

**690-142.015 Standardized Requirements Applicable to Insurers After Hurricanes or Natural Disasters.**

This rule adopts standardized requirements that may be applied to insurers as a consequence of a hurricane or other natural disaster. The Office is authorized to issue an Order or Orders deemed necessary to protect the health, safety and welfare, activating the requirements herein, in whole or in part. An Order may be amended as deemed necessary to accommodate the particular circumstances of the specified hurricane or natural disaster. The following standardized provisions may be activated as provided herein:

(1) Claims Reporting Requirements.

(a) All entities having direct premiums written in Florida and authorized, approved or otherwise eligible to provide the coverages indicated below in subparagraphs (1)(a)1. and 2., shall report the requested information to the Office required by Form OIR DO 1681, "Catastrophic Event Data Reporting and Analysis", providing loss and associated exposure data within this state. The reporting shall be submitted with such frequency and for such areas as set forth in the Order ~~activating this subsection and may be revised to reflect the phases of reporting necessary as set forth in form OIR DO 1681.~~ The applicable coverages are:

1. Those coverages as defined in sections 627.4025(1) and 215.555(2)(c), F.S.
2. Other property coverages where loss is not specifically excluded in the policy's outline of coverage such as:
  - a. Private Passenger Auto Physical Damage;
  - b. Commercial Auto Physical Damage;
  - c. Commercial Property, including Fire and Allied Lines;
  - d. Commercial Multiple Peril;
  - e. Farmowners Multiple Peril;
  - f. Ocean Marine;
  - g. Inland Marine;
  - h. Aircraft; and,
  - i. Boiler and Machinery.

(b) ~~The following form is hereby adopted and incorporated by reference:~~

1. Insurers shall electronically submit the data required for each reporting event. Required data may include but is not limited to: OIR DO 1681 (revised 05/2007) "Catastrophic Event Data Reporting and Analysis" and is available from the Office's website: <http://www.flor.com/iportal>.

- a. Policies in force;
- b. Total insured value of policies in force;
- c. Number of claims reported;
- d. Claims closed with payment;
- e. Claims closed without payment;
- f. Number of open claims;
- g. Percent of claims closed;
- h. Paid loss excluding loss adjustment expense;
- i. Paid allocated loss adjustment expense;
- j. Case incurred loss excluding loss adjustment expense; and,
- k. Case allocated loss adjustment expense.

2. All information shall be submitted electronically through <http://www.flor.com/iportal>.

(2) Grace Periods and Temporary Postponement of Cancellations or Non-renewals. ~~Other property coverages where loss is not specifically excluded in the policy's outline of coverage such as:~~

(a) Subsection (2) of this rule, applies to all contracts of property and casualty insurance and other contracts that are subject to regulation under the Florida Insurance Code and not governed by subsection (3) of this rule, including:

1. All policies referenced in chapters 440, 624, 626 and 627, F.S.; and
2. All policies or contracts issued pursuant to chapters 636, 641 and 651, F.S.;
3. ~~Contracts issued by Multiple Employer Welfare Arrangements and Commercial Self-Insurance Trusts; and,~~
4. Premium Finance Company contracts; ;

References herein to "policy" or "contract of insurance" includes all agreements regulated under the Insurance

Code.

(b) Reinsurance contracts are not subject to this rule, however, ceding insurers shall, within ten (10) days, notify the Office, of the cancellation or nonrenewal of any reinsurance contract reinsuring property risks located in the ~~state~~ State. All filings shall be submitted electronically to <http://www.floir.com/iportal>.

~~(c) Any free look period in a variable life policy or variable annuity contract is not extended by this rule.~~

~~(d)~~ As to any policy provision, notice, correspondence, or law ~~that which~~ imposes a time limit upon an insured to perform any act, ~~including transmitting or transmit~~ information or funds with respect to a contract of insurance, which act was to have been performed on or after the date specified in the Order of the Office, the time limit shall be extended to a date specified in the Order.

1. This extension of time shall not relieve a policyholder who has a claim resulting from the designated hurricane or natural disaster from compliance with their obligations to provide information and cooperate in the claim adjustment process relative to their property damage claim.

2. This extension of time shall also not apply to new policies effective on or after the date specified in the Order.

No interest, penalties, or other charges, shall accrue or be assessed, as the result of the extensions required herein. Interest that is owed pursuant to premium financing plans with premium finance companies or insurers or their affiliates may be assessed.

