FINANCIAL SERVICES COMMISSION
Office of Insurance Regulation
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September 20, 2016

MEMBERS
Governor Rick Scott
Attorney General Pam Bondi
Chief Financial Officer Jeff Atwater
Commissioner Adam Putnam

Contact: **Caitlin Murray**
(850-413-5005)

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

ITEM	SUBJECT	RECOMMENDATION

1. Minutes of the Financial Services Commission for April 26, 2016.

   http://www.myflorida.com/myflorida/cabinet/agenda16/0426/transcript.pdf

   (ATTACHMENT 1) **FOR APPROVAL**

2. Request for Approval for Final Adoption of Repeal of Rule 69N-121.007,.010; Public Records

   Currently, Rules 69N-121.007 and 121.010, Florida Administrative Code, prescribe the procedure by which the Office processes public records requests and the indexing of final orders, respectively. As the public records process is now mostly governed by statute and the indexing process for final orders has been revised by statutory amendment in 2015, these rules are now unnecessary.

   (ATTACHMENT 2) **APPROVAL FOR FINAL ADOPTION**

3. Request for Approval for Final Adoption of Repeal of Rules 69N-3.001,.002,.003,.004, .005,.006,.007; Smoking Policies

   The rules established the smoking policy for the Office, pursuant to sections 120.53 and 386.205, Florida Statutes. Previously, section 386.205(6), gave state agencies authority to create policies and adopt rules to administer the Florida Clean Indoor Air Act. Subsequently, the Legislature revised chapter 386, giving rulemaking authority to the Departments of Health and Business and Professional Regulation to adopt rules to implement the provisions of the Act. The rule repeal would delete now obsolete and unnecessary rules.

   (ATTACHMENT 3) **APPROVAL FOR FINAL ADOPTION**

4. Request for Approval for Final Adoption of Repeal of Rule 69O-186.010; Insurer's Assumption of Certain Liability

   Section 627.777, Florida Statutes gives the Office the authority to directly review and approve forms for use by title insurance underwriters and agents. The Office recently approved a revised version of the Closing Protection Letter (CPL) which was filed with the Office for approval pursuant to Sections 627.777 and 627.786, Florida Statutes. The rule contains an outdated CPL form. As such, the rule that is subject to repeal is obsolete and should be removed from the Florida Administrative Code.

   (ATTACHMENT 4) **APPROVAL FOR FINAL ADOPTION**

5. Request for Approval for Final Adoption of Amendments to Rule 69O-137.001; Annual and Quarterly Reporting Requirements

   Section 624.424, Florida Statutes, requires insurers to file quarterly and annual financial reports with the Office of Insurance Regulation and allows the Office to enact rules setting the standards for those reports. The rule is being amended to adopt the 2016 NAIC Quarterly Statement Manuals, the 2015 NAIC Annual Statement Instructions Manuals, the 2015 and 2016 NAIC Accounting Practices and Procedures Manuals and 2016 NAIC User's Guide. The current rule adopted the 2015 NAIC Quarterly Statement Manuals, the 2014 NAIC Annual Statement Instructions Manuals, and the 2014 and 2015 NAIC Accounting Practices and Procedures Manuals.

   (ATTACHMENT 5) **APPROVAL FOR FINAL ADOPTION**

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

   Section 624.316, Florida Statutes, requires the Office to examine insurer's financial condition using generally accepted accounting procedures. This statute also allows the Office to adopt the NAIC Financial Condition Examiners Handbook to facilitate these exams. The rule is being amended to adopt the 2015 and 2016 NAIC Financial Condition Examiners Handbooks. The current rule adopted the 2015 and 2014 versions of these handbooks.

   (ATTACHMENT 6) **APPROVAL FOR FINAL ADOPTION**

7. Request for Approval for Publication of Amendments to Rule 69O-161.001; 010; .011; Prior Authorization Forms

   Section 627.42392, Florida Statutes, requires the Financial Services Commission to develop a standard Prior Authorization Form as well as guidelines for prior authorization forms. The rule will establish guidelines for all prior authorization forms which ensure the general uniformity of such forms, and to adopt a prior authorization form for use by health insurance issuers which do not provide an electronic prior authorization process for use by its contracted providers.

   (ATTACHMENT 7) **APPROVAL FOR PUBLICATION**

8. Office of Insurance Regulation 4th Quarter Report FY 2015-16, FY 2017-18 Legislative Budget Request, and 2017 Legislative Initiatives

(ATTACHMENT 8) **FOR APPROVAL**

STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR AND CABINET
_____/

CABINET MEMBERS:	GOVERNOR RICK SCOTT ATTORNEY GENERAL PAM BONDI CHIEF FINANCIAL OFFICER JEFF ATWATER COMMISSIONER OF AGRICULTURE ADAM PUTNAM
DATE:	TUESDAY, APRIL 26, 2016
LOCATION:	CABINET MEETING ROOM LOWER LEVEL, THE CAPITOL TALLAHASSEE, FLORIDA
REPORTED BY:	NANCY S. METZKE, RPR, FPR COURT REPORTER

C & N REPORTERS
POST OFFICE BOX 3093
TALLAHASSEE, FLORIDA 32315-3093
(850) 697-8314 / FAX (850) 697-8715
nancy@metzke.com
candnreporters.com

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OFFICE OF INSURANCE REGULATION

GOVERNOR SCOTT: Next I'd like to welcome Commissioner McCarty with the Office of Insurance Regulation.

Good morning, Kevin.

COMMISSIONER McCARTY: Good morning, Governor, members of the Financial Services Commission.

The first agenda item today is approval of the minutes for the December 8th meeting of the Financial Services Commission.

GOVERNOR SCOTT: Is there a motion?

ATTORNEY GENERAL BONDI: So move.

GOVERNOR SCOTT: Is there a second?

CFO ATWATER: Second.

GOVERNOR SCOTT: Any comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

COMMISSIONER McCARTY: Okay. Agenda Item Number 2 is a request for final adoption for a rule concerning the registration and the holding company acts, Administrative Rule 69O-143.046, 047, and 056.

This rule regulates the Insurance Holding Act

as part of our financial modernization initiative, as well as collecting information about the enterprise risk.

The rules that were adopted -- we had two workshops on the rule, and it comports with what is being done nationally so that our form is consistent with the forms adopted in other states.

GOVERNOR SCOTT: Is there a motion to approve on the item?

CFO ATWATER: So move.

GOVERNOR SCOTT: Is there a second?

ATTORNEY GENERAL BONDI: Second.

GOVERNOR SCOTT: Any comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

COMMISSIONER McCARTY: Okay. The next agenda item is request for approval for repeal of Rule 69N-121.007, 010 on public records. This rule prescribed the process and procedure for the Office to process public document requests, as well as to index final orders. That rule was superseded by legislation in 2015, therefore rendering the rule obsolete and unnecessary.

COMMISSIONER PUTNAM: So moved.

ATTORNEY GENERAL BONDI: Second.

GOVERNOR SCOTT: Any comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

COMMISSIONER McCARTY: Item Number 4 is request for approval for publication of repeal of Rule 69N-121.066 on informal conferences. This rule provides for a procedure for informal conferences before the Office. This rule is unnecessary; and therefore, we're requesting a change because we NO longer -- we put a corrective action plan; and therefore, an informal procedure is NO longer necessary.

GOVERNOR SCOTT: Is there a motion?

CFO ATWATER: So moved.

GOVERNOR SCOTT: Is there a second?

ATTORNEY GENERAL BONDI: Second.

GOVERNOR SCOTT: Any comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

COMMISSIONER McCARTY: Agenda Item Number 5 is request for approval for publication of repeal of Rule 69N-3001, 002, 3, 4, 5, 6, and 7. These rules

establish a smoking policy for the office. These rules have been rendered obsolete because of revisions to Florida law.

COMMISSIONER PUTNAM: So moved.

COMMISSIONER McCARTY: These are now governed under the Florida Clean Air Act and have been obsolete for a while.

GOVERNOR SCOTT: The Commissioner --

ATTORNEY GENERAL BONDI: Second.

GOVERNOR SCOTT: -- motioned and a second.

Any comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

COMMISSIONER McCARTY: All right. Agenda Item Number 6 is request for approval for pub --

GOVERNOR SCOTT: Why don't we do 6, 7, and 8 together?

COMMISSIONER McCARTY: Okay. Request for approval for publication of repeal of the rule on insurer assumption of certain liability. That has to do with -- Florida Statutes have been revised that allows for the individual company approval and that we NO longer need that law -- that rule in place because we now do individual company

approval.

Item Number 7 is for publication for amendments of the quarterly statement. This simply updates and gives us the latest quarterly reports, the quarterly manuals, the annual statement instructions, the accounting practices and procedures, and the NAIC user guide, which is done on an annual basis.

GOVERNOR SCOTT: Okay. Was that 6 and 7? How about 8?

COMMISSIONER McCARTY: That was for -- I'm sorry, that wasn't for repeal. That was a different one. Do you want to just do the two repeals together?

GOVERNOR SCOTT: Yeah.

COMMISSIONER McCARTY: Okay. I'm sorry, I apologize, Governor. Request 5, request for approval for repeal on the smoking policy and for repeal of the rule governing closing protection letters.

GOVERNOR SCOTT: Let's do 7 and 8 also.

COMMISSIONER McCARTY: Okay. Seven is for adoption of the annual and quarterly report requirements and 7 is -- 8 requires the annual and quarterly report requirements; and 9 is for the

NAIC Financial Condition Examiner's Handbook.

GOVERNOR SCOTT: Okay. I think we're going to do 6, 7, and 8. So is there a motion on 6, 7, 8?

ATTORNEY GENERAL BONDI: So moved.

COMMISSIONER PUTNAM: So that's one repeal and two rules --

ATTORNEY GENERAL BONDI: Yes.

GOVERNOR SCOTT: Right?

COMMISSIONER PUTNAM: -- for publication? Second.

GOVERNOR SCOTT: Okay. Any comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries. So now we're on Item 9, performance measures.

COMMISSIONER McCARTY: Item 9 is performance reports to give you some highlights of the Office of Insurance Regulation, as well as a cumulative report on our performance measures from July 1st, 2015, to March 31st, 2016.

The first slide you've seen before. It's defining success. Of course an important part of providing success in the Florida marketplace is to promote markets, to encourage products to come to

Florida. We also want to protect consumers and make sure that those products are there at affordable prices.

We want to protect consumers from unscrupulous behavior. We want to monitor the financial condition of companies. There is NO more important consumer protection than ensuring an insurance company has the financial wherewithal to pay their claims. And lastly, we want to do all of these things in an effective and efficient manner.

The next few slides we're going to talk about will discuss kind of selected activities over the course of this report and some of the accomplishments, along with some of the challenges and opportunities we see in the life and health, as well as in the property and casualty markets.

I'm only going to talk about a few of the details on each of the slides, but I'll be happy to answer any questions you have in the totality of the presentation.

One of the major challenges we've had, of course, in the last several years is the disruption in the marketplace as a result of the passage of the Affordable Care Act. One of our main challenges is to maintain as much stability in

the marketplace as we can. Unfortunately, because of the volatility in the market and because of a number of factors, most notably, the elimination of underwriting and guaranteed issue, which is -- you know, underwriting is a key element of insurance.

So this has obviously brought about a great deal of instability in the marketplace. And as a consequence, one of the casualties of that has been the Preferred Medical Plan, which has been an excellent HMO in the Miami-Dade County for the last 40 years. Unfortunately, it has become a victim of the volatility in the market, most notably through what they call the three Rs: The risk adjustment, risk corridor, and the reinsurance program.

And these are programs meant to create rate stability, but in point of fact, caused a great deal of instability in terms of market planning for companies, particularly those companies that have a limited amount of a capital basis to begin with. So we helped to transition those policies without interruption of coverage to other members in the voluntary market.

Another I think important issue, as we talked about before, the -- I know we've talked about this

with General Bondi, and the concern about the centers of excellence and the narrowing of networks; and that what we're seeing now with the Affordable Care Act is more balanced billing because more and more people are not in network. and I want to congratulate the CFO and the Legislature for enacting balanced billing reforms this year. I think it's an important first step to help protect consumers.

We do have prohibitions against balanced billing and HMOs, and now we extended it beyond that marketplace.

And lastly, I wanted to highlight, as you're familiar -- may be familiar, the Office has worked very closely with the Legislature, Senator Benacquisto and Representative Hager; and of course, CFO Atwater, I want to thank you for your leadership on the issue for unclaimed property, their settlement agreements.

As you know, General Bondi, myself, and the CFO launched a campaign in 2011. We were successful at bringing about the first settlement to ensure that people -- that beneficiaries were getting paid their benefits under their life insurance contracts.

As you know, there has been what's called the selective use of the Social Security death master where insurance companies would use the Social Security death master to their advantage but would not use it when it came to finding beneficiaries. And this law that has passed is the culmination of the work we've done.

We've also -- we're responsible for a national task force which has brought about seven and a half to $8 billion returned across the nation, and it is -- and Florida law is now actually the gold standard for going in the future on how to codify through agreements that we have reached. And that has been very successful and actually was featured on 60 Minutes recently.

There are also some challenges coming up in the marketplace, and one of the challenges I want to highlight to you is the financial risk facing Floridians, but also facing the State of Florida when it comes to caring for long-term care for our senior citizens. We have an increasingly aging population. There has been an estimate by the Bipartisan Policy Center that says that about 70% of the people over the age of 65 will require long-term care services in the amount of

a hundred thousand dollars or more.

The Center estimates that about a quarter of these individuals will need that, and yet consumers are not buying long-term care. And we know the pressure it's going to put on Medicaid budgets around the country. Right now about $120 billion is dedicated nationally to pay for Medicaid long-term care.

One of our challenges for the State of Florida is how we can lessen that Medicaid burden. And one of the ways to do that is to encourage companies, as well as individuals, to purchase long-term care policies. A lot of people have been scared off of long-term care policies recently because of the high prices, some of the insolvencies, and some of the challenges, and the history of long-term care. But we need to look at innovations in products, particularly life products that may be able to be converted to a long-term care product so that there is an income stream to deal with -- to hedge the longevity risk.

Before we go to that, one last thing I want to go -- as I talked about the instability in the marketplace, our HMO laws have not been revised, our minimum capital surplus requirements are still

at $1.5 million. We don't have risk-based capital tools that we had for health insurance companies, and one of the challenges going forward is to help our insurance industry by providing those tools.

One of the things we've seen is that companies get dramatic increases in the number of policies. They may have $20 million in surplus, they may estimate getting a 20,000 policy, but you can't turn the hose off, so to speak. As soon as the policies start coming in, if you're a lower-priced HMO -- we had several examples of companies expecting 30 and getting 130. Well, they don't have the IT, the infrastructure, et cetera. So one of the challenges continues -- not just the capital base, but ensuring some way of bringing some stability to the marketplace.

Now pivoting to the property insurance market, Florida continues to enjoy in terms of its homeowners' market a very robust market. We have 12 companies that are our companies that have been indigenous to Florida that have expanded to other states. That geographic and business diversification is a good thing; it says positive things about our market.

We've also had five additional companies that

added lines of business. Overall our companies are entering the market. We have over 4,000 licensed entities in Florida. The market is good and we continue to look for a successful future.

Of course, one of the challenges we see is Citizens. Citizens has had remarkable success in its depopulation efforts. Thank the Governor for his encouragement in this regard, where there's a 60% reduction in policy, 65% in its exposure. We went from 1.5 million policies to under 400,000 last month.

So we continue to get good reports in that regard and continue to see companies looking for more takeout opportunities with regard to Citizens' property insurance market; however, at the last hearing -- the rate hearing, we did have evidence of a growing problem that Citizens identified.

And that is the growing problem of water damage and roof damage as a result of assignment of benefits. And the situation occurs when a policyholder assigns their benefits to a third-party person to repair their property and then that person goes after the insurance company for the money.

We've seen from data submitted that in

south Florida there is -- the filings highlighted a 128% increase in the three -- tri-county area for the average water claim. And our data call has shown that that is not simply limited to south Florida, that it's initially a south Florida problem, but we're seeing that kind of increased frequency and severity occurring in central and west Florida as well.

So we have been working with Citizens collaboratively to develop policy form changes that do not affect the consumer but puts in some parameters to ensure that the insurance company has an opportunity to do an inspection before these other repairs are effectuated, and then those assignment of benefits, and hopefully addressing that issue. We have 13 companies who have filed a very similar form filing with our office, and we're going to continue to work to address that problem.

The last issue I want to address, of course, is a major issue for the State of Florida since we represent about 37% of the flood market. As you know, last year I sent a -- communicated with FEMA and the National Flood Program to get our arms around the ratemaking process so that we can have an open and transparent process.

I'm pleased to report that we have met with them and a number of states, that we have an open and transparent process for us to evaluate the data, to develop rates, and hopefully promote a private-sector market to help augment the National -- the Federal Flood Program.

I also want to thank Congressman Ross for his leadership in providing -- introducing legislation that promotes the private marketplace and flexibility and licensing in states, and eliminates some of the burdens that the Federal Government has placed on the private marketplace.

As in terms of challenges and opportunities with regard to the property market, again, I want to reiterate our concern about ALD. We are cautiously optimistic that the policy changes that we are encouraging the private sector to adopt, along with Citizens, will address that problem. We need to continue to closely monitor the situation, collecting information necessary for policymakers to make the necessary changes if that is needed.

With regard to auto insurance rates, I commend the CFO and the Governor for their leadership on PIP reform in 2012 with House Bill 119. I was very optimistic it was passed, but the Governor told me

it was going to pass and encouraged me to think of like mind and I --

GOVERNOR SCOTT: We didn't waste any votes, did we?

COMMISSIONER McCARTY: NO, we didn't, sir. NO, we did not. That was my first foray into radio, so I have a fond appreciation for how difficult it is to get bills passed.

I do want to point out, however, that, you know, a lot of people are saying, oh, where's the big savings in PIP? Well, the truth of the matter is, the year before we passed this legislation, PIP rates were going up about 46%. After the passage, the PIP rates went down 13.9%.

But what we've seen in the last year and a half is probably about a 13% increase over a year and a half period. So people are saying, well, is there something wrong with the PIP law?

Well, the fact of the matter is, people are driving more, and they are driving more, and accidents have increased commiserate with that number, about 14 or 15% increase in the frequency of accidents. So therefore, you can probably glean from that that that's probably one of the driving cost factors behind it.

In addition, we are working with Senator Brandes and other members of the Legislature to commission a comprehensive study to see what the other cost drivers are and if there are some other legislative alternatives to the PIP system going forward.

And lastly, I just want -- here are the quantitative measures. This slide shows the 10 measures that the Financial Services Commission established for our office earlier this year. Our cumulative average score for the last three quarters is 4.9. The results for each measure is on the chart.

Are there any questions regarding the performance measures?

GOVERNOR SCOTT: NO. Thanks, Kevin, you've done a good job.

Does anybody have any questions?

CFO ATWATER: Yeah, Governor, might I?

GOVERNOR SCOTT: CFO.

CFO ATWATER: Thank you, Governor.

I'd like to first -- the Commissioner brought up two pieces of legislation that passed this spring -- this winter session that's just completed.

Governor, I'd like to express to you our thanks as a department that spends a tremendous amount of time dealing with the consumer-related matters in our Consumer Services Division which, therefore, understanding the need for the balancing billing to be addressed, you all gave that thoughtful scrutiny, and I just want to express our gratitude for how -- the conclusions that you drew and the merits of that. It was a very hard balancing act.

