



350454

LEGISLATIVE ACTION

Senate

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House

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Floor: WD/2R

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05/04/2017 03:37 PM

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Senator Rodriguez moved the following:

1           **Senate Amendment to Amendment (655850) (with title**  
2 **amendment)**

3  
4           Delete lines 408 - 850

5 and insert:

6           Section 8. Section 440.34, Florida Statutes, is amended to  
7 read:

8           440.34 Attorney ~~Attorney's~~ fees; costs.—

9           (1) (a) A fee, gratuity, or other consideration may not be  
10 paid by a carrier or employer ~~for a claimant~~ in connection with  
11 any proceedings arising under this chapter, unless approved by



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12 the judge of compensation claims or court having jurisdiction  
13 over such proceedings. Any attorney fees ~~attorney's fee~~ approved  
14 by a judge of compensation claims for benefits secured on behalf  
15 of a claimant must equal to 20 percent of the first \$5,000 of  
16 the amount of the benefits secured, 15 percent of the next  
17 \$5,000 of the amount of the benefits secured, 10 percent of the  
18 remaining amount of the benefits secured to be provided during  
19 the first 10 years after the date the claim is filed, and 5  
20 percent of the benefits secured after 10 years.

21 (b) However, the judge of compensation claims shall  
22 consider the following factors in each case and may increase or  
23 decrease the attorney fees, based on a maximum hourly rate of  
24 \$225 per hour, if in his or her judgment he or she expressly  
25 finds that the circumstances of the particular case warrant such  
26 action:

27 1. The time and labor required, the novelty and difficulty  
28 of the questions involved, and the skill requisite to perform  
29 the legal service properly.

30 2. The fee customarily charged in the locality for similar  
31 legal services.

32 3. The amount involved in the controversy and the benefits  
33 resulting to the claimant.

34 4. The time limitation imposed by the claimant or the  
35 circumstances.

36 5. The experience, reputation, and ability of the attorney  
37 or attorneys performing services.

38 6. The contingency or certainty of a fee.

39 (c) The judge of compensation claims shall not approve a  
40 compensation order, a joint stipulation for lump-sum settlement,



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41 ~~a stipulation or agreement between a claimant and his or her~~  
42 ~~attorney,~~ or any other agreement related to benefits under this  
43 chapter which provides for attorney fees paid by a carrier or  
44 employer ~~an attorney's fee~~ in excess of the amount permitted by  
45 this section. The judge of compensation claims is not required  
46 to approve any retainer agreement between the claimant and his  
47 or her attorney. ~~The retainer agreement as to fees and costs may~~  
48 ~~not be for compensation in excess of the amount allowed under~~  
49 ~~this subsection or subsection (7).~~

50 (2) In awarding a claimant's attorney fees paid by a  
51 carrier or employer ~~attorney's fee~~, the judge of compensation  
52 claims shall consider only those benefits secured by the  
53 attorney. An attorney is not entitled to attorney ~~attorney's~~  
54 fees for representation in any issue that was ripe, due, and  
55 owing and that reasonably could have been addressed, but was not  
56 addressed, during the pendency of other issues for the same  
57 injury. The amount, statutory basis, and type of benefits  
58 obtained through legal representation shall be listed on all  
59 attorney ~~attorney's~~ fees awarded by the judge of compensation  
60 claims. For purposes of this section, the term "benefits  
61 secured" does not include future medical benefits to be provided  
62 on any date more than 5 years after the date the claim is filed.  
63 In the event an offer to settle an issue pending before a judge  
64 of compensation claims, including attorney ~~attorney's~~ fees as  
65 provided for in this section, is communicated in writing to the  
66 claimant or the claimant's attorney at least 30 days prior to  
67 the trial date on such issue, for purposes of calculating the  
68 amount of attorney ~~attorney's~~ fees to be taxed against the  
69 employer or carrier, the term "benefits secured" shall be deemed



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70 to include only that amount awarded to the claimant above the  
71 amount specified in the offer to settle. If multiple issues are  
72 pending before the judge of compensation claims, said offer of  
73 settlement shall address each issue pending and shall state  
74 explicitly whether or not the offer on each issue is severable.  
75 The written offer shall also unequivocally state whether or not  
76 it includes medical witness fees and expenses and all other  
77 costs associated with the claim.

78 (3) If any party should prevail in any proceedings before a  
79 judge of compensation claims or court, there shall be taxed  
80 against the nonprevailing party the reasonable costs of such  
81 proceedings, not to include attorney ~~attorney's~~ fees. A claimant  
82 is responsible for the payment of her or his own attorney  
83 ~~attorney's~~ fees, except that a claimant is entitled to recover  
84 attorney fees ~~an attorney's fee~~ in an amount equal to the amount  
85 provided for in subsection (1) ~~or subsection (7)~~ from a carrier  
86 or employer:

87 (a) Against whom she or he successfully asserts a petition  
88 for medical benefits only, if the claimant has not filed or is  
89 not entitled to file at such time a claim for disability,  
90 permanent impairment, wage-loss, or death benefits, arising out  
91 of the same accident;

92 (b) In any case in which the employer or carrier files a  
93 response to petition denying benefits with the Office of the  
94 Judges of Compensation Claims and the injured person has  
95 employed an attorney in the successful prosecution of the  
96 petition;

97 (c) In a proceeding in which a carrier or employer denies  
98 that an accident occurred for which compensation benefits are



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99 payable, and the claimant prevails on the issue of  
100 compensability; or

101 (d) In cases where the claimant successfully prevails in  
102 proceedings filed under s. 440.24 or s. 440.28.

