statutes, to mean: "a health insurance policy or other health benefit plan offered by a private entity to individuals who are entitled to have payments for health care costs made under Medicare, Title XVIII of the Social Security Act ('Medicare'), as presently constituted and as may later be amended, which provides reimbursement for expenses incurred for services and items for which payment may be made under Medicare but which expenses are not reimbursable by reason of the applicability of deductibles, coinsurance amounts, or other limitations imposed by Medicare."

As originally introduced, the bill was much broader in scope—it would have excluded Medicare supplement policies offered by any employer, group of employers, or trustees representing employers to its employees or former employees. FAIFA supported the inclusion of a minimum size requirement for employer groups to qualify for reduced regulation of maintaining at least 50 employees in Florida. Such policies still will be subject to federal regulation. FAIFA supported narrowing the scope of this change in law, and still has concerns about its effect on Florida residents. We will watch developments as this change is implemented effective July 1, 2007, if signed into law by Governor Crist. It is possible that the OIR will ask the Governor to veto this legislation.

IMMUNIZATION SERVICES

View the bill at:

<http://www.flsenate.gov/data/session/2007/House/bills/billtext/pdf/h054303er.pdf>

by Representative Juan Zapata

This bill creates the "Pharmacist Kevin Coit Memorial Act." It authorizes pharmacists to administer influenza virus immunizations to adults and requires that pharmacists authorized to administer influenza virus immunizations provide evidence of current certification by the Pharmacy Board, established under the Department of Health, to the supervising physician.

INSURANCE AGENT ACCESS TO SCHOOL GROUNDS

View the bill at:

<http://www.flsenate.gov/data/session/2007/Senate/bills/billtext/pdf/s0988er.pdf>

by the Senate Criminal Justice Committee and Senator Argenziano

Committee Substitute for Senate Bill 988, relating to high-risk offenders, requires that a fingerprint-based background screening be performed of non-instructional contractors who: (1) are permitted access to school grounds when students are present; (2) are not anticipated to have direct contact with students in performing their contract; and (3) would have only unanticipated contact with students that is infrequent and incidental.

The bill requires state and federal criminal history checks to be performed at least every five years. The bill requires a non-instructional contractor subject to this section to inform a school district that he or she has had a criminal history check in another school district within the last five years. A contractor who has been convicted of a disqualifying offense (any offense that would require registration as a sex offender, murder, terrorism, kidnapping, among others) is prohibited from being on school grounds when students are present, unless he or she has received a full pardon or had civil rights restored. Violation of this prohibition is a third degree felony.

Non-instructional contractors—a vendor, individual, or entity, including employees and subcontractors of a vendor, individual, or entity, under contract with a school or school board who is compensated for services performed for the school or district, but who is not considered to be an employee—may be exempt from fingerprint-based background checks when under direct “line-of-sight” supervision of a person meeting screening requirements, working in an area of the campus separate from the student population, or meets other specified conditions. However, exempted non-instructional contractors will be subject to a search of the state and national registry of sexual predators and sexual offenders without charge to the contractor. The school district must notify the contracted vendor, individual, or entity of an adverse determination within three business days. A contractor may not be subjected to additional criminal history checks by the school district.

CITIZENS PROPERTY INSURANCE CORPORATION (CPIC)

View the bill at:

<http://www.flsenate.gov/data/session/2007/Senate/bills/billtext/pdf/s2498er.pdf>

by the Senate Banking and Insurance Committee and Senators Garcia and Posey

Committee Substitute for Senate Bill 2498 makes changes to the Citizens Property Insurance Corporation (“Citizens”) law by adopting measures designed to make Citizens more competitive with the voluntary market as a short-term approach to providing Florida residents with a readily available source of “affordable property insurance.” It also addresses some of the issues that the Governor and Legislature considered inadequately addressed during January’s Special Session on property insurance.

In reality, it further cements Citizens role as a competitor to private insurers, and will likely contribute to the market’s shift from private insurers to government-sponsored insurance.

This bill includes provisions which will impact the supply side of Florida’s property insurance market. The Legislature, in this bill, prohibits the formation of new Florida-only domestic residential property insurance subsidiaries (“pup” companies) by national insurers, and requires rate filings for all insurance subsidiaries to include parent company profit information. The idea seems to be to eliminate the ability of a national company to isolate its Florida property-related losses and to force these companies, instead, to calculate such losses with all others in their respective books of nationwide business. The bill also freezes Citizens rates for an additional year, artificially suppressing their rates until January 2009.

