

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

May 13, 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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| <p>1.</p> | <p>Approval for Publication of Amendments to Rule 69O-149.041; Small Group Underwriting</p> <p>Under Florida law, a small group is 1-50 employees. These amendments change the current practice of small group health carriers using two different underwriting application approaches, based on the size of a small group. Pursuant to section 626.9611 F.S., this rule makes it an unfair trade practice for an insurer to treat certain sized small groups differently than it treats other small groups. Under the rule, all small groups must be treated the same, unless otherwise provided in section 627.6699.</p> | |
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(ATTACHMENT 1)

APPROVAL FOR PUBLICATION

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| <p>2.</p> | <p>Approval for Publication of Amendments to Rule 69O-149.205,-.207, F.A.C.; Standard Risk Rates</p> | |
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The Office is required by Section 627.6675(3)(c), F.S., to conduct an annual survey of the individual market and determine "standard risk rates". These standard risk rates are the average rates charged in the individual market for health insurance. The standard risk rates are used by the health insurers in setting their conversion rates, because pursuant to Section 627.6675(3)(a), F.S., the maximum a health insurer can charge for a conversion policy is 200% of the standard risk rate.

(ATTACHMENT 2)

APPROVAL FOR PUBLICATION

3. Approval for Publication of Repeal of Rule 69O-220.001,.051,.201; Adjusters

When the Department of Insurance (DOI) was reorganized into the Department of Financial Services (DFS), the Office of Insurance Regulation (OIR) and the Office of Financial Regulation (OFR), the Department of Financial Services (DFS) was charged with the regulation of insurance adjusters under chapter 626, part VI. All DOI rules became rules of either DFS, OIR or both agencies. Rule chapter 4-144, which are the rules regulating adjusters, were assigned to both agencies for joint administration.

Pursuant to Chapter 626 part VI, only DFS has regulatory authority over adjusters and OIR has no authority. Nor does the Financial Services Commission have any authority to promulgate rules to regulate adjusters. Consequently, this OIR rule chapter needs to be repealed. DFS actively regulates the adjusters and has rules implementing the applicable statutes.

(ATTACHMENT 3)

APPROVAL FOR PUBLICATION

4. Approval for Publication of Repeal to Rule 69N-121.066; Informal Conferences

The rule sets out the process the Office is to follow after an examination of an insurer is performed and the Office provides the insurer with a draft of the examination report. The rule should be repealed as it is unnecessary, as the statute is self-explanatory.

(ATTACHMENT 4)

APPROVAL FOR PUBLICATION