~~(d)(e)~~ During the dates specified in the Order, no insurer or other entity regulated under the Insurance Code ~~insurance code~~ shall cancel or non-renew, a policy or contract of insurance or issue a notice of cancellation or nonrenewal of a policy or contract of insurance covering a, ~~covering a person~~, property or risk in the referenced areas as specified in the Order, except at the written request or written concurrence of the policyholder ~~policy holder~~.

~~(e)(f)~~ All notices of cancellation issued or mailed within ten (10) calendar days preceding the date specified in the Order and, affecting the referenced ~~specified~~ areas, shall be withdrawn and reissued to insureds on or after the date specified in the Order.

~~(f)(g)~~ A cancellation or nonrenewal may occur prior to the expiration date specified in the Order, at the written request or written concurrence of the policyholder.

~~(g)(h)~~ Except as provided in paragraphs (2)(d) and (e) (2)(e) and (f), with respect to a notice of cancellation or nonrenewal ~~that which~~, but for this rule, would have taken effect during the dates specified in the Order, such notice is not made invalid by this rule; however;

1. The insurer shall extend the coverage to and including the date specified in the Order, or a later date specified by the insurer; and

2. The premium for the extended term of coverage shall be the appropriate pro rata portion of the premium for the entire term of the policy.

~~(h)(i)~~ An insurer or other regulated entity that was unable to cancel or non-renew a policy due to the operation of this rule, may upon proper notice, cancel or non-renew such policy, effective on the date the policy would have otherwise been cancelled or non-renewed, in the event the insured has not filed a claim under the policy and not paid outstanding premium due.

~~(i)(j)~~ No policy shall be cancelled or non-renewed solely because of a claim resulting from a hurricane or natural disaster.

~~(j)(k)~~ An insurer's offer of replacement coverage, ~~that which~~ is voluntarily accepted by an insured or applicant in an affiliated company, or made pursuant to a depopulation program, assumption or other arrangement approved by the Office does not constitute a nonrenewal or cancellation for purposes of this rule.

~~(k)(l)~~ Any insurer who receives a claim from an insured owing premium may offset the premium due to the insurer or a premium finance company from any claim payment made under the policy.

~~(l)(m)~~ Nothing in this rule shall be construed to exempt or excuse an insured from liability for premiums otherwise due for actual coverage provided.

~~(m)(n)~~ This rule shall not apply to new policies effective on or after the initial activation date specified in the

Order.

~~(n)(e)~~ If the contract of insurance was financed by a premium finance company for risks located in the referenced ~~specified~~ areas, the following provisions apply:

1. Premium finance companies may issue advisory 10-day notices of intent to cancel and cancellation notices in accordance with the terms of the premium finance agreement signed by the insured. In addition, each such advisory notice shall prominently contain the following statement:

“If you have been displaced through the loss of your home or damage to your home which has caused you to reside elsewhere on a temporary basis, or if you have temporarily become unemployed due to the destruction caused by Hurricane [name of hurricane or natural disaster], please contact this office at once.

Victims of Hurricane [name of hurricane or natural disaster] will receive an automatic extension of time to and including [date specified in the Order], to bring their accounts up to date and no late charges will be applied to any late payments received which were due on their accounts during the period of the dates specified in the Order.

Therefore, if you are a victim of Hurricane [name of hurricane or natural disaster], please contact us at once at the number provided at the bottom of this notice so that we may advise you of the status of your account.

If you decide that you no longer need or desire to keep the coverage provided by the insurance policy financed by your contract with us, please contact us at once so that we may instruct you on how to effect cancellation with your insurer.”

2. If a premium finance loan is in default at the end of the grace period, a premium finance company shall give proper notice by:

a. Issuing a 10 day notice of intent to cancel to the insured by the means provided under section 627.848(1)(a)1., F.S., and applicable regulations; and,

b. If the insured does not bring their loan current within the time provided in the notice of intent, a premium finance company may mail the insurer a request for cancellation as provided in section 627.848(1)(a)2., F.S.

3. Upon receipt of a request for cancellation from a premium finance company after the grace period specified in an Emergency Order expires, the insurer will process the cancellation in accordance with paragraph ~~(2)(h)~~ ~~(i)~~.

4. Any insurer who is unable to cancel because it has received a claim under a policy for which it receives a notice of cancellation from a premium finance company will offset the balance owed the premium finance company, as disclosed in the notice of cancellation, from the first claim payments made under the policy.