Other features in the bill include: (1) giving priority, under the Insurance Capital Build-Up Incentive Program for surplus notes, to insurers writing the highest percentage of residential property insurance covering manufactured housing—insurers writing coverage for only manufactured housing may receive surplus notes of up to \$7 million; (2) changing the definition of “diligent effort,” as relates to surplus lines insurance coverage of \$1 million or more, to mean seeking coverage from and having been rejected by at least one authorized insurer (down from 3 rejections) currently writing admitted coverage and documenting this rejection for residential structures having a dwelling replacement cost of \$1 million or more—coverage of insurable interests valued at less than \$1 million is still subject to the “3 rejections” rule; (3) requiring retail or producing agents selling surplus lines insurance covering personal residential property risks to notify their customers, in writing, that coverage may be available and may be less expensive from Citizens and to provide notices that Citizens assessments may be higher and that Citizens coverage may be less than the property’s existing coverage—the insured’s signature on the notice creates a presumption he or she was informed and understands; (4) providing a longer phase-out period for ending Citizens coverage of certain properties with a combined dwelling and content replacement cost valued at \$1

million or more by moving out to January 1, 2009, rather than July 1, 2008, the date after which Citizens will cease to cover personal lines residential structures that were insured by Citizens on December 31, 2008, rather than June 30, 2008; (5) creating the Florida State University Catastrophic Storm Risk Management Center to promote and disseminate research on issues related to catastrophic storm loss and to assist in identifying and developing education and research grant funding opportunities among higher education institutions Florida and the private sector; (6) requiring, effective August 1, 2007, that notice premium renewals for residential property insurance policies specify the dollar amount recouped for assessments for the Florida Hurricane Catastrophe Fund for Citizens, the Florida Insurance Guaranty Association listing each entity by its dollar amount, and the dollar amount of any premium due to an approved rate increase and the total dollar amount that is due to coverage changes; (7) effective December 31, 2008, prohibiting issuance of a new Certificate of Authority for residential property insurance to an insurer domiciled in Florida that is a wholly-owned subsidiary of an insurer authorized to do business in any other state, and requires that the rate filings of such subsidiaries include information relating to the profits of the parent company; and (8) creating the 19-member "Citizens Property Insurance Corporation Mission Review Task Force" to determine the steps that must be taken to return Citizens to its original mission and eventually move it out of competition with the voluntary market.

SECURITIES TRANSACTIONS: INVESTMENT ADVISOR FEE INCREASES

View the bill at:

<http://www.flsenate.gov/data/session/2007/Senate/bills/billtext/pdf/s1100er.pdf>

by the Senate General Government Appropriations Committee and Senator Alexander

The final version of Committee Substitute for Senate Bill 1100 leaves unchanged, at \$200, the registration, renewal, and late fees of dealer and investment adviser firms. Throughout the Session language in the bill had provided for increasing each of these fees an additional \$50—to \$250. However, the bill does increase the registration, renewal, and late fees of associated persons from \$40 to \$50—this is down from \$70.

The enacted fee increase generates substantially less than the original \$12.9 million in revenue that would have been raised had the earlier proposed increases been enacted. Also, the bill provides for the distribution of securities transaction fees to the General Revenue Fund and the Regulatory Trust Fund in the Office of Financial Regulation.

DEBT WAIVER/CREDIT LIFE INSURANCE

View the bill at:

<http://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?FileName=h7087er.doc&DocumentType=Bill&BillNumber=7087&Session=2007>

by the House Jobs and Entrepreneurship Council and Representative Carroll

House Bill 7087 amends Florida's Retail Installment Sales law, the Florida Insurance Code, and the Financial Institutions Code. It defines "guaranteed asset protection product" (GAP product) and provides requirements and prohibitions relating to these products in connection with retail installment sales contracts. It also defines "debt cancellation product" as relates to Florida's retail installment contract law, the Insurance Code, and the Financial Institutions Code—the definitions are similar, not identical, as provided in the bill for each of these areas of law.

Also, the bill removes the \$50,000 cap on and duration of credit life insurance that may be purchased. This is a limit on the maximum amount a creditor or its parent holding company may insure the life of a customer who obtains an installment loan offered by

financial institutions. The bill further provides that the total amount of credit life insurance on the life of any debtor with respect to any loan or loans covered in one or more insurance policy shall at no time exceed the amount of the indebtedness. The legislation was enacted during the 2006 Regular Session, but was vetoed by Governor Bush for other reasons.