We've already had this conversation about the attractiveness of the Florida marketplace in general, balancing the regulatory with market dynamics; and I hope we've found the right balance. We'll see how this plays out over time. But thank you there.

And I'd also like to express -- the passage of what was known as the Unclaimed Property Life Insurance Settlements, that, again, you all thoughtfully considered that; and, again, trying to walk a balancing act between holding people accountable for a promise that was made and yet sending a message -- trying to send the right message as well, that this continues to be a place -- and, Governor, I want to say thank you for

both of those and the care that you gave those.

Commissioner, you know, this is a moment for review, and you're showing us the objective measures. I'd like to add my thanks to you. Those have to be, you know, two of the -- I think the best carefully balanced initiatives to ensure people that in Florida you're going to get the best products available, best rate available with a dynamic market and yet we're not going to forget the consumers at the center of this conversation. So my thanks to you and your team.

I just -- you're going to have to look back as this being I think one of the most successful consumer-related sessions that did not tip out the balance to attract capital to Florida, so I want to just express that to you, and I know that -- I've said it before to you, and in your humility you quickly turn around your entire team and express your gratitude to them, and that's what a leader does.

You mentioned a couple of items, one is long-term care. You talked about a need for some creative product, and you're looking ahead. Are you seeing anybody that is setting the table for that? Are there examples that you can point to?

It would certainly appear that business models of old are not working; and that cost is running away; and, therefore, it's not going to be available. Anything that you're seeing that would give us a sign that a product is on the way and someone has figured it out?

COMMISSIONER McCARTY: Well, yes, and you make a very good point. Many of these products were developed in the 1990s, and the expectations and assumptions about life expectancy and utilization were grossly underestimated. As you can think, it's hard to predict something 30 years out, particularly the number of seniors now that have dementia and Alzheimer's which requires much more intensive care. Those were underestimated at the time as well.

One of the things we're trying to do is to have a diversification of the product, looking at a product that is a hybrid. It's a life product and a long-term care product. So for instance, you would have the life product for a year, and then you'd reach a point where you don't necessarily need the proceeds and you could then convert those for those potential benefits to use as a hedge against longevity and use it for that long-term

care.

There is a products innovation group that we're participating with, with a number of other states. Of course Florida and California in particular have a very substantial part of the market, and we're very active in working together with our colleagues around the country through and -- by and through a task force, working with the companies to develop alternative products.

CFO ATWATER: And as you mentioned, obviously for us as decision makers, our Legislature as policymakers, figuring this out with the Florida demographic is going to be very, very important.

COMMISSIONER McCARTY: Yes.

CFO ATWATER: And how about -- next question, again, I don't think -- well, let me just say this: Kevin, some day someone is going to write the book, you know, Florida Insurance 2004 to 2020. It may not be a best seller, but it -- you know, granted, it may not be at airport news stands, but it's been an extraordinary odyssey, to say the least.

And I think the conversation that you've touched on on the depopulation of Citizens is something that I really hope at some point, again, a broader public can appreciate and understand.

You've credited the Governor, most appropriately, that it's not an easy conversation to have because there are perceptions that come with that.

Are people being pushed to something less valuable? Is someone capable of taking them on, both the quality of that player and the ability to perform at a later date.

This has moved -- if we do everything right, what benefit we have offered to the consumer by offering them a private-market player who will compete for their business, as well as innovative ideas in service, as well as placing that risk across the globe rather than on the back of taxpayers.

COMMISSIONER McCARTY: Absolutely.

CFO ATWATER: And so though it has been a long process -- and I think you even quietly or subtilely throughout that warning of the possibility where we may start going with water claims, et cetera, could we see private-market fear. But so could you offer us a little bit of an insight into your stress testing last year?

One significant question remains or that's most frequently addressed is: Are the domestic players skilled, capitalized, re-insured, ready?

Now we're hoping we don't find that out through an event, but it's your responsibility to make the best appropriate call on that.

Can you give us some insights into the process you've used?

COMMISSIONER McCARTY: Absolutely, you're absolutely right.

I think one of the things we had is an issue of confidence with regard to new players in the marketplace. As you're aware, many of the marquis names that are familiar on a national basis retrenched from Florida, and we needed to fill that gap. And we did that through the innovations, quite frankly, of the Florida legislature, as in that time period, 2006, we actually put forward a surplus notes program to help fund the companies and provide incentives for capital to come to Florida.

But then you had the issue of: Who are these companies? How much confidence do we have that they're going to be able to pay claims? Some of those companies did go through 2004, 2005 successfully. Other companies were formed in the new class of companies following that time period.

But what we have initiated over the last

several years, and with your help last year even intensified our stress test even more. What we do, the process we go through is we do an initial data call.

We collect information on every company doing business in Florida on their reinsurance program, and then what we do is we have them run their portfolio through their own model, the same model that they use for their rates. Then we take that same information and run it through the FIU model, and then we have -- so we have a check and balance, if you will, to that.

We come up with a different scenario each year, stress scenario. This past year we used the scenario of 2000 where we had Charley, Frances, Ivan, and Jeanne, and we ran that; but we also ran Andrew to see how companies would perform, and then looked at their capital position after that.

So we would want -- so it tells us a couple of things: First of all, is the company going to be there to pay the claim? And Number 2, are they going to be able to recapitalize and do business in the following year.

And so every company is a little -- and NO company is the same. Every company has a different

appetite for risk, so we don't have a prescription as to what a company has to do. They just have to demonstrate to us that through capital, through insurance, or alternate reinsurance structures, which has really been the genesis of revitalization of the marketplace. There's a huge growth in the alternative markets and reinsurance in Bermuda; that they have the wherewithal to pay those claims and then -- and hopefully be around to recapitalize for the next year.

Last year's test, as I reported to you, we had one company that did not pass and then it went out and purchased more reinsurance so that it passed the test.

We're going through the same process this year. We're just now doing the initial data call where we get the information. In Florida, of course, most of these companies purchase their reinsurance in May, so that would be the initial part of the data call.

That will be supplemented then by the stress test, which is two parts: One the company runs, and then we run ours. And then we harmonize that and come up with a plan to ensure that they have the capital to pay claims.

CFO ATWATER: Commissioner, thank you.

Is there -- you know, one of the conversations we've had -- I don't know if you've had any more consideration on this, again, the public being able to understand the quality of the stress test and being able to have the confidence that you would have being that you pick out the events, you run them as multiple events in a given cycle, you're running them against very current portfolios that would show you the geographic dispersion of the policies or the geographic concentration of policies.

So for today or another time, but again, I would hope we continue to find -- if I could add, the conversation of transparency to that stress test so that we can get a greater level of critique that would be provided externally, as well as the confidence that you're feeling -- that your team is feeling internally to this result.

So clearly I am growing more and more confident with the stress test, that you're underway, and look forward to what your team will do this summer.

COMMISSIONER McCARTY: Well, thank you very much, CFO. And, you know, it is challenging

because we are trying to strike a balance. Companies are very covetous of the information on their risk management and their tolerance for risk. That to them is a very critical part of their strategic plan, and then part of their -- basically their business model that they don't necessarily want to share.

So I understand that we need to try to find a way of getting more information to the public so that they have the confidence that we have internally by going through the stress test.

CFO ATWATER: Thank you.

COMMISSIONER McCARTY: I would like to say, the last thing is to do things effectively and efficiently. I want to point out again, we do this as about as inexpensively as any state in the country. The cost to consumers is about $0.25 for every thousand dollars in premium. So if you have $4,000, it's about a dollar in cost of regulatory services.

Before I close, I would like to take this opportunity to say, what a great ride it's been, what a thrill, a labor of love to be the Insurance Commissioner of this great state, and that I appreciate the guidance from this

Financial Services Commission and past members of the Financial Services Commission over the last 12 and a half years.

And, again, I look forward to a smooth transition for my successor and look forward to continuing to serve the people of Florida. Thank you.

(APPLAUSE).

GOVERNOR SCOTT: Thank you, Kevin.

Is there a motion to accept the report?

CFO ATWATER: So moved.

GOVERNOR SCOTT: Is there a second?

ATTORNEY GENERAL BONDI: Second.

GOVERNOR SCOTT: Any comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

COMMISSIONER McCARTY: Thank you, Governor.

GOVERNOR SCOTT: Thanks, Kevin.

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M E M O R A N D U M

DATE: August 23, 2016

TO: David Altmaier, Commissioner, Office of Insurance Regulation

THROUGH: Anoush Brangaccio, General Counsel

FROM: Virginia Christy
Stephen Fredrickson

SUBJECT: Cabinet Agenda for September 20, 2016
Request for Final Approval to Adopt Repeal of
Rule 69N-121.007,.010
Assignment # 181638-15

The Office of Insurance Regulation requests that this proposed repeal be presented to the Cabinet aides on or before September 14, 2016 and to the Financial Services Commission on September 20, 2016, with a request for Final Approval to Adopt the proposed rules. A notice of the Final Rule Hearing was published in the *Florida Administrative Register* on August 12, 2016.

The notice of proposed rules was published on May 12, 2016 in Volume 42, No. 93, of the *Register*. The hearing was not requested, therefore, the hearing was not held.

Currently, Rules 69N-121.007 and 121.010, Florida Administrative Code, prescribe the procedure by which the Office processes public records requests and the indexing of final orders, respectively. As the public records process is now mostly governed by statute and the indexing process for final orders has been revised by statutory amendment in 2015, these rules are now unnecessary.

Sections 120.53, 120.533, 624.501,119.01,119.07,624.307, 624.311,627.919, F.S., provide rulemaking authority and laws implemented for these rules.

The Legal Services Office has communicated with the Joint Administrative Procedures Committee, and ascertained that their review of the rules has been completed.

Steve Fredrickson is the attorney handling this rule. Attached are: 1) the proposed rule(s); 2) any incorporated materials, such as forms; 3) copies of the rulemaking statutory authority and law implemented.

Approved for signature:

Anoush Brangaccio
Anoush Brangaccio, General Counsel

Approved for submission to Financial Services Commission:

David Altmaier
David Altmaier, Commissioner
Office of Insurance Regulation

69N-121.007 Public Records and Availability of Forms: Procedures for Inspecting and Copying Public Records and for Obtaining Office Forms.

Rulemaking Authority 120.53, 624.308 FS. Law Implemented 119.01, 119.031, 119.041, 119.07, 120.53, 624.307(1), 624.311, 624.501, 627.919 FS. History–New 1-1-75, Formerly 4-38.07, 4-38.007, Amended 2-5-87, 6-4-92, 5-30-95, Formerly 4-121.007, Repealed_____.

69N-121.010 Indexing, Management, and Availability of Final Orders.

Rulemaking Authority 120.533, 120.533(1)(b), (e), (i), (j), 624.501 FS. Law Implemented 119.041(2), 120.53(2)(a)1.-5., (d), (3), (4), 120.53 FS., Chapter 91-30, Section 10, Laws of Florida. History–New 6-4-92, Amended 3-1-93, 9-19-94, Formerly 4-121.010, Repealed_____.

69N-121.007 Public Records and Availability of Forms: Procedures for Inspecting and Copying Public Records and for Obtaining Office Forms.

(1) Purposes. This rule serves several purposes. These are set out below with references to other parts of the rule which more specifically address those purposes.

(a) The rule establishes reasonable procedures for inspecting and copying public records of the Office, in compliance with the spirit and purpose of the "Public Records Law," Chapter 119, F.S. The Office fully supports the purpose of the Public Records Law: that public access to government activities is crucial to the proper functioning of a free and democratic society. Except as limited by applicable statutory restriction, as set out in subsection (3), all records of the Office are public and shall be made available for inspection and examination or for copying. These procedures may be found in subsections (4) through (9).

(b) The rule establishes procedures to provide for the safety and security of the Office's public records. The Office's regulatory responsibilities under the Florida Insurance Code include maintaining the security of all the Office's public records; adherence to retention and destruction schedules mandated by the Department of State; and the proper handling of those documents which are exempt, whether temporarily or permanently, from public inspection. These procedures are found throughout subsections (4) through (9).

(c) The rule establishes a procedure for the public to obtain forms adopted and used by the Office in carrying out its regulatory responsibilities. This procedure may be found in subsection (10).

(2) Definitions:

(a) "Public records" include all documents, papers, letters, maps, books, audio and video tapes, photographs, films, sound recordings or other material, regardless of physical form or characteristics, made or received pursuant to law or ordinance or in connection with the transaction of official business by the Office, which are used to perpetuate, communicate or formalize knowledge.

(b) The "Public Records Law" is Chapter 119, F.S.

(c) "Office" is the Office of Insurance Regulation.

(d) "Investigation" means those activities which are statutorily exempt from inspection, examination and copying under the Public Records Law.

(e) The term "forms" refers to those forms, used by the Office in carrying out its regulatory responsibilities, which have been adopted and incorporated by reference in the Office's rules in Title 69 of the F.A.C.

(f) The term "requester" refers to a person who has made a public records request to inspect, examine, or copy documents in the custody or control of the Office pursuant to Chapter 119, F.S.

(g) The term "Agency Clerk for Public Records Requests" is that person designated to receive and respond to public records requests under Chapter 119, F.S.

(h) "Request for information" means any request made by the public to inspect, examine, or copy public records.

(i) "Public Document Viewing Room (PDVR)" refers to the facility in the Larson Building, 200 East Gaines Street, Tallahassee, Florida, which is provided, maintained, and staffed by the Office for the purpose of reviewing microfilmed form and rate filings, and hard copies of annual and quarterly financial statements filed by entities regulated by the Office. This room is operated by the Office's Document Processing Section. (See subsection (6))

(j) "Extensive," as used in Section 119.07(1)(b), F.S., means that it will take more than 15 minutes to locate, review for confidential information, copy and refile the requested material.

(k) "Special service charge," as used in Section 119.07(1)(b), F.S., will be computed to the nearest quarter of an hour exceeding 15 minutes based on the current rate of pay for the person who performed the service and will be assessed when appropriate regardless of the number of individual copies made.

(l) "Current rate of pay" means, for Office employees, that employee's salary plus benefits divided by 2080, or for persons employed by the Office to supervise or otherwise assist in the provision of public records, that person's hourly rate as charged to the Office by that person's employer.

(m) "Archived records" are those records of historical value which are permanently retained by the Florida State Archives of the Department of State.

(n) "Stored records" are those records which are inactive but that must be kept for legal or fiscal reasons. These records are routinely transferred by the Office to the Florida Records Center, Tallahassee, Florida, for storage until the time for retaining them has expired pursuant to the retention schedule for those documents mandated by the Department of State.

(3) Records which are exempt from inspection, examination, and copying under the Public Records Law. Section 119.07(3)(a), F.S. provides an exemption from inspection, examination, and copying of those public records which are "presently provided by law to be confidential or which are prohibited from being inspected by the public, whether by general or special law." The following is a list of those records presently exempt. Any exemption hereafter enacted shall not be deemed waived or otherwise void or unenforceable simply because it is not included in this list. The short description of the exemption following the citation is intended solely as a quick indication of the topic of the exemption and not as a legally binding description or definition. The statute should be consulted for a more complete understanding of the exemption.

(a) Section 119.07(3)(c), F.S.: examination question and answer sheets.

(b) Section 119.07(3)(n), F.S.: attorney work product.

(c) Section 119.07(3)(dd), F.S.: social security numbers of state employees.

(d) Section 284.40(2), F.S.: Risk Management claim files.

(e) Section 119.07(3)(b) and 624.319(3), F.S.: examination and investigation reports.

(f) Section 624.310(3)(f), F.S.: certain emergency orders.

(g) Section 624.311(2), F.S.: insurance claim negotiations of state agencies and political subdivisions.

(h) Section 624.82, F.S.: proceedings and records relating to administrative supervision.

(i) Section 624.91, F.S.: confidential information obtained by the Healthy Kids Corporation remains confidential.

(j) Section 625.121(3)(a)10., F.S.: memorandum in support of actuarial opinion regarding reserves under the Standard Valuation Law.

(k) Section 626.511(3), F.S.: reasons for termination: agents, solicitors, and other insurance representatives.

(l) Section 626.521(4), F.S.: agents, adjusters, other insurance representatives: character and credit reports.

(m) Section 626.601(6), F.S.: investigations of agents, adjusters, and other insurance representatives.

(n) Section 626.631(2), F.S.: documents and other evidence relating to revocations of those licensed under Chapter 626, F.S.

(o) Section 626.7492(3)(f), F.S.: summary of refusal to issue reinsurance intermediary license.

(p) Section 626.921(3), F.S.: certain filings by surplus lines agents.

(q) Section 626.989(5), F.S.: records of fraud investigations.

(r) Section 627.351(4)(g), F.S.: certain claim files in the medical malpractice joint underwriting association.

(s) Section 627.6699(8)(c), F.S.: small employer carrier rating and renewal practices.

(t) Section 627.736(9)(a), F.S.: reports of PIP cancellations and nonrenewals.

(u) Section 627.912(2)(e), F.S.: certain information regarding professional liability claims.

(v) Section 627.9122(2)(e), F.S.: certain information regarding officers' and directors' liability claims.

(w) Section 627.9126(3)(a)6., F.S.: certain information provided by liability insurers.

(x) Section 631.398(1), F.S.: reports and recommendations made to the Office relating to insurer solvency.

(y) Section 631.62(2), F.S.: request from FIGA board of directors to examine a member insurer.

(z) Section 631.62(3), F.S.: reports and recommendations made to the Office by the FIGA board of directors relating to insurer solvency.

(aa) Section 631.723(1), F.S.: reports and recommendations made to the Office by the FLHIGA board of directors relating to insurer solvency.

(bb) Section 631.723(3), F.S.: request from FLHIGA board of directors to examine a member insurer.

(cc) Section 633.111, F.S.: fire and arson investigations.

(dd) Section 633.175(4), F.S.: information relating to fraudulent insurance claims involving fire.

(ee) Section 633.527(1), F.S.: test material relating to applicants for licensure under Chapter 633, F.S.

(ff) Section 634.045(5), F.S.: filings made by guarantee organizations relating to motor vehicle service warranty associations.

(gg) Section 634.141, F.S.: examinations of motor vehicle service warranty associations pursuant to Section 624.319, F.S.

(hh) Section 634.201(3), F.S.: investigations of motor vehicle service warranty association salesmen.

(ii) Section 634.314, F.S.: examinations of home warranty associations pursuant to Section 624.319, F.S.

(jj) Section 634.348, F.S.: active examination and investigatory records relating to home warranty associations.

(kk) Section 634.4065(5), F.S.: filings made by guarantee organizations relating to service warranty associations.

(ll) Section 634.444, F.S.: active examination and investigatory records relating to service warranty associations.

(mm) Section 634.26(3), F.S.: active investigations of bail bondsmen and runners.

(nn) Section 648.266, F.S.: confidential information obtained by Bail Bond Advisory Council to remain confidential.

(oo) Section 648.39(1), F.S.: termination information regarding bail bondsmen.

(pp) Section 648.41, F.S.: termination information regarding runners.

(qq) Section 648.46(3), F.S.: active investigation of bail bondsman.

(rr) Section 651.105(3), F.S.: active investigations of continuing care providers.

(ss) Section 651.121(5)(c), F.S.: records of the Continuing Care Advisory Council regarding providers placed in administrative supervision.