5. No late charges shall be assessed for any insured who qualifies for protection under this rule.

~~(o)(e)~~ Subsection (2) of this rule, shall not apply to policies for the following kinds of insurance issued by authorized insurers ~~that which~~ cover a business that is domiciled or maintains its primary place of business outside of the State of Florida: Surety insurance as defined in section 624.606, F.S.; Fidelity insurance as defined in section 624.6065, F.S.; Marine insurance, wet marine and transportation insurance and inland marine insurance as defined in section 624.607, F.S.; Title insurance as defined in Section 624.607, F.S.; Collateral Protection insurance as defined in section 624.6085, F.S.; Workers’ Compensation insurance as defined in section 624.605, F.S.; Casualty insurance as defined in section 624.605, F.S., but limited to coverage of commercial risks other than residential or personal property; and property insurance as defined in section 624.604, F.S., but limited to coverage of commercial risks other than residential or personal property. Additionally, this rule shall not apply to life insurance policies or annuity contracts that are owned by a person other than the insured or the annuitant or where the premium payer under such policy is a person other than the insured or annuitant and such owner or premium payer does not reside in the referenced areas.

~~(p)(e)~~ Any insurer that becomes impaired or insolvent due to a hurricane or natural disaster or the operation of subsequent rules and orders has a duty to report the resulting financial condition to the Office as soon as possible. Notwithstanding any other provisions contained herein, an insurer may file a petition pursuant to section 120.542, F.S. if compliance with this rule may be reasonably expected to result in such insurer being subject to financial regulatory action levels by the Office.

~~(q)(e)~~ The provisions of this rule shall be liberally construed to effectuate the intent and purposes expressed therein and to afford maximum consumer protection.

(3) Grace Periods and Temporary Postponement of Cancellations or Non-renewals.

(a) This subsection applies to all life and health contracts of insurance subject to regulation under the Florida Insurance Code including:

1. All policies referenced in chapters 624, 626, 627, 636, 641, and 651, F.S.;
2. Contracts issued by Multiple Employer Welfare Arrangements and Commercial Self-Insurance Trusts; and
3. Premium Finance Company contracts associated with life and health contracts.

References herein to “policy” or “contract of insurance” includes all life or health agreements regulated under the Insurance Code. References to “insurer” include all regulated entities issuing these agreements.

(b) Any free look period in a variable life policy or variable annuity contract is not extended by this rule.

(c) As to any policy provision, notice, correspondence, or law which imposes a time limit upon an insured to perform any act or transmit information or funds with respect to a contract of insurance, which act was to have been performed on or after the date specified in the Order of the Office, the time limit shall be extended to the date specified in the Order, except that:

1. This extension of time shall not relieve an insured who has a claim during this period from compliance with any obligation to provide information and cooperate in the claim adjustment process relative to their claim.

2. This extension of time shall not apply to new policies effective on or after the date specified in the Order.

No interest, penalties, or other charges shall accrue or be assessed as the result of the extensions required herein. However, interest that is owed pursuant to premium financing plans with premium finance companies or insurers or their affiliates may be assessed.

(d) During the dates specified in the Order, no insurer or other entity regulated under the insurance code shall cancel or non-renew a policy or contract of insurance or issue a notice of cancellation or nonrenewal on a contract of insurance covering a person in the referenced areas as specified in the Order, except at the written request or written concurrence of the policyholder.

(e) All notices of cancellation issued or mailed ten (10) calendar days preceding the date specified in the Order, affecting a person in the specified areas, shall be withdrawn and reissued to insureds on or after the date specified in the Order.

(f) A cancellation or nonrenewal may occur prior to the expiration date specified in the Order, at the written request or written concurrence of the policyholder. The application for and issuance of a replacement major medical health insurance policy which is subject to regulation by the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, may be regarded by the insurer as a written request for cancellation of the current major medical insurance policy by the applicant/policyholder, provided the date of cancellation is not effectuated prior to the date of the effectuation of the replacement policy’s coverage.

(g) Except as provided in paragraphs (3)(e) and (f), with respect to a notice of cancellation or nonrenewal which, but for this rule, would have taken effect during the dates specified in the Order, such notice is not made invalid by this rule; however:

1. The insurer shall extend the coverage to and including the date specified in the Order, or a later date specified by the insurer;

2. The premium for the extended term of coverage shall be the appropriate pro rata portion of the premium for the entire term of the policy.