KIDCARE PROGRAM REMAINS UNCHANGED

View the bill at:

<http://www.flsenate.gov/data/session/2007/Senate/bills/billtext/pdf/s0930c3.pdf>

by the Senate Health and Human Services

Appropriations Committee, the Senate Governmental Operations Committee, the Senate Health Policy Committee, and Senator Dawson et al.

After devoting substantial committee deliberation to Committee Substitute (CS) for CS for Senate Bill 930, the Senate did not change Florida's KidCare Program. The bill did not reach the Senate Floor for final debate and it died pending a review.

The bill proposed to require that the Department of Health (DOH), in consultation with Agency for Health Care Administration (AHCA), develop a minimum set of pediatric quality assurance and access standards for children's health care and medical assistance.

Furthermore, it designated AHCA as the single state agency for the Program and transferred and consolidated most administrative functions in the entire Florida Kidcare program under AHCA—this would have taken effect no later than July 1, 2008. Additionally, the bill clarified that parents and legal guardians could have access to enrollment information and provided that current capitation rate methodologies used in Medicaid would apply to managed care plans participating in the KidCare Program, effective July 1, 2008.

The bill eliminated the current coordinating council chaired by DOH, and repealed the Florida Healthy Kids Corporation effective June 30, 2009. It directed AHCA to provide a consolidation transition plan to the Governor, Senate President, and Speaker of the House of Representatives by January 1, 2008. All other legislation impacting the Program—CS/SB 1740, HB 1173, and HB 7189—also failed to pass out of their respective chambers.

There is some possibility that this issue may be the subject of a Special Session before next year's Regular Session.

HEALTH INSURANCE ID CARD

View the bill at:

<http://www.myfloridahouse.gov/Sections/Bills/billsdetail.aspx?BillId=34477&>

by the House Jobs & Entrepreneurship Council and Representative Cretul

The health insurance identification card legislation, Committee Substitute for House Bill 177 and Committee Substitute for Senate Bill 2094, did not pass. These bills required health insurance companies and HMOs to provide identification cards to their policyholders and subscribers for the purpose of creating a uniform set of information relating to each policy or contract.

Insurers and HMOs are not currently required to provide insurance identification cards to

their policyholders and subscribers, but many choose to do so. The bill required that health ID cards contain specified information that can be used to confirm the insured individual's identity, identify the type of plan, obtain authorization for services, and indicate the financial responsibility of the policyholder or subscriber.

FREE INSURANCE

View the bill at:

<http://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?FileName=h1473c1.doc&DocumentType=Bill&BillNumber=1473&Session=2007>
by Representative Don Brown

<http://www.flsenate.gov/data/session/2007/Senate/bills/billtext/pdf/s1754c1.pdf>
by Senate Banking and Insurance Committee and Senator Posey

Neither Committee Substitute for House Bill 1473 nor Committee Substitute for Senate Bill 1754, providing for a new exception to Florida's prohibition against offering free insurance on cell phones and other wireless equipment, passed.

Florida law, as a general policy, prohibits free insurance as it is considered an inducement to the purchase or sale of real or personal property or of services directly or indirectly connected with such real or personal property, and it is never "free." The bills provided for amending the Insurance Code's Unfair Methods of Competition and Unfair or Deceptive Acts or Practices law to add language that creates a new exception to the state's ban on free insurance; current law already provides seven exceptions.

Although, standing alone, this bill did not directly threaten FAIFA members, FAIFA opposes all free insurance exemptions, as free insurance removes the agent from the transaction—leaving such transaction to store staff, and because it is never really "free," instead the price is hidden in some other good or service.

MANDATES UPDATE

FAIFA fought off numerous mandate bills considered this year, but many made it further through the process than in previous years. While we do have compassion for persons suffering with the diseases that these bills address, FAIFA strongly opposes mandates because of the devastating cost increases that they would create.

Cost increases associated with mandated benefits have a very high correlation with decreased coverage overall, as purchasers decide that they cannot pay the increased incremental costs, and do not have the option to decline the coverage since it is mandated by the State as a condition of doing business. Further, mandated benefits do not apply to self-insured programs under ERISA, forcing regulated, voluntary insurance costs to increase in relation to ERISA.