(tt) Section 651.134, F.S.: active investigations and examinations of continuing care providers.

(uu) Section 766.105(3)(e), F.S.: claim files of the Florida Patient's Compensation Fund.

(vv) Section 766.314(8), F.S.: hospital records sent to the Florida Birth-Related Neurological Injury Compensation Association.

(ww) Section 768.28: Risk Management claims evaluation.

(xx) Section 815.04(3)(a), F.S.: trade secrets, as defined in Section 812.081, F.S., in the possession of the Office.

(yy) Section 943.0585, F.S.: expunged criminal history records.

(zz) Section 943.059, F.S.: criminal history records sealed by court order.

(4) General Procedures regarding Public Records. For specific procedures, depending on the nature of the document, see subsections (5) through (9).

(a) Location of Office Documents. The Office's documents are located in several places. Many may be found at the Office's headquarters in Tallahassee, Florida; others are in the Office's several field offices; others are stored in the custody of the Department of State at the Florida Records Storage Center in Tallahassee, Florida. Records which are archived are in the custody of the Department of State and are housed in the R. A. Gray Building, Tallahassee, Florida.

(b) Where Documents May be Inspected, Examined or Copied. A requester may inspect, examine, or copy public records at the Larson Building in Tallahassee; in another Office building in Tallahassee or in a field office, if the subject records are located in that building; in the Florida State Archives; or in the Florida Records Storage Center. In order to maintain the integrity of the Office's records, inspection, examination and copying shall be made in the building in which they are located. Arrangements to inspect, examine and copy records at the Florida State Archives may be made by calling (850)488-2073. Arrangements to inspect, examine, and copy records which are stored in the Florida Records Storage Center, Tallahassee, Florida, awaiting destruction in accordance with the requirements of the Department of State, may be made by contacting the Agency Clerk for Public Records Requests at (850)413-4167.

(c) Supervision of Inspection, Examination and Copying of Public Records. The Public Records Law recognizes that agencies are responsible for the integrity and security of their records and provides that inspection, examination and copying of public records be under the supervision of the custodian of the records. The Office will provide the necessary supervision in a variety of ways, depending on the nature of the request and the documents involved. The supervision will be accomplished either by a Office employee if one is available or by a person from a temporary help service hired by the Office. Under no circumstances will Office records be left alone with a requester.

(d) Applicable Fees and Charges.

1. Pursuant to the provisions of Article VII, Section 10 of the Florida Constitution, the Office is prohibited from extending credit. Further, Section 119.07(1)(a), F.S. says that the records custodian "shall furnish a copy or a certified copy of the record upon payment of the fee prescribed by law . . ." Therefore, all fees and charges applicable to a particular public records request must be paid in advance of the performance by the Office of the copying or other work that will be necessary to comply with the request (aside from the work needed to calculate or estimate the fees and charges). The Office will prepare an invoice reflecting the applicable charge once the total number of copies and any special charge is known. Where the precise amount of the special service charge or copy charge cannot be calculated in advance, the special service charge shall be estimated, and the requester shall be required to pay seventy-five percent of the estimate prior to the Office's beginning work, and the balance, adjusted as necessary to reflect actual charges incurred, upon completion of the special services. The requester shall make his check payable to the "Office of Insurance Regulation" and shall deliver it to the Office. Upon receipt, the Office shall furnish the copies to the requester. If a requester pays in cash, he will be escorted by a Office employee to the Accounts Receivable Section in the Bureau of Financial and Support Services where the money will be accepted and a receipt provided.

2. Section 624.501(20)(a), F.S., requires the Office to charge 50 cents a page for copies of documents or records on file with the Office. Section 119.07(1)(a), F.S., permits the Office to charge an additional 5 cents per page for two-sided copies. The Office will

copy documents two-sided if specifically requested. However, since copying two-sided takes longer than copying one-sided, requesters should be aware that a special service charge will apply if the production of the documents becomes extensive. See paragraphs (2)(j), (k) and (l).

3. Special Service Charge.

a. Pursuant to Section 119.07(1)(b), F.S., a special service charge will be charged, in addition to any cost for copies, when the time spent in responding to the public records request by clerical or supervisory personnel is "extensive," as that term is defined in paragraph (2)(j), above. The "special service charge" will be computed as defined in paragraph (2)(k), above, in accordance with the definition of "current rate of pay," as defined in paragraph (2)(l), above. In the case of records inspection requests, copying and special service charges will be assessed where, because part of the records are exempt from disclosure and need redacting, a set of redacted records must be made to allow inspection, and the redacting process will require extensive clerical, supervisory or technical resources.

b. Pursuant to Section 119.07(1)(b), F.S., a special service charge for data supplied on a computer diskette which requires extensive use of information technology resources but which is otherwise readily available from the Office's computer database will be calculated by taking into account the following factors: the cost of the diskette; the amount of computer time allocated to the project; the current rate of pay of Office personnel compiling the information, multiplied by the time allocated to the project, which time shall include researching, compiling, and formatting the data as well as any other direct costs associated with providing the data in a readable format on a diskette.

(e) Duplication of Documents other than Paper. The Office will duplicate or arrange for the duplication of audio tapes, video tapes, and microfilm on request. The Office does not have its own facilities to perform these functions. Therefore, the Office will make arrangements with a commercial service to make duplicates. The requester will be charged the actual cost to the Office charged by the commercial service plus a special service charge, if making the arrangements for the duplication takes more than 15 minutes. Under no circumstances will the Office's documents be released to the requester for duplication nor will Office employees make duplicates at home using their own equipment.

(5) Agency Clerk for Public Records Requests (the Clerk).

(a) In order to ensure the most expeditious response, all public records requests should be in writing, addressed to: Agency Clerk for Public Records Requests, G49 Larson Building, 200 East Gaines Street, Tallahassee, FL 32399-0307. Requests may also be made by calling (850)413-4167, or by fax at (850)921-6117. Requests are not required to be in writing. However, requesters should be aware that the Office regulates many individual people and individual companies with names that are very similar. The Office will make every effort to ensure that records concerning the person or company intended by the requester are provided. However, if a miscommunication occurs because a request was not in writing, the requester will be expected to pay for any copies made in error.

(b) The Clerk will then direct the request to that part or those parts of the Office where the records are located. With the assistance of the Office personnel having immediate control of the records, the Clerk will determine when the documents will be available; where they may be inspected, examined or copied; the approximate number of documents involved; and a rough estimate of the cost of the inspection, examination or copying. This information will be communicated to the requester so that the requester can either confirm that he wishes to go forward with the request as originally stated or can modify his request. The Clerk and the requester will then make arrangements for the inspection, examination, and copying in accordance with the general procedures described in subsection (4).

(c) If the request is one that is handled routinely by the Public Document Viewing Room, the Clerk will transmit the request to the person in charge of the PDVR and subsequent arrangements will be made in accordance with subsection (6).

(d) If the request is one involving the Office's final orders, as indexed pursuant to Rule 69N-121.010, F.A.C., the Clerk will transmit that request to the Office of Legal Services for processing.

(6) Public Document Viewing Room (PDVR). During the first two years of its operation, this room has been used almost exclusively by attorneys and commercial search services to review, on behalf of competitors, other insurers' form and rate filings and financial statements. Therefore, the procedures for the use of this room are designed to most expeditiously accommodate that part of the public. Requesters wishing to inspect, examine or copy any of the documents routinely available in this facility but not wishing to comply with the procedures of this subsection should direct their request to the Agency Clerk for Public Records Requests. (See subsection (5))

(a) Records Available in this Facility. The records available are insurer form and rate filings initially submitted by a company

authorized to do business in Florida; approved or disapproved form and rate filings submitted by a company authorized to do business in Florida; and annual and quarterly financial statements filed by companies doing business in Florida.

(b) Access to the PDVR.

1. Hours of Operation. The room is open from 9:00 a.m. to 4:00 p.m., Monday through Thursday. The room is closed between 4:00 and 5:00 p.m. to allow the staff to refile documents used that day and to assemble the documents necessary for the next day's appointments. The room is closed on Friday to allow for maintenance and servicing of the copiers and microfilm readers.

2. Appointments. Appointments are scheduled on a first-come, first-served basis. Appointments are scheduled for the first available date and time. The appointment must be confirmed in writing by the requester, together with written confirmation of the documents to be inspected, examined or copied. Whenever possible during the appointment, staff will make every effort to accommodate additional document requests.

3. Appointments Forfeited. If a requester fails to arrive within 30 minutes of the confirmed appointment time, the appointment will be forfeited and offered to another requester. The requester missing an appointment will be required to make a new appointment.

4. Operation of Standby List for Appointments. Staff will maintain a standby list of those wishing to be contacted if an appointment is forfeited. The individual or company next on the list will be offered the opportunity to come to the PDVR. If the individual or company cannot arrive within 30 minutes of the call or does not wish to use the forfeited appointment slot, staff will contact the next name on the list. Once everyone on the list has been contacted, staff will go back to the beginning of the list and start over. Staff shall maintain a standby log to record the time called, the person spoken to, the response given, and any list of documents to be reviewed, if requested during the phone call.

5. How to Get on the Standby List. To get on the standby list, the requester shall write to the Supervisor, Document Processing Section, G49 Larson Building, 200 East Gaines Street, Tallahassee, FL 32399-0311. The letter shall state that the person wishes to be placed on the standby list and shall provide the following information: individual's name or the company's name; the name of a primary and a secondary contact within the company, if applicable; the individual's or the company's address; and the telephone number or numbers for the contacts. The Supervisor shall ensure that the individual or company is placed on the standby list. Once a year, the Supervisor shall contact, in writing, everyone on the standby list requesting confirmation of the information on file and updating the list as necessary. Any individual or company which does not respond to the annual update request shall be deleted.

6. Emergency Access. Requests for emergency access to the PDVR will be handled on a case-by-case basis. The Office will accommodate such requests if the Office has the necessary resources available to do so. The resources are: personnel to search for, retrieve, and review the document to ensure that it is not privileged or confidential; personnel to assist the requester in inspecting and examining the document; personnel to make any copies the requester may request; equipment available to inspect or examine the document if the document is in other than paper form; equipment available to copy the document, regardless of what form the document is in; and physical location, usually a conference room, in which the inspection or examination can take place.

7. Use of Personal Copiers in the PDVR. Personal copiers cannot be used in the PDVR because there is no space in the room to set up any more equipment than is already there. Requests to use personal copiers shall be directed to the Agency Clerk for Public Records Requests. (See subsection (5))

(7) Specific Procedure Regarding Final Orders. Public records which are final orders subject to the indexing requirements of Sections 120.532 and 120.533, F.S., are made available pursuant to the provisions of Rules 69N-121.009 and 69N-121.010, F.A.C.

(8) Consumer Helpline. Requests for copies of public documents which are received in the course of a conversation on the Office's Helpline shall be directed by the consumer services in-take person to the Agency Clerk for Public Records Requests.

(9) Database Information.

(a) All persons requesting information from the Office's computer database system, which includes the Office's annual report; other special computer reports; lists and labels, shall submit their requests to the Document Processing Section, Office of Insurance Regulation, Larson Building, 200 East Gaines Street, Tallahassee, FL 32399-0311. Upon receipt of the request, the Document Processing Section will prepare an invoice for the items requested.

(b) The following costs are applicable:

1. The cost for the Annual Report of the Office of Insurance Regulation will be established by determining the actual cost of publication, which shall include the cost of printing, binding, writing, editing, typesetting, artwork, photography, and whatever other costs are directly attributable to the actual cost of publication of the report.

2. There will be a special service charge, calculated as described in subparagraph (4)(d)3., for computer lists, mailing labels,

additional barcodes, or any records generated.

(c) If the purchaser has contacted the Document Processing Section directly for the request and has received an invoice from the Section, the purchaser shall return the original copy of the invoice to: Finance and Accounting, Revenue Processing Section, Document Processing Section, Post Office Box 6100, Tallahassee, Florida 32314-6100, along with payment in the amount of the invoice. All checks shall be made payable to the Office of Insurance Regulation.

(d) Upon receipt of payment, the items requested will be forwarded to the requesting party.

(10) Procedure Regarding Forms. A copy of any of the forms adopted in the rule chapters affecting regulated entities may be obtained by writing to: Office of Insurance Regulation, Division of Administration, Forms Management Section, Larson Building, Tallahassee, FL 32399-0313. Copies may also be obtained from the specific parts of the Office referenced in the rules in which the forms are adopted.

Rulemaking Authority 120.53, 624.308 FS. Law Implemented 119.01, 119.031, 119.041, 119.07, 120.53, 624.307(1), 624.311, 624.501, 627.919 FS. History–New 1-1-75, Formerly 4-38.07, 4-38.007, Amended 2-5-87, 6-4-92, 5-30-95, Formerly 4-121.007.

69N-121.010 Indexing, Management, and Availability of Final Orders.

(1) The purpose of this rule is to provide for public access to and availability of final orders.

(2) Public Inspection and Duplication. The following shall be made available from the Office for public inspection and copying, at a cost of $.50 per page:

(a) All final orders.

(b) A current subject-matter index identifying all final orders.

(3) The Office shall index all agency final orders issued pursuant to Sections 120.565, 120.57(1), (2), and (3), F.S.

(4) Numbering of Final Orders. All final orders shall be sequentially numbered as rendered with numbers consisting of:

(a) The assigned agency designation prefix, which is DOI;

(b) A two-part number separated by a dash, with the first part indicating the year, and the second part indicating the numerical sequence of the order issued for that year beginning with number 1 each new calendar year; and,

(c) The applicable order category suffix as follows:

DS	–	Declaratory Statement
FO	–	Final Order Without Proceedings
FOI	–	Final Order Informal Proceedings
FOF	–	Final Order Formal Proceedings
S	–	Stipulation
AS	–	Agreed Settlement
WD	–	Withdrawal or Dismissal
CD	–	Cease and Desist Order
OR	–	Order of Revocation
CO	–	Consent Order
IFO	–	Immediate Final Order
EOS	–	Emergency Order of Suspension

(d) In the Office's practice, all consent orders involve settlements. When an order is identified in the index as a "consent order," the settlement which preceded the consent order is incorporated by reference in that consent order and is not separately indexed as a "settlement." Orders in this index identified as settlements are limited to those unusual instances, where some type of "order of settlement" or similar type of document has been entered.

(e) The Office does not index "orders to show cause" because such orders are not final orders.

(5) System for Indexing Final Orders.

(a)1. The index shall be alphabetically arranged by main subject headings taken from the Florida Statutes index, when applicable.

2. The applicable titles of citations of the Florida Statutes construed within the final order may determine the main subject headings and subheadings in the index.

3. Main subject headings shall be all capital letters placed flush left on the page, followed by relevant subheadings which shall be initial capitals and lower case letters, indented.

4. Subheadings and sub-subheadings may be taken from the text of the Florida Statute being construed.

5. Subheadings and sub-subheadings at equal indentations shall be alphabetized.

6. The numbers of the final orders shall be listed sequentially in an indentation immediately below the applicable subheading.

7. Cross references shall be used to direct the user to subject headings which contain the relevant information. Related key words (specific words, terms, and phrases) and common and colloquial words shall be listed and cross referenced to the appropriate main subject headings.

(b)1. The main subject headings shall be consulted by the Office's indexer, and subsequent similar entries shall be indexed under the existing appropriate heading.

2. The index shall be cumulative and shall be updated and made accessible to the public at least every 120 days.

3. New main subject headings will be added when necessary, and shall be cumulative for the calendar year beginning 1992.

(c) The Office clerk shall index final orders.

(6) Maintenance of Records. Final orders that comprise final Office action and must be indexed pursuant to this rule shall be permanently maintained by the Office pursuant to the retention schedule approved by the Department of State, Division of Library

and Information Services.

(7) Plan.

(a) The Office shall make final orders accessible and available to the public by sequentially numbering and indexing final orders that are required to be indexed.

(b) The Office clerk shall assist the public in obtaining information pertaining to final orders.

(c) The system or process used by the Office to search and locate final orders required to be indexed is as follows: The final orders are inputted into the Division of Legal Services' computerized database. Legal Services uses a commercially available database management software program which produces the final orders in the form of reports.

(d) The Office maintains and stores the final orders and index in the offices of the Office at 200 East Gaines Street, Tallahassee, Florida. The office is open to the public between the hours of 8:00 a.m. and 5:00 p.m., excluding holidays and weekends.

(e) The Office's order indexing and order retention systems contemplate the indexing and retention of paper copies of orders, but not retention of orders on magnetic media. Therefore, only paper copies of orders as ultimately filed should be viewed as accurate, and copies of one or several orders provided by the Office on magnetic media should not be viewed as necessarily complete or accurate. The Office's resources do not allow the Office to conduct comparisons of the orders on magnetic media to the written orders ultimately filed.

(8) The Index maintained by the Office pursuant to this Rule includes all orders issued from 1975 to 1979 inclusive, and from 1988 forward. Orders issued from 1980 to 1987, inclusive, are indexed in the Florida Administrative Law Reporter (FALR), which was the Office's official designated reporter for indexing orders, during those years, under the previous rules adopted by the Office. In reviewing orders indexed in FALR, both the annual and the super cumulative indices of the FALR must be checked for orders which were printed in full text. Orders which were indexed by the FALR but which were not reprinted in full text are found at the following volume and page references in the FALR: 6:377, 6:778; 6:2332, 6:3814, 6:5205, 6:6543, 6:6837, 6:6993, 7:336, 7:516, 7:985, 7:1424, 7:1685, 7:2495, 7:3145, 7:4581, 7:5140, 8:246, 8:1749, 8:1990, 8:2126, 8:2747, 8:4714, 8:5754, 9:991, 9:4295, and 9:4569. Copies of these orders may be obtained from the Office upon providing the Office with the appropriate Office case number as shown in the FALR index.

Rulemaking Authority 120.533, 120.533(1)(b), (e), (i), (j), 624.501 FS. Law Implemented 119.041(2), 120.53(2)(a)1.-5., (d), (3), (4), 120.53 FS., Chapter 91-30, Section 10, Laws of Florida. History–New 6-4-92, Amended 3-1-93, 9-19-94, Formerly 4-121.010.

120.53 Maintenance of agency final orders.—
(1) In addition to maintaining records contained in s. 119.021(3), each agency shall also electronically transmit a certified text-searchable copy of each agency final order listed in subsection (2) rendered on or after July 1, 2015, to a centralized electronic database of agency final orders maintained by the division. The database must allow users to research and retrieve the full texts of agency final orders by:
(a) The name of the agency that issued the final order.
(b) The date the final order was issued.
(c) The type of final order.
(d) The subject of the final order.
(e) Terms contained in the text of the final order.
(2) The agency final orders that must be electronically transmitted to the centralized electronic database include:
(a) Each final order resulting from a proceeding under s. 120.57 or s. 120.573.
(b) Each final order rendered pursuant to s. 120.57(4) which contains a statement of agency policy that may be the basis of future agency decisions or that may otherwise contain a statement of precedential value.
(c) Each declaratory statement issued by an agency.
(d) Each final order resulting from a proceeding under s. 120.56 or s. 120.574.
(3) Each agency shall maintain a list of all final orders rendered pursuant to s. 120.57(4) that are not required to be electronically transmitted to the centralized electronic database because they do not contain statements of agency policy or statements of precedential value. The list must include the name of the parties to the proceeding and the number assigned to the final order.
(4) Each final order, whether rendered by the agency or the division, that must be electronically transmitted to the centralized electronic database or maintained on a list pursuant to subsection (3) must be electronically transmitted to the database or added to the list within 90 days after the final order is rendered. Each final order that must be electronically transmitted to the database or added to the list must have attached a copy of the complete text of any materials incorporated by reference; however, if the quantity of the materials incorporated makes attachment of the complete text of the materials impractical, the final order may contain a statement of the location of such materials and the manner in which the public may inspect or obtain copies of the materials incorporated by reference.
(5) Nothing in this section relieves an agency from its responsibility for maintaining a subject matter index of final orders rendered before July 1, 2015, and identifying the location of the subject matter index on the agency's website. In addition, an agency may electronically transmit to the centralized electronic database certified copies of all of the final orders that were rendered before July 1, 2015, which were required to be in the subject matter index. The centralized electronic database constitutes the official compilation of administrative final orders rendered on or after July 1, 2015, for each agency.
624.308 Rules.—
(1) The department and the commission may each adopt rules pursuant to ss. 120.536(1) and 120.54 to implement provisions of law conferring duties upon the department or the commission, respectively.
(2) In addition to any other penalty provided, willful violation of any such rule shall subject the violator to such suspension or revocation of certificate of authority or license as may be applicable under this code as for violation of the provision as to which such rule relates.