(h) Retroactive cancellation due to non-payment of premium:

1. An insurer or other regulated entity that was unable to cancel or non-renew a policy due to the operation of this rule, may upon proper notice, cancel or non-renew such policy, effective on the date the policy would have otherwise been cancelled or non-renewed, in the event the insured has not paid the outstanding premium due.

2. Insurers or Health Maintenance Organizations subject to the notice provisions of sections 627.6645(5) and 641.3108(2), F.S., respectively, may issue notices of cancellation that comport with those sections that specify no cancellation shall take place prior to the date specified in the Order.

(i) No policy shall be cancelled or non-renewed solely because of a claim resulting from a hurricane or natural disaster.

(j) An insurer’s offer of replacement coverage, which is voluntarily accepted by an insured or made pursuant to other arrangement approved by the Office does not constitute a nonrenewal or cancellation for purposes of this rule.

(k) Any insurer who receives a claim from an insured owing premium may offset the premium due to the insurer or a premium finance company from any claim payment made under the policy.

(l) Nothing in this rule shall be construed to exempt or excuse an insured from liability for premiums otherwise due for actual coverage provided.

(m) This rule shall not apply to new policies effective on or after the initial activation date specified in the Order.

(n) If the contract of insurance was financed by a premium finance company for persons located in the specified areas, the following provisions apply:

1. Premium finance companies may issue advisory 10-day notices of intent to cancel and cancellation notices in accordance with the terms of the premium finance agreement signed by the insured. In addition, each such advisory notice shall prominently contain the following statement:

“If you have been displaced through the loss of your home or damage to your home which has caused you to reside elsewhere on a temporary basis, or if you have temporarily become unemployed due to the destruction caused by Hurricane [name of hurricane or natural disaster], please contact this office at once.

Victims of Hurricane [name of hurricane or natural disaster] will receive an automatic extension of time to and including [date specified in the Order], to bring their accounts up to date and no late charges will be applied to any late payments received which were due on their accounts during the period of the dates specified in the Order.

Therefore, if you are a victim of Hurricane [name of hurricane or natural disaster], please contact us at once at the number provided at the bottom of this notice so that we may advise you of the status of your account.

If you decide that you no longer need or desire to keep the coverage provided by the insurance policy financed by your contract with us, please contact us at once so that we may instruct you on how to effect cancellation with your insurer.”

2. If a premium finance loan is in default at the end of the grace period, a premium finance company shall give proper notice by:

a. Issuing a 10 day notice of intent to cancel to the insured by the means provided under section 627.848(1)(a)1., F.S., and applicable regulations; and,

b. If the insured does not bring their loan current within the time provided in the notice of intent, a premium finance company may mail the insurer a request for cancellation as provided in section 627.848(1)(a)2., F.S.

3. Upon receipt of a request for cancellation from a premium finance company after the grace period specified in an Emergency Order expires, the insurer will process the cancellation in accordance with paragraph (3)(h).

4. Any insurer who is unable to cancel because it has received a claim under a policy for which it receives a notice of cancellation from a premium finance company will offset the balance owed the premium finance company, as disclosed in the notice of cancellation, from the first claim payments made under the policy.

5. No late charges shall be assessed for any insured who qualifies for protection under this rule.

(o) This rule shall not apply to life insurance policies or annuity contracts that are owned by a person other than the insured or the annuitant or where the premium payer under such policy is a person other than the insured or annuitant and such owner or premium payer does not reside in the referenced areas.

(p) Any insurer that becomes impaired or insolvent due to a hurricane or natural disaster or the operation of subsequent rules and orders has a duty to report the resulting financial condition to the Office as soon as possible. Notwithstanding any other provisions contained herein, an insurer may file a petition pursuant to section 120.542, F.S. if compliance with this rule may be reasonably expected to result in such insurer being subject to financial regulatory action levels by the Office.

(q) The provisions of this rule shall be liberally construed to effectuate the intent and purposes expressed therein and to afford maximum consumer protection.

This subsection does not apply to major medical health insurance policies subject to regulation by the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, and regulations adopted pursuant to those acts, to the extent this requirement would result in a violation of federal law.

*Rulemaking Authority 624.308, 627.7019 FS. Law Implemented 624.307(1), 624.319, 624.424, 627.7019 FS. History—New 6-12-07, Amended 7-30-17,\_\_\_\_\_.*