I have identified only one mandate bill passed during the 2007 Session, Committee Substitute for Senate Bill 590 – HMO Contract/Subscriber's Rights, by Senator Burt Saunders.

This bill requires HMOs to notify, in writing, new subscribers, who are residents of continuing care facilities or retirement communities, of their right to request referral to a skilled nursing unit or assisted living facility affiliated with the continuing care facility or retirement community in which they reside. The bill also requires HMOs to disclose to such subscriber's that if their request to be referred to a skilled nursing unit or assisted living facility that is part of their place of residence is denied, the subscriber may use a grievance process specifically designed to address such requests and denials to challenge the HMOs decision.

Note that the last bill referenced below, HB 291, would have mandated every health insurance policy provide equal coverage limits for mental health and psychological disorders as is provided for physical health issues. This bill would substantially increase the cost of health insurance, and would likely create an exodus of health insurers from our state.

Following are mandate bills that were not enacted:

--- Senate Bill 516 by Senate Geller—Autism Spectrum Disorder

--- Senate Bill 1172 by Senator Joyner and House Bill 669 by Rep. Meadows—Lymph Node Dissections

--- CS for Senate Bill 110 by Senator Hill and CS for House Bill 345 by the Jobs and Entrepreneurship Council and Rep. Peterman—Prostate Cancer annual screening

--- Senate Bill 274 by Senate Margolis and House Bill 1105 by Rep. Patronis—Cystic Fibrosis Treatment

--- House Bill 849 by Representative R. Garcia and Senate Bill 1836 by Senator Jones—Anti-Seizure, Anti-Epileptic Non-generic Drugs

--- CS for Senate Bill 366 by Senate Banking and Insurance and Senator Wilson and House Bill 833 by Rep. R. Garcia—Infant Eye Care

--- Senate Bill 910, by Senator Siplin—“Universal Health Access Plan for Children” would have established a single, publicly-funded statewide program, administered by the Department of Health, to provide medically necessary health services for each child in Florida without cost to the child’s family.

--- Senate Bill 238, by Senator Lynn—Mandatory Coverage of Dependent Children under Group, Blanket, or Franchise Health Insurance Policies

--- House Bill 291 by the Healthcare Council and Representative Homan and CS for SB 1834 by the Senate Banking and Insurance Committee and Senator Jones—Mental Health Parity

OTHER 2007 LEGISLATION OF INTEREST THAT DID NOT PASS

--- Senate Bill 298 by Senator Fasano and House Bill 925 by Representative Hukill would establish a pilot program to provide rebates to small businesses that provide comprehensive major medical health insurance coverage to employees. The bill died in the Senate Banking and Insurance Committee without a hearing.

--- House Bill 519 by Representative Nelson (no Senate companion), would authorize insurance policies for small employers offering coverage to their employees that contain no mandated coverages. The bill would apply to any business that has not provided its employees with group health insurance for at least 1 year, and would allow such a business to provide group health insurance without the statutory required mandated coverages for up to 3 years. At the end of the 3-year period, the business must then convert the group health insurance policy to one that provides all of the statutorily mandated coverages or discontinue providing group coverage. The bill died in the House Innovation Committee without a hearing.

--- House Bill 1401 by Representative Patronis, relating to small business health flex plans, the bill expands health flex plan eligibility from 200 to 250 percent of the federal poverty level, which is \$20,650 for a family of four. It also provides health flex plans

with access to the employee group market, in certain circumstances, and allows certain licensed health care entities; local governments and health care districts to be deemed in compliance with the financial requirements to offer health flex plans, thereby expediting the Office of Insurance Regulation's application process for those entities. The bill died in Senate Messages awaiting Senate consideration.

--- Senate Bill 1422 by Senator Carlton, providing for employee health savings accounts. The bill died in Conference Committee.

--- Senate Bill 1756 by Senator Posey, relating to health care provider patient fees, requires that health care providers charge certain uninsured patients the lowest fee for service that would be accepted if all or portion of payment were made by insurer. The bill died in the Senate Health Regulation Committee without a hearing.

--- Senate Bill 2222 by Senator Posey (no House companion), relating to health insurance policies, provides policyholders with right to designate at least one secondary addressee to receive notice of cancellation or nonrenewal for nonpayment of premium, and requires insurers to notify policyholder of his or her at least once every 2 years of right to make such a designation. The bill died on the Senate Calendar.

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