120.533 Coordination of the transmittal, indexing, and listing of agency final orders by Department of State.—The Department of State shall:

(1) Coordinate the transmittal, indexing, management, preservation, and availability of agency final orders that must be transmitted, indexed, or listed pursuant to s. 120.53.
(2) Provide guidelines for indexing agency final orders. More than one system for indexing may be approved by the Department of State, including systems or methods in use, or proposed for use, by an agency. More than one system may be approved for use by a single agency as best serves the needs of that agency and the public.
(3) Provide for storage and retrieval systems to be maintained by agencies pursuant to s. 120.53(5) for indexing, and making available agency final orders by subject matter. The Department of State may authorize more than one system, including systems in use by an agency. Storage and retrieval systems that may be used by an agency include, without limitation, a designated reporter or reporters, a microfilming system, an automated system, or any other system considered appropriate by the Department of State.
(4) Provide standards and guidelines for the certification and electronic transmittal of copies of agency final orders to the division, as required under s. 120.53, and, to protect the integrity and authenticity of information publicly accessible through the electronic database, coordinate and provide standards and guidelines to ensure the security of copies of agency final orders transmitted and maintained in the electronic database by the division under s. 120.53(1).
(5) For each agency, determine which final orders must be indexed or transmitted.
(6) Require each agency to report to the department concerning which types or categories of agency orders establish precedent for each agency.
(7) Adopt rules as necessary to administer its responsibilities under this section, which shall be binding on all agencies including the division acting in the capacity of official compiler of administrative final orders under s. 120.53, notwithstanding s. 120.65. The Department of State may provide for an alternative official compiler to manage and operate the division's database and related services if the Administration Commission determines that the performance of the division as official compiler is unsatisfactory.

624.501 Filing, license, appointment, and miscellaneous fees.—The department, commission, or office, as appropriate, shall collect in advance, and persons so served shall pay to it in advance, fees, licenses, and miscellaneous charges as follows:
(1) Certificate of authority of insurer.
(a) Filing application for original certificate of authority or modification thereof as a result of a merger, acquisition, or change of controlling interest due to a sale or exchange of stock, including all documents required to be filed therewith, filing fee.....$1,500.00
(b) Reinstatement fee.....$50.00
(2) Charter documents of insurer.
(a) Filing articles of incorporation or other charter documents, other than at time of application for original certificate of authority, filing fee.....$10.00
(b) Filing amendment to articles of incorporation or charter, other than at time of application for original certificate of authority, filing fee.....$5.00
(c) Filing bylaws, when required, or amendments thereof, filing fee.....$5.00
(3) Annual license tax of insurer, each domestic insurer, foreign insurer, and alien insurer (except that, as to fraternal benefit societies insuring less than 200 members in this state and the members of which as a prerequisite to membership possess a physical handicap or disability, such license tax shall
be $25).....$1,000.00
(4) Statements of insurer, filing (except when filed as part of application for original certificate of authority), filing fees:
(a) Annual statement.....$250.00
(b) Quarterly statement.....$250.00

(5) All insurance representatives, application for license, application for reinstatement of suspended license, each filing, filing fee.....$50.00
(6) Insurance representatives, property, marine, casualty, and surety insurance.
(a) Agent's original appointment and biennial renewal or continuation thereof, each insurer or unaffiliated agent making an appointment:

Appointment fee.....$42.00

State tax.....12.00

County tax.....6.00

Total.....$60.00

(b) Customer representative's original appointment and biennial renewal or continuation thereof:

Appointment fee.....$42.00

State tax.....12.00

County tax.....6.00

Total.....$60.00

(c) Nonresident agent's original appointment and biennial renewal or continuation thereof, appointment fee, each insurer or unaffiliated agent making an appointment.....$60.00
(d) Service representatives; managing general agents.

Original appointment and biennial renewal or continuation thereof, each insurer or managing general agent, whichever is applicable.....$60.00

(7) Life insurance agents.
(a) Agent's original appointment and biennial renewal or continuation thereof, each insurer or unaffiliated agent making an appointment:

Appointment fee.....$42.00

State tax.....12.00

County tax.....6.00

Total.....$60.00

(b) Nonresident agent's original appointment and biennial renewal or continuation thereof, appointment fee, each insurer or unaffiliated agent making an appointment.....$60.00
(8) Health insurance agents.
(a) Agent's original appointment and biennial renewal or continuation thereof, each insurer or unaffiliated agent making an appointment:

Appointment fee.....$42.00

State tax.....12.00

County tax.....6.00

Total.....$60.00

(b) Nonresident agent's original appointment and biennial renewal or continuation thereof, appointment fee, each insurer or unaffiliated agent making an appointment.....$60.00
(9)(a) Except as provided in paragraph (b), all limited appointments as agent, as provided for in s. 626.321. Agent's original appointment and biennial renewal or continuation thereof, each insurer:

Appointment fee.....$42.00

State tax.....12.00

County tax.....6.00

Total.....$60.00

(b) For all limited appointments as agent, as provided in s. 626.321(1)(c) and (d), the agent's original appointment and biennial renewal or continuation thereof for each insurer is equal to the number of offices, branch offices, or places of business covered by the license multiplied by the fees set forth in paragraph (a).
(10) Fraternal benefit society agents. Original appointment and biennial renewal or continuation thereof, each insurer:

Appointment fee.....$42.00

State tax.....12.00

County tax.....6.00

Total.....$60.00

(11) Surplus lines agent. Agent's appointment and biennial renewal or continuation thereof, appointment fee.....$150.00
(12) Adjusters:
(a) Adjuster's original appointment and biennial renewal or continuation thereof, appointment fee.....$60.00
(b) Nonresident adjuster's original appointment and biennial renewal or continuation thereof, appointment fee.....$60.00
(c) Emergency adjuster's license, appointment fee.....$10.00
(d) Fee to cover actual cost of credit report, when such report must be secured by department.
(13) Examination—Fee to cover actual cost of examination.
(14) Temporary license and appointment as agent or adjuster, where expressly provided for, rate of fee for each month of the period for which the license and appointment is issued.....$5.00

(15) Issuance, reissuance, reinstatement, modification resulting in a modified license being issued, duplicate copy of any insurance representative license, or an appointment being reinstated.....$5.00
(16) Additional appointment continuation fees as prescribed in chapter 626.....$5.00
(17) Filing application for permit to form insurer as referred to in chapter 628, filing fee.....$25.00
(18) Annual license fee of rating organization, each domestic or foreign organization.....$25.00
(19) Miscellaneous services:
(a) For copies of documents or records on file with the department, commission, or office, per
page.....$ .15
(b) For each certificate of the department, commission, or office under its seal, authenticating any document or other instrument (other than a license or certificate of authority).....$5.00
(c) For preparing lists of agents, adjusters, and other insurance representatives, and for other miscellaneous services, such reasonable charge as may be fixed by the office or department.
(d) For processing requests for approval of continuing education courses, processing fee.....$100.00
(e) Insurer's registration fee for agent exchanging business more than 24 times in calendar year under s. 626.752, s. 626.793, or s. 626.837, registration fee per agent per year.....$30.00
(20) Adjusting firm, original or renewal 3-year license.....$60.00
(21) Limited surety agent or professional bail bond agent, as defined in s. 648.25, each agent and each insurer represented. Original appointment and biennial renewal or continuation thereof, each agent or insurer, whichever is applicable:

Appointment fee.....$44.00

State tax.....24.00

County tax.....12.00

Total.....$80.00

(22) Certain military installations, as authorized under s. 626.322: original appointment and biennial renewal or continuation thereof, each insurer.....$20.00
(23) Filing application for original certificate of authority for third-party administrator or original certificate of approval for a service company, including all documents required to be filed therewith, filing fee.....$100.00
(24) Fingerprinting processing fee—Fee to cover fingerprint processing.
(25) Sales representatives, miscellaneous lines. Original appointment and biennial renewal or continuation thereof, appointment fee.....$60.00
(26) Reinsurance intermediary:
(a) Application filing and license fee.....$50.00
(b) Original appointment and biennial renewal or continuation thereof, appointment fee.....$60.00
(27) Title insurance agents:
(a) Agent's original appointment or biennial renewal or continuation thereof, each insurer:

Appointment fee.....$42.00

State tax.....12.00

County tax.....6.00

Total.....$60.00

(b) Agency original appointment or biennial renewal or continuation thereof, each insurer:

Appointment fee.....$42.00

State tax.....12.00

County tax.....6.00

Total.....$60.00

(c) Filing for title insurance agent's license:

Application for filing, each filing, filing fee.....$10.00

(d) Additional appointment continuation fee as prescribed by s. 626.843.....$5.00
(e) Title insurer and title insurance agency administrative surcharge:
1. On or before January 30 of each calendar year, each title insurer shall pay to the office for each licensed title insurance agency appointed by the title insurer and for each retail office of the insurer on January 1 of that calendar year an administrative surcharge of $200.00.
2. On or before January 30 of each calendar year, each licensed title insurance agency shall remit to the department an administrative surcharge of $200.00.

The administrative surcharge may be used solely to defray the costs to the department and office in their examination or audit of title insurance agencies and retail offices of title insurers and to gather title insurance data for statistical purposes to be furnished to and used by the office in its regulation of title insurance.

(28) Late filing of appointment renewals for agents, adjusters, and other insurance representatives, each appointment.....$20.00

119.01 General state policy on public records.—
(1) It is the policy of this state that all state, county, and municipal records are open for personal inspection and copying by any person. Providing access to public records is a duty of each agency.
(2)(a) Automation of public records must not erode the right of access to those records. As each agency increases its use of and dependence on electronic recordkeeping, each agency must provide reasonable public access to records electronically maintained and must ensure that exempt or confidential records are not disclosed except as otherwise permitted by law.
(b) When designing or acquiring an electronic recordkeeping system, an agency must consider whether such system is capable of providing data in some common format such as, but not limited to, the American Standard Code for Information Interchange.

(c) An agency may not enter into a contract for the creation or maintenance of a public records database if that contract impairs the ability of the public to inspect or copy the public records of the agency, including public records that are online or stored in an electronic recordkeeping system used by the agency.
(d) Subject to the restrictions of copyright and trade secret laws and public records exemptions, agency use of proprietary software must not diminish the right of the public to inspect and copy a public record.
(e) Providing access to public records by remote electronic means is an additional method of access that agencies should strive to provide to the extent feasible. If an agency provides access to public records by remote electronic means, such access should be provided in the most cost-effective and efficient manner available to the agency providing the information.
(f) Each agency that maintains a public record in an electronic recordkeeping system shall provide to any person, pursuant to this chapter, a copy of any public record in that system which is not exempted by law from public disclosure. An agency must provide a copy of the record in the medium requested if the agency maintains the record in that medium, and the agency may charge a fee in accordance with this chapter. For the purpose of satisfying a public records request, the fee to be charged by an agency if it elects to provide a copy of a public record in a medium not routinely used by the agency, or if it elects to compile information not routinely developed or maintained by the agency or that requires a substantial amount of manipulation or programming, must be in accordance with s. 119.07(4).
(3) If public funds are expended by an agency in payment of dues or membership contributions for any person, corporation, foundation, trust, association, group, or other organization, all the financial, business, and membership records of that person, corporation, foundation, trust, association, group, or other organization which pertain to the public agency are public records and subject to the provisions of s. 119.07.

119.07 Inspection and copying of records; photographing public records; fees; exemptions.—
(1)(a) Every person who has custody of a public record shall permit the record to be inspected and copied by any person desiring to do so, at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public records.
(b) A custodian of public records or a person having custody of public records may designate another officer or employee of the agency to permit the inspection and copying of public records, but must disclose the identity of the designee to the person requesting to inspect or copy public records.
(c) A custodian of public records and his or her designee must acknowledge requests to inspect or copy records promptly and respond to such requests in good faith. A good faith response includes making reasonable efforts to determine from other officers or employees within the agency whether such a record exists and, if so, the location at which the record can be accessed.
(d) A person who has custody of a public record who asserts that an exemption applies to a part of such record shall redact that portion of the record to which an exemption has been asserted and validly applies, and such person shall produce the remainder of such record for inspection and copying.
(e) If the person who has custody of a public record contends that all or part of the record is exempt from inspection and copying, he or she shall state the basis of the exemption that he or she contends is applicable to the record, including the statutory citation to an exemption created or afforded by statute.
(f) If requested by the person seeking to inspect or copy the record, the custodian of public records shall state in writing and with particularity the reasons for the conclusion that the record is exempt or confidential.

(g) In any civil action in which an exemption to this section is asserted, if the exemption is alleged to exist under or by virtue of s. 119.071(1)(d) or (f), (2)(d), (e), or (f), or (4)(c), the public record or part thereof in question shall be submitted to the court for an inspection in camera. If an exemption is alleged to exist under or by virtue of s. 119.071(2)(c), an inspection in camera is discretionary with the court. If the court finds that the asserted exemption is not applicable, it shall order the public record or part thereof in question to be immediately produced for inspection or copying as requested by the person seeking such access.
(h) Even if an assertion is made by the custodian of public records that a requested record is not a public record subject to public inspection or copying under this subsection, the requested record shall, nevertheless, not be disposed of for a period of 30 days after the date on which a written request to inspect or copy the record was served on or otherwise made to the custodian of public records by the person seeking access to the record. If a civil action is instituted within the 30-day period to enforce the provisions of this section with respect to the requested record, the custodian of public records may not dispose of the record except by order of a court of competent jurisdiction after notice to all affected parties.
(i) The absence of a civil action instituted for the purpose stated in paragraph (g) does not relieve the custodian of public records of the duty to maintain the record as a public record if the record is in fact a public record subject to public inspection and copying under this subsection and does not otherwise excuse or exonerate the custodian of public records from any unauthorized or unlawful disposition of such record.
(2)(a) As an additional means of inspecting or copying public records, a custodian of public records may provide access to public records by remote electronic means, provided exempt or confidential information is not disclosed.
(b) The custodian of public records shall provide safeguards to protect the contents of public records from unauthorized remote electronic access or alteration and to prevent the disclosure or modification of those portions of public records which are exempt or confidential from subsection (1) or s. 24, Art. I of the State Constitution.
(c) Unless otherwise required by law, the custodian of public records may charge a fee for remote electronic access, granted under a contractual arrangement with a user, which fee may include the direct and indirect costs of providing such access. Fees for remote electronic access provided to the general public shall be in accordance with the provisions of this section.
(3)(a) Any person shall have the right of access to public records for the purpose of making photographs of the record while such record is in the possession, custody, and control of the custodian of public records.
(b) This subsection applies to the making of photographs in the conventional sense by use of a camera device to capture images of public records but excludes the duplication of microfilm in the possession of the clerk of the circuit court where a copy of the microfilm may be made available by the clerk.
(c) Photographing public records shall be done under the supervision of the custodian of public records, who may adopt and enforce reasonable rules governing the photographing of such records.
(d) Photographing of public records shall be done in the room where the public records are kept. If, in the judgment of the custodian of public records, this is impossible or impracticable, photographing shall be done in another room or place, as nearly adjacent as possible to the room where the public records are kept, to be determined by the custodian of public records. Where provision of another room or place for photographing is required, the expense of providing the same shall be paid by the person desiring to photograph the public record pursuant to paragraph (4)(e).

(4) The custodian of public records shall furnish a copy or a certified copy of the record upon payment of the fee prescribed by law. If a fee is not prescribed by law, the following fees are authorized:
(a)1. Up to 15 cents per one-sided copy for duplicated copies of not more than 14 inches by 81/2 inches;
2. No more than an additional 5 cents for each two-sided copy; and
3. For all other copies, the actual cost of duplication of the public record.
(b) The charge for copies of county maps or aerial photographs supplied by county constitutional officers may also include a reasonable charge for the labor and overhead associated with their duplication.
(c) An agency may charge up to $1 per copy for a certified copy of a public record.
(d) If the nature or volume of public records requested to be inspected or copied pursuant to this subsection is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved, or both, the agency may charge, in addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the cost incurred for such extensive use of information technology resources or the labor cost of the personnel providing the service that is actually incurred by the agency or attributable to the agency for the clerical and supervisory assistance required, or both.
(e)1. Where provision of another room or place is necessary to photograph public records, the expense of providing the same shall be paid by the person desiring to photograph the public records.
2. The custodian of public records may charge the person making the photographs for supervision services at a rate of compensation to be agreed upon by the person desiring to make the photographs and the custodian of public records. If they fail to agree as to the appropriate charge, the charge shall be determined by the custodian of public records.
(5) When ballots are produced under this section for inspection or examination, no persons other than the supervisor of elections or the supervisor's employees shall touch the ballots. If the ballots are being examined before the end of the contest period in s. 102.168, the supervisor of elections shall make a reasonable effort to notify all candidates by telephone or otherwise of the time and place of the inspection or examination. All such candidates, or their representatives, shall be allowed to be present during the inspection or examination.
(6) An exemption contained in this chapter or in any other general or special law shall not limit the access of the Auditor General, the Office of Program Policy Analysis and Government Accountability, or any state, county, municipal, university, board of community college, school district, or special district internal auditor to public records when such person states in writing that such records are needed for a properly authorized audit, examination, or investigation. Such person shall maintain the exempt or confidential status of that public record and shall be subject to the same penalties as the custodian of that record for public disclosure of such record.
(7) An exemption from this section does not imply an exemption from s. 286.011. The exemption from s. 286.011 must be expressly provided.
(8) The provisions of this section are not intended to expand or limit the provisions of Rule 3.220, Florida Rules of Criminal Procedure, regarding the right and extent of discovery by the state or by a defendant in a criminal prosecution or in collateral postconviction proceedings. This section may not be used by any inmate as the basis for failing to timely litigate any postconviction action.

624.307 General powers; duties.—
(1) The department and office shall enforce the provisions of this code and shall execute the duties imposed upon them by this code, within the respective jurisdiction of each, as provided by law.

624.311 Records; reproductions; destruction.—
(1) Except as provided in this section, the department, commission, and office shall each preserve in permanent form records of its proceedings, hearings, investigations, and examinations and shall file such records in its office.
(2) The records of insurance claim negotiations of any state agency or political subdivision are confidential and exempt from s. 119.07(1) until termination of all litigation and settlement of all claims arising out of the same incident.
(3) The department, commission, and office may each photograph, microphotograph, or reproduce on film, or maintain in an electronic recordkeeping system, all financial records, financial statements of domestic insurers, reports of business transacted in this state by foreign insurers and alien insurers, reports of examination of domestic insurers, and such other records and documents on file in its office as it may in its discretion select.
(4) To facilitate the efficient use of floor space and filing equipment in its offices, the department, commission, and office may each destroy the following records and documents pursuant to chapter 257:
(a) General closed correspondence files over 3 years old;
(b) Agent, adjuster, and similar license files, including license files of the Division of State Fire Marshal, over 2 years old; except that the department or office shall preserve by reproduction or otherwise a copy of the original records upon the basis of which each such licensee qualified for her or his initial license, except a competency examination, and of any disciplinary proceeding affecting the licensee;
(c) All agent, adjuster, and similar license files and records, including original license qualification records and records of disciplinary proceedings 5 years after a licensee has ceased to be qualified for a license;
(d) Insurer certificate of authority files over 2 years old, except that the office shall preserve by reproduction or otherwise a copy of the initial certificate of authority of each insurer;
(e) All documents and records which have been photographed or otherwise reproduced as provided in subsection (3), if such reproductions have been filed and an audit of the department or office has been completed for the period embracing the dates of such documents and records; and
(f) All other records, documents, and files not expressly provided for in paragraphs (a)-(e).

627.919 Maintenance of insurance data.—The office shall maintain data elements required in insurers' annual statements and information reported by insurers pursuant to this part in a computer file which will be available for the generation of reports and calculations on a scheduled or demand basis by the office and Legislature. The acquisition by the office of data processing software, hardware, and services necessary to carry out the provisions of this section shall be exempt from the provisions of part I of chapter 287.

M E M O R A N D U M

DATE: August 23, 2016

TO: David Altmaier, Commissioner, Office of Insurance Regulation

THROUGH: Anoush Brangaccio, General Counsel

FROM: Virginia Christy
Stephen Fredrickson

SUBJECT: Cabinet Agenda for September 20, 2016
Request for Final Approval to Adopt Repeal of
Rule 69N-3.001,.002,.003,.004,.005,.006,.007
Assignment # 181635-15

The Office of Insurance Regulation requests that these proposed repeal be presented to the Cabinet aides on or before September 14, 2016 and to the Financial Services Commission on September 20, 2016, with a request for Final Approval to Adopt the proposed rules. A notice of the Final Rule Hearing was published in the *Florida Administrative Register* on August 12, 2016.

The notice of proposed rules was published on May 12, 2016 in Volume 42, No. 93, of the *Register*. The hearing was not requested, therefore, the hearing was not held.

These rules established the smoking policy for the Office, pursuant to sections 120.53 and 386.205, Florida Statutes. Previously, section 386.205(6), gave state agencies authority to create policies and adopt rules to administer the Florida Clean Indoor Air Act. Subsequently, the Legislature revised chapter 386, giving rulemaking authority to the Departments of Health and Business and Professional Regulation, along with the State Fire Marshal, to adopt rules to implement the provisions of the Act.
The rule repeal would delete now obsolete and unnecessary rules.

Sections 120.53 and 386.205, F.S., provide rulemaking authority and laws implemented for these rules.

The Legal Services Office has communicated with the Joint Administrative Procedures Committee, and ascertained that their review of the rules has been completed.

Steve Fredrickson is the attorney handling these rules. Attached are: 1) the proposed rule(s); 2) any incorporated materials, such as forms; 3) copies of the rulemaking statutory authority and law implemented.

Approved for signature:

Anoush Brangaccio, General Counsel

Approved for submission to Financial Services Commission:

David Altmaier, Commissioner
Office of Insurance Regulation

69N-3.001 Purpose and Scope.

Rulemaking ~~Specific~~ Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.001, Repealed_____.

69N-3.002 Definitions.

Rulemaking ~~Specific~~ Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.002, Repealed_____.

69N-3.003 Prohibition.

Rulemaking ~~Specific~~ Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.003, Repealed_____.

69N-3.004 No-Smoking Areas.

Rulemaking ~~Specific~~ Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.004, Repealed_____.

69N-3.005 Action by Office Officials and Employees.

Rulemaking ~~Specific~~ Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.005, Repealed_____.

69N-3.006 Posting of Signs.

Rulemaking ~~Specific~~ Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.006, Repealed_____.

69N-3.007 Enforcement, Penalties.

Rulemaking ~~Specific~~ Authority 120.53 FS. Law Implemented 386.205, 386.208 FS. History–New 4-22-92, Formerly 4E-3.007, Repealed_____.

69N-3.001 Purpose and Scope.

(1) This rule chapter establishes a smoking policy for the Office of Insurance Regulation and implements the "Florida Clean Indoor Air Act", Chapter 386, F.S., Part II, and is intended to protect the public health, comfort and environment by ensuring that Office buildings and vehicles are free from tobacco smoke.

(2) This rule chapter recognizes the right of non-smokers to be free of annoying and harmful secondary tobacco smoke, which has been determined by the Surgeon General of the United States to be a substantial health hazard.

(3) This rule chapter applies to all Office buildings, Office vehicles, and to any meeting held by the Office. The rule chapter does not apply to outdoor areas.

Specific Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.001.

69N-3.002 Definitions.

(1) "Office building" means any building or that portion of a building owned, leased, or rented by the Office.

(2) "Non-smoker" means a person who is not a smoker.

(3) "Smoker" means a person who uses a lighted tobacco product.

(4) "Smoking" or "to smoke" means possession of a lighted cigarette, lighted cigar, lighted pipe, or any other lighted tobacco product, except temporarily possessing a tobacco product lighted by another for purposes of immediate extinguishment.

Specific Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.002.

69N-3.003 Prohibition.

No person may smoke in a Office building, in a Office vehicle, or in a public meeting held by the Office.

Specific Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.003.

69N-3.004 No-Smoking Areas.

All areas in all Office buildings and all Office vehicles, shall be known as "no-smoking areas".

Specific Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.004.

69N-3.005 Action by Office Officials and Employees.

The policy promulgated herein requires specific actions by certain Office units as follows:

(1) A copy of this rule chapter shall be furnished to any person requesting it, and distributed to all current employees upon the effective date of this rule chapter.

(2) All new employees shall be provided a copy of this rule chapter by the Bureau of Personnel Management.

(3) Signs shall be posted informing persons that smoking is prohibited.

(4) The Division of Administration shall be responsible for ensuring the implementation of this rule chapter.

(5) The full cooperation of all supervisors and employees is expected to ensure that this smoking policy is enforced.

Specific Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.005.

69N-3.006 Posting of Signs.

(1) The Division of Administration shall post no-smoking signs as appropriate.

(2) At the entrance of a building or that portion of a building occupied by the Office, a sign shall be posted that advises persons that smoking is prohibited.

(3) The Office may post signs in all areas not already covered in subsections (1) and (2) above to advise persons that smoking is prohibited.

(4) Signs shall be posted in all Office vehicles advising that smoking is prohibited.

Specific Authority 120.53 FS. Law Implemented 386.205 FS. History–New 4-22-92, Formerly 4E-3.006.

69N-3.007 Enforcement, Penalties.

(1) Any employee who is found to have violated any provision of this rule chapter shall be subject to discipline in accordance with Florida Laws.

(2) All persons are hereby advised that pursuant to Section 386.208, F.S., smoking where prohibited constitutes a noncriminal violation punishable by a fine of not more than $100 for the first violation and not more than $500 for each subsequent violation.

Specific Authority 120.53 FS. Law Implemented 386.205, 386.208 FS. History–New 4-22-92, Formerly 4E-3.007.

120.53 Maintenance of agency final orders.—
(1) In addition to maintaining records contained in s. 119.021(3), each agency shall also electronically transmit a certified text-searchable copy of each agency final order listed in subsection (2) rendered on or after July 1, 2015, to a centralized electronic database of agency final orders maintained by the division. The database must allow users to research and retrieve the full texts of agency final orders by:
(a) The name of the agency that issued the final order.
(b) The date the final order was issued.
(c) The type of final order.
(d) The subject of the final order.
(e) Terms contained in the text of the final order.
(2) The agency final orders that must be electronically transmitted to the centralized electronic database include:
(a) Each final order resulting from a proceeding under s. 120.57 or s. 120.573.
(b) Each final order rendered pursuant to s. 120.57(4) which contains a statement of agency policy that may be the basis of future agency decisions or that may otherwise contain a statement of precedential value.
(c) Each declaratory statement issued by an agency.
(d) Each final order resulting from a proceeding under s. 120.56 or s. 120.574.
(3) Each agency shall maintain a list of all final orders rendered pursuant to s. 120.57(4) that are not required to be electronically transmitted to the centralized electronic database because they do not contain statements of agency policy or statements of precedential value. The list must include the name of the parties to the proceeding and the number assigned to the final order.
(4) Each final order, whether rendered by the agency or the division, that must be electronically transmitted to the centralized electronic database or maintained on a list pursuant to subsection (3) must be electronically transmitted to the database or added to the list within 90 days after the final order is rendered. Each final order that must be electronically transmitted to the database or added to the list must have attached a copy of the complete text of any materials incorporated by reference; however, if the quantity of the materials incorporated makes attachment of the complete text of the materials impractical, the final order may contain a statement of the location of such materials and the manner in which the public may inspect or obtain copies of the materials incorporated by reference.
(5) Nothing in this section relieves an agency from its responsibility for maintaining a subject matter index of final orders rendered before July 1, 2015, and identifying the location of the subject matter index on the agency's website. In addition, an agency may electronically transmit to the centralized electronic database certified copies of all of the final orders that were rendered before July 1, 2015, which were required to be in the subject matter index. The centralized electronic database constitutes the official compilation of administrative final orders rendered on or after July 1, 2015, for each agency.

386.205 Customs smoking rooms.—A customs smoking room may be designated by the person in charge of an airport in-transit lounge under the authority and control of the Bureau of Customs and Border Protection of the United States Department of Homeland Security. A customs smoking room may only be designated in an airport in-transit lounge under the authority and control of the Bureau of Customs and Border Protection of the United States Department of Homeland Security. A customs smoking room may not be designated in an elevator, restroom, or any common area as defined by s. 386.203. Each customs smoking room must conform to the following requirements:

(1) Work, other than essential services defined in s. 386.203(6), must not be performed in the room at any given time.
(2) Tobacco smoking must not be permitted in the room while any essential services are being performed in the room.
(3) Each customs smoking room must be enclosed by physical barriers that are impenetrable by secondhand tobacco smoke and prevent the escape of secondhand tobacco smoke into the enclosed indoor workplace.
(4) Each customs smoking room must exhaust tobacco smoke directly to the outside and away from air intake ducts, and be maintained under negative pressure, with respect to surrounding spaces, sufficient to contain tobacco smoke within the room.
(5) Each customs smoking room must comply with the signage requirements in s. 386.206.

M E M O R A N D U M

DATE: August 23, 2016

TO: David Altmaier, Commissioner, Office of Insurance Regulation

THROUGH: Anoush Brangaccio, General Counsel

FROM: Virginia Christy
Stephen Fredrickson

SUBJECT: Cabinet Agenda for September 20, 2016
Request for Final Approval to Adopt Repeal of
Rule 69O-186.010
Assignment # 181948-15

The Office of Insurance Regulation requests that this proposed repeal be presented to the Cabinet aides on or before September 14, 2016 and to the Financial Services Commission on September 20, 2016, with a request for Final Approval to Adopt the proposed rules. A notice of the Final Rule Hearing was published in the *Florida Administrative Register* on August 12, 2016.

The notice of proposed rules was published on May 5, 2016 in Volume 42, No. 88, of the *Register*. The hearing was not requested, therefore, the hearing was not held.

As part of the Office's review of its title insurance rules, we are in the process of removing certain title insurance forms from the rules and approving them pursuant to Section 627.777, Florida Statutes. This statute gives the Office the authority to directly review and approve forms for use by title insurance underwriters and agents. The American Land Title Association recently adopted a revised version of the Closing Protection Letter (CPL) which was filed with the Office for approval pursuant to Sections 627.777 and 627.786, Florida Statutes. After review, the Office approved for use the newly drafted CPL pursuant to the aforementioned statutes. As such, the rule that is subject to repeal is obsolete and should be removed from the Florida Administrative Code.

Sections 624.308, 624.307(1), 627.786, F.S., provide rulemaking authority and laws implemented for this rule.

The Legal Services Office has communicated with the Joint Administrative Procedures Committee, and ascertained that their review of the rules has been completed.

Jeffrey Joseph is the attorney handling this rule. Attached are: 1) the proposed rule(s); 2) any incorporated materials, such as forms; 3) copies of the rulemaking statutory authority and law implemented.

Approved for signature:

Anoush Brangaccio
Anoush Brangaccio, General Counsel

Approved for submission to Financial Services Commission:

David Altmaier
David Altmaier, Commissioner
Office of Insurance Regulation

69O-186.010 Insurer's Assumption of Certain Liabilities.

Rulemaking ~~Specific~~ Authority 624.308 FS. Law Implemented 624.307(1), 627.786 FS. History–New 6-25-86, Amended 2-27-91, Formerly 4-21.011, 4-186.01, Repealed_____.

69O-186.010 Insurer's Assumption of Certain Liabilities.

Any form of written notice issued after the effective date of this rule by a title insurer or business trust title insurer assuming liability for loss in accordance with Section 627.786, Florida Statutes, shall be in the following form and content:

(Date) RE: (Insert name of Issuing Agent or Approved Attorney)

(TITLE INSURER'S LETTERHEAD)

When title insurance of (insert title insurer) is specified for your protection in connection with closings of real estate transactions in which you are to be the lessee or purchaser of an interest in land or a lender secured by a mortgage (including any other security instrument) of an interest in land, the (insert title insurer), subject to the Conditions and Exclusions set forth below, hereby agrees to reimburse you for actual loss incurred by you in connection with such closing when conducted by said Issuing Agent or Approved Attorney when such loss arises out of:

1. Failure of said Issuing Agent or Approved Attorney to comply with your written closing instructions to the extent that they relate to (a) the status of the title to said interest in land or the validity, enforceability and priority of the lien of said mortgage on said interest in land, including the obtaining of documents and the disbursement of funds necessary to establish such status of title or lien, or (b) the obtaining of any other document, specifically required by you, but not to the extent that said instructions require a determination of the validity, enforceability or effectiveness of such other document, or (c) the collection and payment of funds due you, or

2. Fraud or dishonesty of said Issuing Agent or Approved Attorney in handling your funds or documents in connection with such closing.

If you are a lender protected under the foregoing paragraph, your borrower in connection with a loan secured by a mortgage on a one to four family dwelling shall be protected as if this letter were addressed to your borrower.

Conditions and Exclusions

A. The (insert title insurer) will not be liable to you for loss arising out of:

1. Failure of said Issuing Agent or Approved Attorney to comply with your closing instructions which require title insurance protection inconsistent with that set forth in the title insurance binder or commitment issued by the (insert title insurer). Instructions which require the removal of specific exceptions to title or compliance with the requirements contained in said binder or commitment shall not be deemed to be inconsistent. This paragraph shall not be applicable when such binder or commitment has not been required by the lender prior to closing.

2. Loss or impairment of your funds in the course of collection or while on deposit with a bank due to bank failure, insolvency or suspension, except such as shall result from failure of said Issuing Agent or Approved Attorney to comply with your written closing instructions to deposit the funds in a bank which you designated by name.

3. Mechanics' and materialmen's liens in connection with your purchase or lease or construction loan transactions, except to the extent that protection against such liens is afforded by a title insurance binder, commitment or policy of the (insert title insurer).

4. The periodic disbursement of construction loan proceeds or funds furnished by the owner to pay for construction costs during the construction of improvements on the land to be insured, unless an officer of the company has specifically accepted the responsibility to you for such disbursement program in writing.

B. When the (insert title insurer) shall have reimbursed you pursuant to this letter, it shall be subrogated to all rights and remedies which you would have had against any person or property had you not been so reimbursed. Liability of the (insert title insurer) for such reimbursement shall be reduced to the extent that you have knowingly and voluntarily impaired the value of such right of subrogation.

C. Any liability of the (insert title insurer) for loss incurred by you in connection with closings of real estate transactions by said Issuing Agent or Approved Attorney shall be limited to the protection provided by this letter. However, this letter shall not affect the protection afforded by a title insurance binder, commitment or policy of (insert title insurer). The dollar amount of liability hereby incurred shall not be greater than the amount of the title insurance binder, commitment or policy of title insurance to be issued, and liability hereunder as to any particular loan transaction shall be coextensive with liability under the policy issued to you in connection with such transaction. Payment in accordance with the terms of this letter shall reduce by the same amount the liability

under such policy and payment under such policy shall reduce by the same amount the company's liability under the terms of this letter.

D. Claims of loss shall be made promptly to the (insert title insurer) at its principal office at (address). When the failure to give prompt notice shall prejudice the (insert title insurer), then liability of the (insert title insurer) hereunder shall be reduced to the extent of such prejudice. The (insert title insurer) shall not be liable hereunder unless notice of loss in writing is received by the (insert title insurer) within ninety (90) days from the date of discovery of such loss.

E. Nothing contained herein shall be construed as authorizing compliance by any issuing agent or approved attorney with any such closing instructions, compliance with which would constitute a violation of any applicable law, rule or regulation relating to the activity of title insurers, their issuing agents or approved attorneys, and their failure to comply with any such closing instructions shall not create any liability under the terms of this letter.

F. The protection herein offered will be effective until cancelled by written notice from the (insert title insurer). Any previous insured Closing Service letter or similar agreement is hereby cancelled, except as to closings of your real estate transactions regarding which you have previously sent (or within 30 days hereafter send) written closing instructions to said Issuing Agent or Approved Attorney.

(Insert title insurer)

By _____

Specific Authority 624.308 FS. Law Implemented 624.307(1), 627.786 FS. History–New 6-25-86, Amended 2-27-91, Formerly 4-21.011, 4-186.010.

69O-186.010 Rulemaking Authority

624.308 Rules.—
(1) The department and the commission may each adopt rules pursuant to ss. 120.536(1) and 120.54 to implement provisions of law conferring duties upon the department or the commission, respectively.
(2) In addition to any other penalty provided, willful violation of any such rule shall subject the violator to such suspension or revocation of certificate of authority or license as may be applicable under this code as for violation of the provision as to which such rule relates.

624.307 General powers; duties.—
(1) The department and office shall enforce the provisions of this code and shall execute the duties imposed upon them by this code, within the respective jurisdiction of each, as provided by law.

627.786 Transaction of title insurance and any other kind of insurance prohibited.—
(1) An insurer may not transact title insurance and any other kind of insurance in this state.
(2) Subsection (1) does not apply to any insurer actively transacting title insurance and any other kind of insurance in this state on January 1, 1965.
(3) Subsection (1) does not preclude a title insurer from providing instruments to any prospective insured, in the form and content approved by the office, under which the title insurer assumes liability for loss due to the fraud of, dishonesty of, misappropriation of funds by, or failure to comply with written closing instructions by, its contract agents, agencies, or approved attorneys in connection with a real property transaction for which the title insurer is to issue a title insurance policy.

M E M O R A N D U M

DATE: August 23, 2016

TO: David Altmaier, Commissioner, Office of Insurance Regulation

THROUGH: Anoush Brangaccio, General Counsel

FROM: Virginia Christy
Stephen Fredrickson

SUBJECT: Cabinet Agenda for September 20, 2016
Request for Final Approval to Adopt Amendments to
Rule 69O-137.001
Assignment # 181629-15

The Office of Insurance Regulation requests that this proposed rule amendment be presented to the Cabinet aides on or before September 14, 2016 and to the Financial Services Commission on September 20, 2016, with a request for Final Approval to Adopt the proposed rules. A notice of the Final Rule Hearing was published in the *Florida Administrative Register* on August 12, 2016.

The notice of proposed rules was published on May 10, 2016 in Volume 42, No. 91, of the *Register*. The hearing was not requested, therefore, the hearing was not held.

Section 624.424, Florida Statutes, requires insurers to file quarterly and annual financial reports with the Office of Insurance Regulation and allows the Office to enact rules setting the standards for those reports.

The rule is being amended to adopt the 2016 NAIC Quarterly Statement Manuals, the 2015 NAIC Annual Statement Instructions Manuals, and the 2015 and 2016 NAIC Accounting Practices and Procedures Manuals. The current rule adopted the 2015 NAIC Quarterly Statement Manuals, the 2014 NAIC Annual Statement Instructions Manuals, and the 2014 and 2015 NAIC Accounting Practices and Procedures Manuals.

Sections 624.308(1), 624.424(1), F.S., provide rulemaking authority and laws implemented for this rule.

The Legal Services Office has communicated with the Joint Administrative Procedures Committee, and ascertained that their review of the rules has been completed.

Steve Fredrickson is the attorney handling this rule. Attached are: 1) the proposed rule(s); 2) any incorporated materials, such as forms; 3) copies of the rulemaking statutory authority and law implemented.

Approved for signature:

Anoush Brangaccio
Anoush Brangaccio, General Counsel

Approved for submission to Financial Services Commission:

David Altmaier
David Altmaier, Commissioner
Office of Insurance Regulation

69O-137.001 Annual and Quarterly Reporting Requirements.

(1) No Change

(2)(a)(b)(c) No Change

(3)(a) No Change

(3)(b) below.

(b)1. The National Association of Insurance Commissioners electronic transmission filing instructions (Financial Internet Filing Online User's Guide 2016 ~~2015~~) are hereby adopted and incorporated by reference, http://www.flrules.org/Gateway/reference.asp?No=Ref-07173

2. No Change

(4) (a) No Change

1. The NAIC's Annual Statement Instructions, Property and Casualty, 2015 ~~2014~~;

2. The NAIC's Annual Statement Instructions, Life, Accident and Health, 2015 ~~2014~~;

3. The NAIC's Annual Statement Instructions, Health, 2015 ~~2014~~;

4. The NAIC's Annual Statement Instructions, Title, 2015 ~~2014~~; and,

5. The NAIC's Accounting Practices and Procedures Manual, as of March 2015 ~~2014~~.

(b) No Change

1. The NAIC's Quarterly Statement Instructions, Property and Casualty, 2016 ~~2015~~;

2. The NAIC's Quarterly Statement Instructions, Life, Accident and Health, 2016 ~~2015~~;

3. The NAIC's Quarterly Statement Instructions, Health, 2016 ~~2015~~;

4. The NAIC's Quarterly Statement Instructions, Title, 2016 ~~2015~~; and,

5. The NAIC's Accounting Practices and Procedures Manual, as of March 2016 ~~2015~~.

(c) No Change

1. No Change

2. No Change

Rulemaking Authority 624.308(1), 624.424(1) FS. Law Implemented 624.424(1) FS. History–New 3-31-92, Amended 8-24-93, 4-9-95, 4-9-97, 4-4-99, 11-30-99, 2-11-01, 4-5-01, 12-4-01, 12-25-01, 8-18-02, 7-27-03, Formerly 4-137.001, Amended 1-6-05, 9-15-05, 1-25-07, 3-16-08, 3-4-09, 1-4-10, 9-28-11, 1-28-13, 9-15-13, 7-28-15_____.

FINANCIAL INTERNET FILING ONLINE USER'S GUIDE

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Introduction

Internet Filing (IF) is used to collect the NAIC financial statement in electronic format. **Starting with 2008, hard copy paper statements are no longer required.**

IF handles all statement types (property, life, health, fraternal, and title) and submission types (annual March, April, RBC, Combined, and June as well as quarters 1, 2, and 3).

In addition, the NAIC, in partnership with the New York State Department of Financial Services, is accepting NY Supplement statements via IF.

Access to Internet Filing

An NAIC User Name and password are required to gain access to the filing submission and administrative functions in Internet Filing. The access may be as a Primary or a Secondary IF User.

If you already have an NAIC User Name and password, as a user of another NAIC application the same User Name will apply to IF. If you do not already have an NAIC User Name and password, you will need to procure one.

Primary IF Users

The current Financial Statement Contact, as filed with the Jurat page information of a company's financial statement, must be established as the IF Company Administrator, or Primary IF User. When a new individual takes on the role of current Financial Statement Contact for a company, he/she must contact Financial Data Administration at 816-783-8600 to receive an NAIC User Name and password, if needed, and to be established as the Company Administrator. Once established, the IF Company Administrator is authorized to grant and revoke access for that company to others.

Secondary IF Users

Those individuals who are *not* the current Financial Statement Contact and do not already have an NAIC User Name and password may request one by clicking on the IF Home Page link **Request NAIC User Name and Password**. After submitting the completed on-line form, the NAIC Help Desk will respond within 24 hours.

The Primary IF User must then log into Internet Filing and select **Manage SubAccounts**, supply the Secondary IF User's NAIC User Name, and select to grant privileges as desired.

Login to Internet Filing

The link on the right-hand side of the **Internet Filing – Home** page takes you to the NAIC Common Logon, where a valid User Name and Password must be entered. Upon successful logon, you will be taken to the **Internet Filing – Home** page.

If you have been established as a Primary or Secondary IF User, your User Information will appear on the right-hand side of the page, along with the Internet Filing Links you are authorized to use.

Submit Filings

All of the companies to which you have been granted privileges will be displayed in the selection list. If you have privileges to more than one company, the first company in the list is selected by default. The selected company's NAIC Cocode and name will appear in the lower portion of the **User Information** on the right-hand side of the page. Use the scroll bar on the right side of the selection window to see all of the companies to which you have been granted privileges.

Step 1: Select the company you want to file for.

Step 2: From these drop-down lists, select the appropriate statement filing year, filing period, and filing type.

In addition, if the company you select is licensed or accredited to do business in the state of New York, you will see a check box option for submitting New York Supplement filings. If the company you select is not licensed or accredited in New York, this check box will not appear. If you do not see the **NY Supplement Filing** check box and the selected company *is* licensed or accredited, you will need to contact the New York State Department of Financial Services and have them update the licensing status for the selected company. Only the NY DOI can update this information.

Step 3: Next, use the **Browse** button to locate the filing you intend to submit. The file you select must be zipped using a PKWare-compatible file compression software.

Step 4: Upon selecting the **Submit** button, a validation process will begin checking your selections against the filename. The filename on your filing must match the NAIC's File Naming Conventions; and the designations within the filename must match up to the selections you made in Step 2. Additional validations

/ill be checking for valid cocode, version number for filing version, zip version, and separate accounts equence version. Any validation exceptions detected must be resolved before the selected file will be ploaded.

)nce the filename has been validated, an upload transmission process will begin. An upload status window /ill pop up with a progress meter to indicate what is happening. If you should close the upload status /indow inadvertently, this does NOT stop the upload transmission process. However, if you should close ıe browser window, this will interrupt the upload process. There is no way to resume the transmission /ithout resubmitting the entire filing.

ıt completion of the upload, another pop-up window will indicate that the upload has completed. Clicking ıe **OK** will close this window and take you to the **Filing Submission Status** page.

'he **Filing Submission Status** page tells you if your submission was successful or not. After your upload i omplete, more validation checks are run on your filing. The first validation tests for a good zip file. If it is ot readable, the displayed error will read '**invalid or corrupted zip file**'. You will need to check your filing ɔ be sure it was created correctly using a compatible zip tool.

: the zip is readable and valid, a listing of the elements in the zip file is generated and displayed on the ubmission status page. Any elements that do not match up to what was expected will be highlighted, and .n error message will describe the mismatch. If there are mismatches, we discard the filing, *and you will ıeed to correct the mismatches and resubmit.* Because we did not process the filing, you can simply correc .nd resubmit the same file. No need to do a refile or amended filing.

: there were no mismatch errors, the **Filing Submission Status** page will state the upload was a successfu ·ansmission. You can return to Internet Filing at any time to check the status of your filing in the **Recent ;ubmissions** near the bottom of the **Submit Filings** page.

'his status window will display a list of filings that have been submitted recently for the selected company. I ou select a different company from the company selection box, the information will refresh to show ıformation for that company. If no filings have been submitted for the selected company, the status windov /ill display '**-none-**'.

'o see additional details of on the recent submissions, just click on the entry you want to know about, and ou will be taken to a confirmation detail page. This detail page is the same **Filing Submission Status** ıage shown after a successful upload of a filing and can be used as an official record of a filing submission.

;ubmission File Preparation

'o ensure efficiency and accuracy, the NAIC is expecting your filing submissions to meet a specific format. Vhen creating your filing submission, you must use one of several automated statement generation oftware tools available. These tools are capable of hooking into financial data sources and constructing th ecessary components that make up a filing submission. The tools will also perform the zip compression fo our.

Getting mismatch or upload errors? Please check in with your filing preparation software vendor first to help you diagnose the problem. You can also contact our Help Desk for assistance.

RIS Results

Viewing IRIS results for your authorized list of companies

Upon logging in to IF, you will be able to view up to the last five years of IRIS results data for any of the companies you are authorized to access.

To get the IRIS data, click on the **IRIS Results** link, select the desired year and NAIC cocode, then click **Submit**.

Update Account

Keeping your account information up-to-date will help guarantee that we can reach you should we detect problems with your upload transmissions. The personal information stored (your email address, phone, fax) as part of IF is used only to correspond about your Internet Filing account.

Every 90 days, you will be diverted here from the login. We would like you to review the displayed information and make sure it is accurate and current.

Change Password

You may change your password at any time by selecting this link and completing the displayed on-line form. Your password will expire every 90 days; when that happens, you will be prompted to go to this form and change your password.

NOTE: If you are unsure of your password, be aware that three unsuccessful attempts will cause you to be locked out IF (and any other programs you use which are accessed with the same NAIC User Name and password). It is best to change to a new password before that happens. If you do get locked out, you will need to contact the NAIC Help Desk at 816-783-8500 or help@naic.org and request your password be reset.

Manage SubAccounts

Granting Privileges – Allowing Others to Submit for You

The current Financial Statement Contact for a company, as the Primary IF User, may grant another user - a SubAccount - access to submit financial statement filings for that company.

After logging in to the IF site, select the **Manage SubAccounts** option from the right-hand side of the page. In the center of the **Manage SubAccounts** page, you will see displayed a list of companies for which you are the Primary IF User.

: you are granting privileges to a new user, enter that person's NAIC User Name in the box indicated, click ıe check box beside **Grant** next to the appropriate cocode(s), then click on SUBMIT. The next page will isplay the message of whether the grant was successful.

'he next time you visit the **Manage SubAccounts** page, you will see your SubAccount's NAIC User Name isplayed above the line. When you click on the name, the list below the line will display which company(s) ıat individual has privileges to.

ıny time you see an existing name next to **Sub Accounts:** you may click on the name to grant privileges to dditional companies.

ievoking Privileges – Taking Away Others' Ability to Submit for You

ikewise, only the Primary IF User for a company may revoke another user's access.

ıfter logging in to the IF site, select the **Manage SubAccounts** option from the right-hand side of the page. ı the center of the **Manage SubAccounts** page, you will see displayed a list of companies for which you re the Primary IF User. In the upper third of the page any SubAccounts with privileges to *any* of the ompanies listed will display above the line.

'o revoke privileges, first click on the desired name in the list above the line. The company list will refresh /ith the information of which company(s) that person currently has privileges for. Click the check box beside **ievoke** next to the appropriate cocode(s), then click on SUBMIT. The next page will display the message o /hether the revoke was successful.

624.308 Rules.--

(1) The department and the commission may each adopt rules pursuant to ss. 120.536(1) and 120.54 to implement provisions of law conferring duties upon the department or the commission, respectively.

624.424 Annual statement and other information.--

(1)(a) Each authorized insurer shall file with the office full and true statements of its financial condition, transactions, and affairs. An annual statement covering the preceding calendar year shall be filed on or before March 1, and quarterly statements covering the periods ending on March 31, June 30, and September 30 shall be filed within 45 days after each such date. The office may, for good cause, grant an extension of time for filing of an annual or quarterly statement. The statements shall contain information generally included in insurers' financial statements prepared in accordance with generally accepted insurance accounting principles and practices and in a form generally utilized by insurers for financial statements, sworn to by at least two executive officers of the insurer or, if a reciprocal insurer, by the oath of the attorney in fact or its like officer if a corporation. To facilitate uniformity in financial statements and to facilitate office analysis, the commission may by rule adopt the form for financial statements approved by the National Association of Insurance Commissioners in 2002, and may adopt subsequent amendments thereto if the methodology remains substantially consistent, and may by rule require each insurer to submit to the office or such organization as the office may designate all or part of the information contained in the financial statement in a computer-readable form compatible with the electronic data processing system specified by the office.

(b) Each insurer's annual statement must contain a statement of opinion on loss and loss adjustment expense reserves made by a member of the American Academy of Actuaries or by a qualified loss reserve specialist, under criteria established by rule of the commission. In adopting the rule, the commission must consider any criteria established by the National Association of Insurance Commissioners. The office may require semiannual updates of the annual statement of opinion as to a particular insurer if the office has reasonable cause to believe that such reserves are understated to the extent of materially misstating the financial position of the insurer. Workpapers in support of the statement of opinion must be provided to the office upon request. This paragraph does not apply to life insurance or title insurance.

(c) The commission may by rule require reports or filings required under the insurance code to be submitted by electronic means in a computer-readable form compatible with the electronic data processing equipment specified by the commission.

M E M O R A N D U M

DATE: August 23, 2016

TO: David Altmaier, Commissioner, Office of Insurance Regulation

THROUGH: Anoush Brangaccio, General Counsel

FROM: Virginia Christy
Stephen Fredrickson

SUBJECT: Cabinet Agenda for September 20, 2016
Request for Final Approval to Adopt Amendments to
Rule 69O-138.001
Assignment # 181630-15

The Office of Insurance Regulation requests that these proposed rule amendments be presented to the Cabinet aides on or before September 14, 2016 and to the Financial Services Commission on September 20, 2016, with a request for Final Approval to Adopt the proposed rules. A notice of the Final Rule Hearing was published in the *Florida Administrative Register* on August 12, 2016.

The notice of proposed rules was published on May 10, 2016 in Volume 42, No. 91, of the *Register*. The hearing was not requested, therefore, the hearing was not held.

Section 624.316, Florida Statutes, requires the Office to examine insurer's financial condition using generally accepted accounting procedures. This statute also allows the Office to adopt the NAIC Financial Condition Examiners Handbook to facilitate these exams.

The rule is being amended to adopt the 2015 and 2016 NAIC Financial Condition Examiners Handbooks. The current rule adopted the 2015 and 2014 versions of these handbooks.

Sections 624.308(1), 624.316(1)(c), F.S., provide rulemaking authority and laws implemented for this rule.

The Legal Services Office has communicated with the Joint Administrative Procedures Committee, and ascertained that their review of the rules has been completed.

Steve Fredrickson is the attorney handling this rule. Attached are: 1) the proposed rule(s); 2) any incorporated materials, such as forms; 3) copies of the rulemaking statutory authority and law implemented.

Approved for signature:

Anoush Brangaccio, General Counsel

Approved for submission to Financial Services Commission:

David Altmaier, Commissioner
Office of Insurance Regulation

69O-138.001 NAIC Financial Condition Examiners Handbook Adopted.

(1)(a) The National Association of Insurance Commissioners Financial Condition Examiners Handbook 2016 ~~2015~~ is hereby adopted and incorporated by reference.

(b) The National Association of Insurance Commissioners Financial Condition Examiners Handbook 2015 ~~2014~~ is hereby adopted and incorporated by reference.

(2) No Change

(3) (a)(b) No Change

Rulemaking Authority 624.308(1), 624.316(1)(c) FS. Law Implemented 624.316(1)(c) FS. History–New 3-30-92, Amended 4-9-97, 4-4-99, 11-30-99, 2-11-01, 12-25-01, 8-18-02, 7-27-03, Formerly 4-138.001, Amended 1-6-05, 9-15-05, 1-25-07, 3-16-08, 3-4-09, 1-4-10, 11-2-11, 1-28-13, 9-15-13, 7-28-15_____.

624.308 Rules.--

(1) The department and the commission may each adopt rules pursuant to ss. 120.536(1) and 120.54 to implement provisions of law conferring duties upon the department or the commission, respectively.

624.316 Examination of insurers.–

(1)(c) The office shall examine each insurer according to accounting procedures designed to fulfill the requirements of generally accepted insurance accounting principles and practices and good internal control and in keeping with generally accepted accounting forms, accounts, records, methods, and practices relating to insurers. To facilitate uniformity in examinations, the commission may adopt, by rule, the Market Conduct Examiners Handbook and the Financial Condition Examiners Handbook of the National Association of Insurance Commissioners, 2002, and may adopt subsequent amendments thereto, if the examination methodology remains substantially consistent.

M E M O R A N D U M

DATE: August 25, 2016

TO: David Altmaier, Commissioner, Office of Insurance Regulation

THROUGH: Anoush Brangaccio, General Counsel

FROM: Virginia Christy
Stephen Fredrickson

SUBJECT: Cabinet Agenda for September 20, 2016
Request for Approval to Publish Amendments to
Rule 69O-161,.001,.009,.010,.011
Assignment # 189052-16

The Office of Insurance Regulation requests that these proposed rule amendments be presented to the Cabinet aides on or before September 14, 2016 and to the Financial Services Commission on September 20, 2016, with a request to approve for publication the proposed rules.

Section 627.42392, Florida Statutes, requires the Financial Services Commission to develop a standard Prior Authorization Form as well as guidelines for prior authorization forms. The rule will establish guidelines for all prior authorization forms which ensure the general uniformity of such forms, and to adopt a prior authorization form for use by health insurance issuers which do not provide an electronic prior authorization process for use by its contracted providers. Sections 624.308(1), 627.647,624.30791), 627.510(2) F.S., provide rulemaking authority and laws implemented for these rules.

Stephen Fredrickson is the attorney handling these rules. Attached are: 1) the proposed rule(s), 2) any incorporated materials, such as forms; and 3) copies of the rulemaking statutory authority and law implemented.

Approved for signature:

Anoush Brangaccio

Anoush Brangaccio, General Counsel

Approved for submission to Financial Services Commission:

David Altmaier

David Altmaier, Commissioner
Office of Insurance Regulation

Chapter Title: UNIFORM INSURANCE CLAIM FORMS AND PRIOR AUTHORIZATION FORMS

69O-161.001 – Purpose

The purpose of this chapter is to establish uniform claim forms for claims relating to health insurance and industrial life insurance policies, to establish guidelines for all prior authorization forms which ensure the general uniformity of such forms, and to adopt a prior authorization form for use by health insurance issuers which do not provide an electronic prior authorization process for use by its contracted providers.

Rulemaking ~~Specific~~ Authority 624.308(1), 627.647 FS. Law Implemented 624.307(1), 627.510(2), 627.647 FS. History–New 4-25-88, Formerly 4-74.001, Amended 6-8-94, Formerly 4-161.00, Amended _____.

69O-161.009 Form Availability.

All forms referenced in this rule chapter may be obtained at www.floir.com ~~by writing to: Office of Insurance Regulation, Bureau of Life and Health Forms, Rates and Reserve Analysis, Larson Building, Tallahassee, Florida 32399-0328.~~

Rulemaking ~~Specific~~ Authority 624.308(1), 627.647 FS. Law Implemented 624.307(1), 627.510(2), 627.647 FS. History–New 6-8-94, Formerly 4-161.009, Amended_____.

69O-161.010 – Guidelines for Prior Authorization Forms

(1) Scope: This Rule applies to all insurance companies, health maintenance organizations, and managed care entities authorized to write health insurance in Florida.

(2) Definitions: As used in this Rule:

a. "Issuer" means an authorized insurer offering health insurance as defined in s. 624.603, F.S., a managed care plan as defined in s. 409.962(9), F.S., or a health maintenance organization as defined in s. 641.19(12) F.S.

b. "Utilization review entity" means any person that performs prior authorization for an issuer.

c. "Person" has the same meaning as defined in s. 624.04, F.S.

d. "Prior authorization" means any practice implemented by an issuer or utilization review entity in which coverage of a health care service, device, or drug is dependent upon a covered person or health care practitioner obtaining approval from the issuer or utilization review entity prior to the service, device, or drug being performed, received, or prescribed, as applicable. "Prior authorization" includes prospective or utilization review procedures conducted prior to providing a health care service, device, or drug.

(3) All prior authorization forms must provide for the following information:

a. Sufficient information to identify the covered person, including the covered person's date of birth, full name, and health plan identification number

b. Sufficient information to identify the ordering provider, including the provider's name, National Provider Identification number, and the provider's contact information.

c. Sufficient information to identify the rendering provider, including the name of the rendering provider, provider group, or facility, corresponding National Provider Identification number, and the rendering provider's contact information.

d. Sufficient information to identify and contact the rendering facility, if different from c.

e. Where the service or procedure will be performed if different from c. or d.

f. The health care service being requested, including the medical reason therefore.

g. The unit or volume of the procedure, service, or device being requested when applicable.

h. All services tried, failed, or shown to be ineffective.

i. A list of any additional documentation required by the issuer or utilization review entity to complete its review of the prior authorization request.

j. The priority of the prior authorization request. At a minimum, the prior authorization form shall contain the following designations:

i. Standard

ii. Date of Service, which should include a space for the planned date of a service.

iii. Urgent or Emergency, to be used when the provider certifies that applying the standard review time frame may seriously jeopardize the life or health of the patient

k. The latest International Classification of Disease primary diagnosis code.

l. An attestation or certification that all information provided is true and accurate.

m. Any other information required to determine or facilitate the determination of the medical necessity of the requested medical procedure, course of treatment, or prescription drug benefit.

(4) All prior authorization forms must contain information where a provider may find a health insurance issuer's step therapy or fail first protocol requirements and quantity limits for all services subject to prior authorization.

(5) The prior authorization form must contain the direct contact information for the utilization review entity.

(6) The prior authorization form may not require information that is not needed to make a determination or facilitate a determination of medical necessity of the requested medical procedure, course of treatment, or prescription drug benefit.

(7) Disclosure and review of prior authorization requirements.

(a) A utilization review entity or issuer shall make any current prior authorization requirements, restrictions and forms readily accessible on its website and in written or electronic form upon request for beneficiaries, health care providers, and the general public. Requirements shall be described in detail but also in clear, easily-understandable language. Clinical criteria shall be described in language easily understandable by a health care provider.

(b) If a utilization review entity or issuer intends either to implement a new prior authorization requirement or restriction, or amend an existing requirement or restriction, the utilization review entity shall ensure that the new or amended requirement is not implemented unless the utilization review entity's website has been updated to reflect the new or amended requirement or restriction. This shall not extend to expansion of coverage for new health care services.

(c) If a utilization review entity or issuer intends either to implement a new prior authorization requirement or restriction, or amend an existing requirement or restriction, the utilization review entity shall provide beneficiaries who are currently using the affected health care service and all contracted health care physicians who provide affected health care service or services of written notice of the new or amended requirement or amendment no less than 60 days before the requirement or restriction is implemented. Such notice may be delivered electronically or by other means as agreed to by the receiving entity.

Rulemaking Authority 624.308(1), 627.42392 FS. Law Implemented 624.307(1), 627.42392 FS. History–New _____.

69O-161.011 – Use of Prior Authorization Form

All authorized insurers offering health insurance as defined in s. 624.603, F.S. managed care plans as defined in s. 409.962(9), F.S. and health maintenance organizations as defined in s.641.19(12), F.S. which do not provide an electronic prior authorization process for use by its contracted providers shall use only the Prior

Authorization Form (OIR Form OIR-B2-2180) (**/**) which is hereby incorporated and made part of this rule chapter by reference.

Rulemaking Authority 624.308(1), 627.42392 FS. Law Implemented 624.307(1), 627.42392, FS. History–New _____.

8-23-16 [Name/Logo of Authorizing Entity]

Prior Authorization Form for Medical Procedures, Courses of Treatment, or Prescription Drug Benefits

If you have questions about our prior authorization requirements, please refer to [contact information]

All of the applicable information and documentation is required. Incomplete forms will be returned for additional information.

1. PRIORITY:

[ ]	a. Standard	
[ ]	b. Date of Service	Services scheduled for this date:
[ ]	c. Urgent	Provider certifies that applying the standard review time frame may seriously jeopardize the life or health of the member

2. PATIENT INFORMATION:

a. Name (First):	b. Last:	c. MI:	d. DOB(mm/dd/yyyy):
e. Gender: [ ] Male [ ] Female	f. Height:	g. Weight:	
h. Address:	i. City, State, Zip:	j. Phone:	
k. Health Plan ID #:	l. Group #:		

3. ORDERING PHYSICIAN/CLINIC INFORMATION:

a. Name:	b. TIN/NPI#:	c. Specialty:	d. Contact Name:
e. Clinic Name:		f. Clinic Address:	
g. City, State, Zip:		h. Phone:	i. Fax or email:

4. RENDERING PHYSICIAN/CLINIC/FACILITY/PHARMACY INFORMATION: [ ] Check if same as 3.

a. Name:	b. TIN/NPI#:	c. Specialty:	d. Contact Name:
e. Physician/Clinic/Facility/Pharmacy Name:		f. Address:	
g. City, State, Zip:		h. Phone:	i. Fax or email:

5. REQUESTED MEDICAL PROCEDURE/COURSE OF TREATMENT/DEVICE INFORMATION:

a. Service Type:
b. Setting/CMS POS Code: Outpatient [ ] Inpatient [ ] Home [ ] Office [ ] *Other [ ]
c. *Please specify if other:

6. HCPCS/CPT/CDT CODES

a. Latest ICD Code	b. HCPCS/CPT/CDT Code	c. Code Description	d. Medical Reason

Other Clinical Information – Include/attach clinical/office notes, laboratory information, imaging reports, and any guiding documentation to support medical necessity. If this is an out-of-network request, please provide an explanation.

7. OTHER SERVICES (SEE INSTRUCTIONS)

8-23-16 [Name/Logo of Authorizing Entity]

Prior Authorization Form for Medical Procedures, Courses of Treatment, or Prescription Drug Benefits

If you have questions about our prior authorization requirements, please refer to [contact information]

a. Type of Service:	b. Name of Therapy/Agency:	
c. Units/Volume/Visits Requested:	d. Frequency/Length of Time Needed:	e. Initial [ ] Extension [ ] Previous Authorization #:
f. Additional Comments:		

8. PRESCRIPTION DRUG

a. Diagnosis name and code:			
b. Medication Requested	c. Strength	d. Dosing Schedule (including length of therapy)	e. Quantity Per Month or Quantity Limits
f. Is the patient currently treated with requested medication(s): [ ] Yes [ ] No If yes, When was treatment with the requested medication started?			
g. Explain the medical reasons for the requested medications, including an explanation for selecting these medications over alternatives:			
h. List any other medications patient will use in combination with requested medication:			

9. PREVIOUS SERVICES/THERAPY (INCLUDING DRUG, DOSE, DURATION, AND REASON FOR DISCONTINUING PREVIOUS THERAPY)

a.	Date Discontinued
b.	Date Discontinued
c.	Date Discontinued

Additional Information – Please attach and submit any progress notes, lab data, discharge summaries, or other guiding documentation to support discontinuation of previous therapy and initiation of therapy with the requested medication along with a copy of the prescription.

10. ATTESTATION

I hereby certify and attest that all information provided as part of this prior authorization request is true and accurate.

Provider Signature:_____ Date:_____

DO NOT WRITE BELOW THIS LINE: FIELDS TO BE COMPLETED BY PLAN

690-161.011

OIR-B2-2180 New

[Name of Plan][Mailing Address][City, State, Zip][Utilization Management Contact Information (including fax if applicable)]

8-23-16 [Name/Logo of Authorizing Entity]

Prior Authorization Form for Medical Procedures, Courses of Treatment, or Prescription Drug Benefits

If you have questions about our prior authorization requirements, please refer to [contact information]

Authorization #_____ Contact Name: _____

Instructions for OIR-B2-2180

1. Priority: Only one of the following options should be marked.
    a. Standard should be marked if the prior authorization request is not an urgent request or the medical service has not been scheduled.
    b. Date of Service should be chosen if the requested medical service has been scheduled for a future date. The scheduled date should be written in the corresponding box to the right of the Date of Service label. Note that this is for informational purposes only and that the health insurance issuer is not obligated to provide authorization prior to the scheduled date.
    c. Urgent should be marked if the patient's life may be seriously jeopardized by applying the standard review time frame.
2. Patient Information: All boxes should be completed.
    a. Fill in the patient's first name
    b. Fill in the patient's last name
    c. Fill in the patient's middle initial.
    d. Fill in the patient's date of birth beginning with the two-digit numerical representation for the month, followed by the two-digit numerical representation for the day, followed by the four digit year.
    e. Check the patient's applicable gender.
    f. Fill in the patient's height in inches.
    g. Fill in the patient's weight in pounds.
    h. Fill in the patient's current address if available.
    i. Fill in city, state, and zip code of the patient's address if available.
    j. Fill in the patient's phone number if available.
    k. Fill in the patient's unique health plan identification number.
    l. If available, fill in the patient's group identification number.
3. Ordering Physician or Clinic Information. In this section, complete all of the applicable boxes for the physician who is requesting the medical service.

    b. Fill in the provider's unique tax identification number or national provider identification number.

4. Rendering Physician. In this section, complete all of the applicable boxes for the physician who is being requested to perform or administer the medical service. If the ordering physician is the same as the rendering physician, mark the box next to the title. The section will not need to be completed unless any information differs from section 3.

    b. Fill in the provider's unique tax identification number or national provider identification number.

5. Requested medical Procedure, Course of Treatment, or medical Device information.
    a. In this box, explain with sufficient accuracy the nature of the requested medical service.

b. Write the Setting or CMS Place of Service Code. Additionally, mark the box to the right of where the requested medical service will be performed or given.
c. If Other was marked in 5.a., write where the requested medical service or device will be given.

6. HCPCS/CPT/CDT CODES. In this section you should explain the CMS Healthcare Common Procedure Coding System Code, Current Procedural Terminology Code, and or the Current Dental Terminology Code, whichever are applicable and necessary to determine which medical services or procedures are being requested.
    a. Enter the most current International Classification of Disease Code used to classify and code the diagnoses, symptom, or procedure applicable to the patient's condition.
    b. Explain the CMS Healthcare Common Procedure Coding System Code, Current Procedural Terminology Code, and or the Current Dental Terminology Code, whichever are applicable and necessary to determine which medical services or procedures are being requested.
    c. Provide a description of the code used in 6.b.
    d. Provide a medical reason for requesting the medical service.

    Other Clinical Information – If necessary attach other relevant guiding documentation to the request. This does not call for the submission of all documents, just those necessary to make a decision on the request. If this is an out of network request, provide an explanation and attach it to the request.

7. This section should be completed in the event the requested medical service does not fall within the other sections. A description of the nature of the medical service requested and corresponding details should be completed to fully convey what is being requested. Examples of other services may include, but are not limited to, rehabilitation services and home health care services.
8. This section should be completed if prescription medication is being requested.
    a. Fill in the diagnosis name and code of the condition the prescription drug will be used to treat.
    b. Detail the medication requested.
    c. Detail the strength of the medication requested.
    d. Detail the dosing schedule of the medication requested, including the length of therapy.
    e. Detail the quantity per month or quantity limit of the medication requested.
    f. Check the appropriate box and explain if necessary.
9. Previous Services or Therapy (Including Drug, Dose, Duration, and Reason for Discontinuing Previous Therapy). This section should be completed if the patient has had previous therapy relating to the medical service being requested. All relevant previous services or therapy should be explained. If there is not enough space, attach another sheet to explain other therapies. If additional guiding documentation is necessary to explain the previous therapy or treatment, that should be attached as well. Include any reason for discontinuing the previous services or therapy.

10. The requesting provider must truthfully certify that all information provided as part of the prior authorization request is true and accurate.

69O-161.001
Rulemaking Authority

624.308 Rules.—
(1) The department and the commission may each adopt rules pursuant to ss. 120.536(1) and 120.54 to implement provisions of law conferring duties upon the department or the commission, respectively.

627.647 Standard health claim form.—
(1) The commission shall prescribe a standard health claim form to be used by all hospitals and a standard health claim form to be used by all physicians, dentists, and pharmacists. Such forms shall be in a format that allows for the use of generally accepted coding systems by providers in order to facilitate the processing of claims. Such forms shall provide for the disclosure by the claimant of the name, policy number, and address of every insurance policy which may cover the claimant with respect to the submitted claim except those policies specified in s. 627.4235(5). The required information on diagnosis, dental procedures, medical procedures, services, date of service, supplies, and fees may also be met by an attachment to the appropriate physician claim form. However, for the purpose of filing Medicaid claims, such attachments shall be prohibited. Such standard health claim forms shall be accepted by all insurers and all agencies, departments, and divisions of the state.
(2) This section does not apply to claims submitted by electronic or electromechanical means, except that such claims must include disclosure of every insurance policy which may cover the claimant with respect to the submitted claim.

624.307 General powers; duties.—
(1) The department and office shall enforce the provisions of this code and shall execute the duties imposed upon them by this code, within the respective jurisdiction of each, as provided by law.

627.510 Settlement on proof of death.—
(2) Insurers transacting industrial life insurance business in the state who require a claim form to be filed by a claimant for settlement of a policy shall allow the claimant to file the claim using the uniform life insurance claim form developed by the commission. The commission shall establish by rule a uniform life insurance claim form to be used by claimants for settlement of any industrial life insurance policy issued by an insurer transacting life insurance business in this state.

627.42392 Prior authorization.—

(1) As used in this section, the term "health insurer" means an authorized insurer offering health insurance as defined in s. 624.603, a managed care plan as defined in s. 409.962(9), or a health maintenance organization as defined in s. 641.19(12).

(2) Notwithstanding any other provision of law, effective January 1, 2017, or six (6) months after the effective date of the rule adopting the prior authorization form, whichever is later, a health insurer, or a pharmacy benefits manager on behalf of the health insurer, which does not provide an electronic prior authorization process for use by its contracted providers, shall only use the prior authorization form that has been approved by the Financial Services Commission for granting a prior authorization for a medical procedure, course of treatment, or prescription drug benefit. Such form may not exceed two pages in length, excluding any instructions or guiding documentation, and must include all clinical documentation necessary for the health insurer to make a decision. At a minimum, the form must include: (1) sufficient patient information to identify the member, date of birth, full

name, and Health Plan ID number; (2) provider name, address and phone number; (3) the medical procedure, course of treatment, or prescription drug benefit being requested, including the medical reason therefor, and all services tried and failed; (4) any laboratory documentation required; and (5) an attestation that all information provided is true and accurate.

(3) The Financial Services Commission in consultation with the Agency for Health Care Administration shall adopt by rule guidelines for all prior authorization forms which ensure the general uniformity of such forms.

(4) Electronic prior authorization approvals do not preclude benefit verification or medical review by the insurer under either the medical or pharmacy benefits.

Presentation to the Florida Financial Services Commission

Florida Office of Insurance Regulation (Office)

Commissioner David Altmaier

September 20, 2016

Presentation Agenda

Performance Measures & Market Update	• Hurricane Hermine Update • Property & Casualty Market • Life & Health Market
Legislative Budget Request	• Fiscal Year 2016-2017 Budget • Fiscal Year 2017-2018 OIR Proposal
2017 Legislative Session	• Office Priorities • Areas of Interest

Office Objectives

How do we define success?

- Promote markets offering products with fair, understandable coverage at adequate, not excessive/unfairly discriminatory rates.
- Protect the public from illegal, unethical insurance products and practices.
- Monitor insurer financial condition and act on issues as early as possible to prevent harm to consumers.
- Operate in an efficient, effective and transparent manner.

We continue to define success as being synonymous with our mission which is "promoting a stable and competitive insurance market for consumers."

Performance Measures Detail

Fiscal Year & Fourth Quarter 2015-2016

OIR Performance Measures

		Fiscal Year Total		4th Quarter	
	Objective	**Result**	**Score**	**Result**	**Score**
1	Applications for a new certificate of authority and new types of insurance added to an existing certificate of authority within 90 days	*100%*	5	*100%*	5
2	Life and health form and rate filing reviews completed within 45 days	*99.9%*	5	*99.9%*	5
3	Property and casualty form filing reviews completed within 45 days	*100%*	5	*100%*	5
4	Property and casualty rate filing reviews completed within 90 days	*99.8%*	5	*100%*	5
5	Market conduct exams with violations in which the Office requires companies to remediate	*100%*	5	*100%*	5
6	Financial exams of domestic insurers completed within 18 months of the "as of" exam date	*100%*	5	*100%*	5
7	Life and health priority financial examinations of domestic insurers completed within 18 months of the "as of" exam date	*100%*	5	*100%*	5
8	Property and casualty priority financial examinations of domestic insurers completed within 18 months of the "as of" exam date	*100%*	5	*100%*	5
9	Priority financial analyses completed within 60 days	*100%*	5	*100%*	5
10	Non-priority financial analyses completed within 90 days	*99.9%*	4	*100%*	5
	Overall Score		**4.90**		**5.00**

Note: Scoring is based on the scale adopted by the Financial Services Commission, with 1 being lowest and 5 being highest, and each measure of equal weight.

Property & Casualty

Activities, Accomplishments, and Opportunities

Selected Activities & Accomplishments

- 570,080 Citizens Property Insurance Corp. policies have been approved for take-out from January-November 2016
- Held public hearing on the rate filing from the National Council on Compensation Insurance (NCCI) to address proposed rate impacts associated with two Florida Supreme Court decisions
  - 15% Castellanos v. Next Door Company
  - 2.2% Westphal v. City of St. Petersburg
  - 1.8% for updates to the Health Care Provider Reimbursement Manual
- Personal Injury Protection (PIP) insurance study report
- Title insurance data call to title agencies and companies with 1,656 total responses

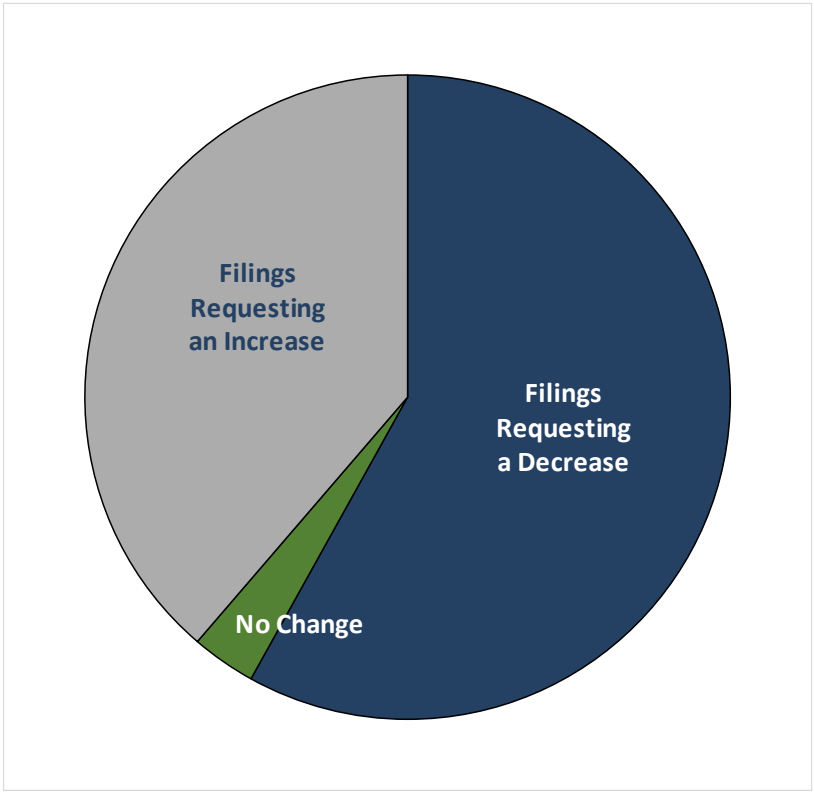
Opportunities

- Impact of third-party claims statewide on homeowners insurance rates
- Court cases affecting workers' compensation insurance
- Fostering a private flood insurance market
- Adapting to new business models (e.g. ridesharing, home-sharing)
- Trade secret protections preventing the public's access to company information available through the Quarterly & Supplemental Reporting (QUASR) system online
- Continued soft reinsurance market

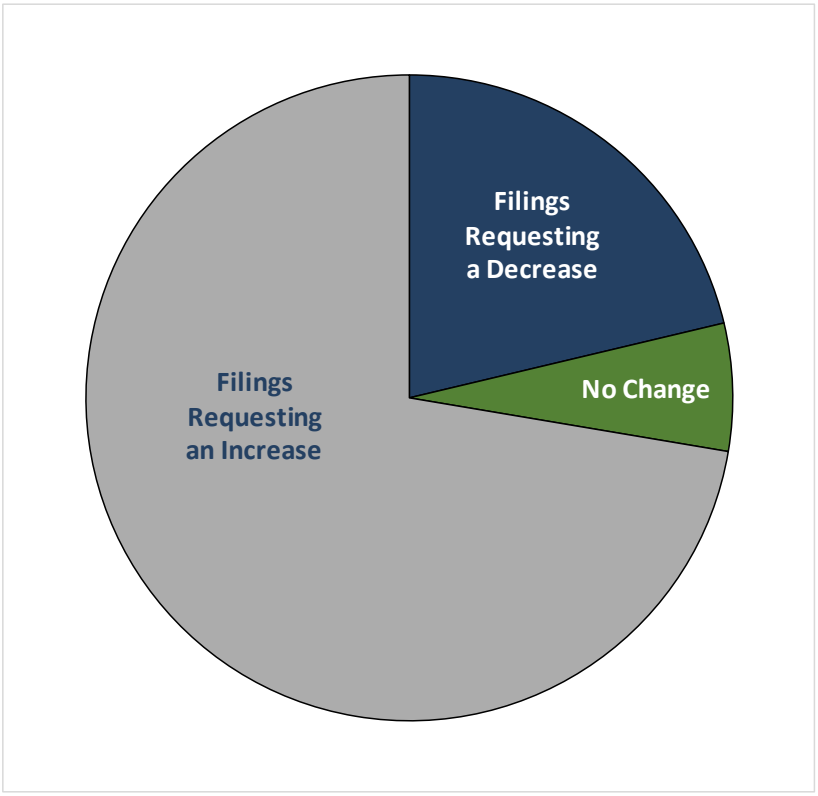
Homeowners

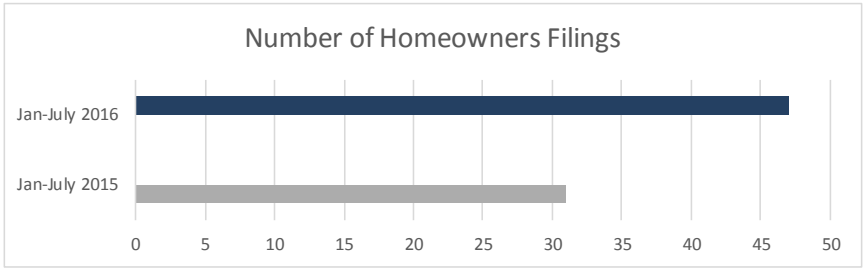
Proportional View of Requested Rate Changes 2015-2016

Rate Filings Jan-July 2015



Rate Filings Jan-July 2016



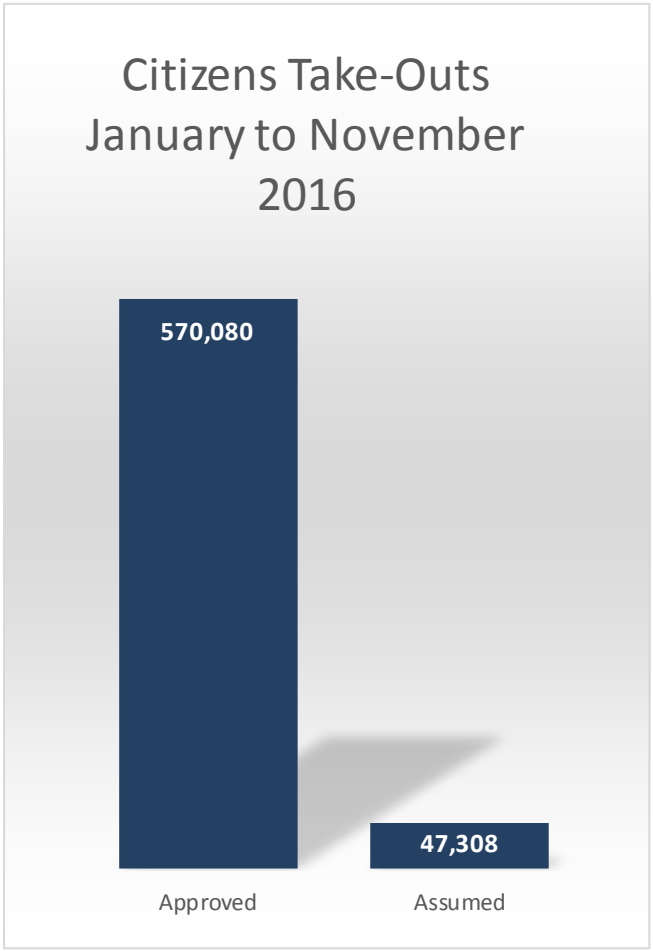


Citizens Property Insurance Corp

Take-Outs Approved and Assumed January to November 2016

Citizens Policy Take-Outs

	Approved	Assumed
January	130,534	19,424
February	75,115	11,529
March	71,500	2,481
April	66,500	3,351
May	81,500	3,108
June	19,535	6,197
July	15,000	1,218
August		
September	15,000	
October	25,650	
November	69,746	
Total	570,080	47,308



Life & Health

Activities, Accomplishments, and Opportunities

Selected Activities & Accomplishments

- Per federal guidance, the Office received 15 individual and 15 small group PPACA-compliant health insurance rate filings for the 2017 plan year and proceeded to review the filings for compliance with state laws.
- Held two long-term care insurance rate hearings in August due to the potential for significant impacts to Florida policyholders.

Long-Term Care		
	Increases Proposed	# Policyholders
Met Life	20-95%	22,796
Unum	0-114%	45,666

Opportunities

- Working with the health insurance industry to navigate through significant shifts in market and regulatory dynamics
- Balancing consumer protections with maintaining a robust and competitive market
- Working to find solutions for seniors facing Long-Term Care risk
- Protecting consumers from emergency medical transportation balance billing, especially air transport
- Enhancing claims-paying capacity for Health Maintenance Organizations (HMOs)
- Moving from a formulaic to a dynamic, principles-based approach to life insurer solvency

Long-Term Care

Portion of Direct Premiums from Long-Term Care Business

National Long-Term Care Top 25* by Total LTC Earned Premium

Rank	Company	NAIC Code	Total LTC Earned Premium[1]	Total National Direct Premium[2]	LTC % of Total Premium	LTC Market Share	Recent Avg Rate Requested
1	***Genworth Life Insurance Company***	***70025***	***$2,461.3 M***	***$3,309.8 M***	***74.4%***	***22%***	***18%***
2	***John Hancock Life Insurance Company (USA)***	***65838***	***$1,542.9 M***	***$20,189.9 M***	***7.6%***	***14%***	***17%***
3	Metropolitan Life Insurance Company	65978	$753.2 M	$32,865.5 M	2.3%	7%	62%
4	***Northwestern Long Term Care Insurance Company***	***69000***	***$551.5 M***	***$560.2 M***	***98.4%***	***5%***	-
5	Unum Life Insurance Company Of America	62235	$530.9 M	$4,393.7 M	12.1%	5%	48%
6	Continental Casualty Company	20443	$497.9 M	$4,058.9 M	12.3%	4%	32%
7	***Transamerica Life Insurance Company***	***86231***	***$461.5 M***	***$17,590. M***	***2.6%***	***4%***	***108%***
8	***Bankers Life And Casualty Company***	***61263***	***$450. M***	***$2,158.1 M***	***20.9%***	***4%***	***33%***
9	The Prudential Insurance Company Of America	68241	$382.6 M	$22,009. M	1.7%	3%	29%
10	***New York Life Insurance Company***	***66915***	***$259.7 M***	***$13,866.5 M***	***1.9%***	***2%***	***4%***
11	***Mutual Of Omaha Insurance Company***	***71412***	***$256.6 M***	***$1,172.1 M***	***21.9%***	***2%***	***11%***
12	Genworth Life Insurance Company Of New York	72990	$227.2 M	$426.4 M	53.3%	2%	-
13	Metlife Insurance Company USA	87726	$224.6 M	$9,620.2 M	2.3%	2%	7%
14	***State Farm Mutual Automobile Insurance Company***	***25178***	***$215.3 M***	***$23,535.4 M***	***0.9%***	***2%***	***25%***
15	***Massachusetts Mutual Life Insurance Company***	***65935***	***$212.3 M***	***$20,741.7 M***	***1.0%***	***2%***	-
16	Riversource Life Insurance Company	65005	$203.6 M	$6,533.9 M	3.1%	2%	43%
17	Allianz Life Insurance Company Of North America	90611	$186.5 M	$11,298.7 M	1.7%	2%	20%
18	John Hancock Life Insurance Company	93610	$177.5 M	$613.5 M	28.9%	2%	13%
19	Senior Health Insurance Company Of Pennsylvania	76325	$129.1 M	$129.1 M	100.0%	1%	25%
20	Medamerica Insurance Company	69515	$89.3 M	$89.6 M	99.7%	1%	30%
21	Union Security Insurance Company	70408	$80.4 M	$1,033.6 M	7.8%	1%	116%
22	United Of Omaha Life Insurance Company	69868	$76.7 M	$4,023.8 M	1.9%	1%	-
23	Ability Insurance Company (FKA Medico Life)	71471	$74.5 M	$76.1 M	98.0%	1%	36%
24	First Unum Life Insurance Company	64297	$66.5 M	$418.8 M	15.9%	1%	-
25	Berkshire Life Insurance Company Of America	71714	$65.5 M	$521.1 M	12.6%	1%	-

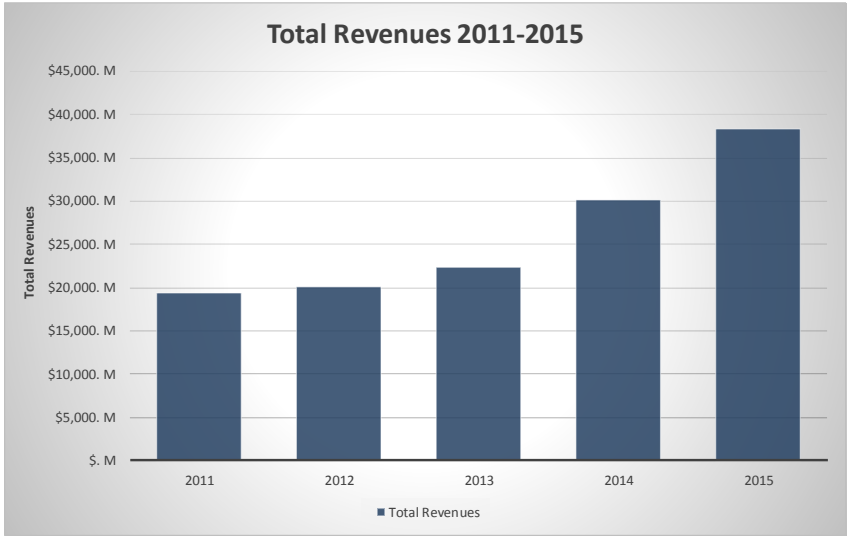
1. Data taken from Long-Term Care Experience Reporting Form 2 (Summary) for all Life, Health, and P&C filers with the NAIC and the results are in $Millions.
2. Data taken from Exhibit 1, Part 1 for life filers and the Underwriting and Investment Exhibit, Part 2 for health and P&C filers and the results are in $Millions.

* The top 25 companies make up roughly 91% of the entire national market and those companies in bold italics are still selling in the state of Florida per the CY 2015 GAP Report.

** - Indicates that the company has not requested rate changes on existing products in Florida.

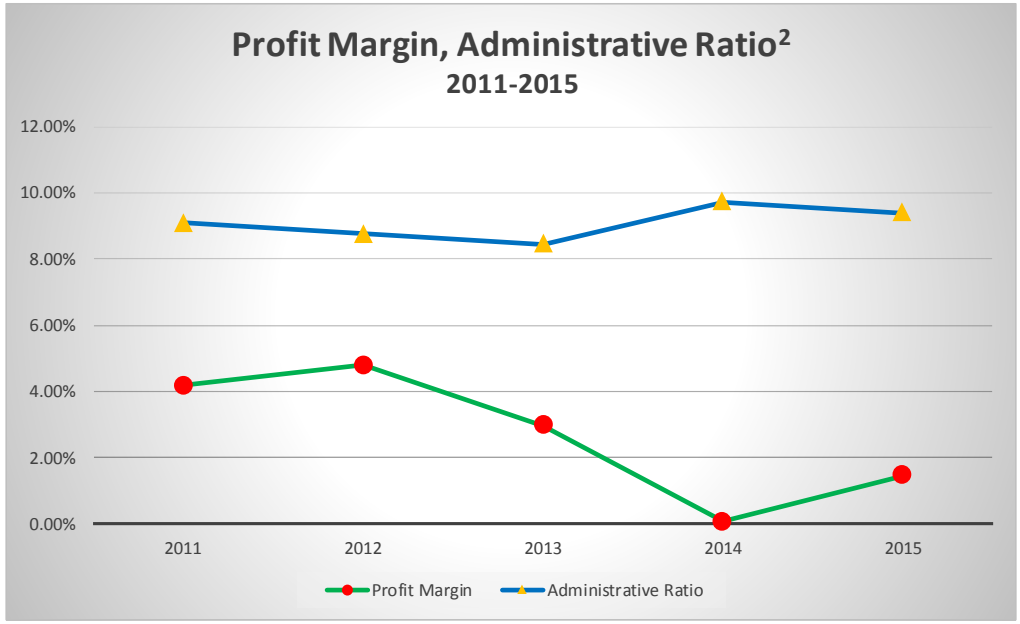
Domestic HMOs

Income Statement Data 2011-2015*



Our domestic HMOs have experienced a challenging environment over recent years. As revenues have continued to climb, profits have been significantly reduced. This is in part due to increasing expenses, medical costs, and the implementation of the Affordable Care Act.

Loss Ratio[1]	
2011	82.9%
2012	82.0%
2013	84.4%
2014	86.8%
2015	85.8%
% Increase	3.6%



- Data taken from the Five Year Historical exhibit for each domestic HMO.

1. Loss ratio is defined as the sum of medical related expenses divided by revenues
2. Administrative ratio is defined as the sum of administrative expenses divided by revenues

Office Budget – Fiscal Year 2016-2017

- Team of 292 Employees (Down 7.4% from a peak of 315 employees in FY 2007-08)
- Total Budget of $30,906,841
- Exclusively funded by the Insurance Regulatory Trust Fund - no General Revenue is utilized for the Office's budget
- The Office is administratively housed within the Department of Financial Services for some administrative and technology support services

Office Budget

FY 2016-2017 and FY 2017-2018

Legislative Appropriation Category	FY 2016-2017	OIR Proposal FY 2017-2018
Salaries and Benefits	$ 19,959,767	$ 21,488,526
Financial Examinations (Pass-Through)	$ 4,926,763	$ 4,926,763
* Property & Casualty Examinations ($3,501,763)		
* Life & Health Examinations ($1,425,000)		
Expenses (includes $1.1 million for office building rent to DMS)	$ 2,481,072	$ 2,491,293
Contracted Services	$ 1,430,726	$ 1,430,726
Florida Public Hurricane Model - Maintenance & Support to FIU	$ 632,639	$ 632,639
Florida Public Hurricane Model – Year 4 Enhancements (*Non-recurring*)	$ 850,000	$ -
Other Personal Services	$ 290,169	$ 290,169
Risk Management Insurance	$ 112,446	$ 128,297
Operating Capital Outlay	$ 98,000	$ 98,000
Transfer to DMS (HR Contract)	$ 97,856	$ 94,605
Lease/Purchase/Equipment	$ 27,403	$ 27,403
Total	**$ 30,906,841**	**$ 31,608,421**

Legislative Budget Request - FY 2017-2018

Actuarial Services

- Additional Property & Casualty Actuary
- Reclassification of 8 Actuaries to Sr. Actuary
- Reclassification of 8 Positions to Sr. Actuarial Analyst

Request: $488,651

Staffing Needs

- Reclassification of Positions - Property & Casualty Financial Oversight
- Reclassification of Positions – Life & Health Financial Oversight
- Additional Rate – Other

Request: $748,829

2017 Legislative Issues

- Third Party Property Claims
- Modernizing Capital Standards for Health Plans
- Continuing Care Retirement Communities
- Long-Term Care
- Eliminating redundant and/or obsolete statutory language

- Workers' Compensation
- Personal Automobile Insurance