103

104 Regardless of the date benefits were initially requested,  
105 attorney ~~attorney's~~ fees shall not attach under this subsection  
106 until 30 days after the date the carrier or employer, if self-  
107 insured, receives the petition.

108 (4) In such cases in which the claimant is responsible for  
109 the payment of her or his own attorney ~~attorney's~~ fees, such  
110 fees are a lien upon compensation payable to the claimant,  
111 notwithstanding s. 440.22.

112 (5) If any proceedings are had for review of any claim,  
113 award, or compensation order before any court, the court may  
114 award the injured employee or dependent attorney fees ~~an~~  
115 ~~attorney's fee~~ to be paid by the employer or carrier, in its  
116 discretion, which shall be paid as the court may direct.

117 (6) A judge of compensation claims may not enter an order  
118 approving the contents of a retainer agreement that permits  
119 placing any portion of the employee's compensation into an  
120 escrow account until benefits have been secured.

121 (7) This section may not be interpreted to limit or  
122 otherwise infringe on a claimant's right to retain an attorney  
123 and pay the attorney reasonable attorney fees for legal services  
124 related to a claim under the Workers' Compensation Law ~~If an~~  
125 ~~attorney's fee is owed under paragraph (3) (a), the judge of~~  
126 ~~compensation claims may approve an alternative attorney's fee~~  
127 ~~not to exceed \$1,500 only once per accident, based on a maximum~~



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128 ~~hourly rate of \$150 per hour, if the judge of compensation~~  
129 ~~claims expressly finds that the attorney's fee amount provided~~  
130 ~~for in subsection (1), based on benefits secured, fails to~~  
131 ~~fairly compensate the attorney for disputed medical only claims~~  
132 ~~as provided in paragraph (3) (a) and the circumstances of the~~  
133 ~~particular case warrant such action.~~

134 Section 9. Effective July 1, 2018, subsection (10) of  
135 section 624.482, Florida Statutes, is amended to read:

136 624.482 Making and use of rates.—

137 (10) Any self-insurance fund that writes workers'  
138 compensation insurance and employer's liability insurance is  
139 subject to, and shall make all rate filings for workers'  
140 compensation insurance and employer's liability insurance in  
141 accordance with, ss. 627.091, 627.101, 627.111, 627.141,  
142 627.151, 627.171, and 627.191, ~~and 627.211~~.

143 Section 10. Effective July 1, 2018, subsections (3), (4),  
144 and (6) of section 627.041, Florida Statutes, are amended to  
145 read:

146 627.041 Definitions.—As used in this part:

147 (3) "Rating organization" means every person, other than an  
148 authorized insurer, whether located within or outside this  
149 state, who has as his or her object or purpose the making of  
150 prospective loss costs, rates, rating plans, or rating systems.  
151 Two or more authorized insurers that act in concert for the  
152 purpose of making prospective loss costs, rates, rating plans,  
153 or rating systems, and that do not operate within the specific  
154 authorizations contained in ss. 627.311, 627.314(2), (4), and  
155 627.351, shall be deemed to be a rating organization. No single  
156 insurer shall be deemed to be a rating organization.



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157 (4) "Advisory organization" means every group, association,  
158 or other organization of insurers, whether located within or  
159 outside this state, which prepares policy forms or makes  
160 underwriting rules incident to but not including the making of  
161 prospective loss costs, rates, rating plans, or rating systems  
162 or which collects and furnishes to authorized insurers or rating  
163 organizations loss or expense statistics or other statistical  
164 information and data and acts in an advisory, as distinguished  
165 from a ratemaking, capacity.

166 (6) "Subscriber" means an insurer which is furnished at its  
167 request:

168 (a) With prospective loss costs, rates, and rating manuals  
169 by a rating organization of which it is not a member; or

170 (b) With advisory services by an advisory organization of  
171 which it is not a member.

172 Section 11. Effective July 1, 2018, subsection (1) of  
173 section 627.0612, Florida Statutes, is amended to read:

174 627.0612 Administrative proceedings in rating  
175 determinations.—

176 (1) In any proceeding to determine whether prospective loss  
177 costs, rates, rating plans, or other matters governed by this  
178 part comply with the law, the appellate court shall set aside a  
179 final order of the office if the office has violated s.  
180 120.57(1)(k) by substituting its findings of fact for findings  
181 of an administrative law judge which were supported by competent  
182 substantial evidence.

183 Section 12. Effective July 1, 2018, subsection (1) of  
184 section 627.062, Florida Statutes, is amended to read:

185 627.062 Rate standards.—



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186 (1) The rates and loss costs for all classes of insurance  
187 to which the provisions of this part are applicable may not be  
188 excessive, inadequate, or unfairly discriminatory.

189 Section 13. Effective July 1, 2018, subsection (1) of  
190 section 627.0645, Florida Statutes, is amended to read:

191 627.0645 Annual filings.—

192 (1) Each rating organization filing rates for, and each  
193 insurer writing, any line of property or casualty insurance to  
194 which this part applies, except:

195 ~~(a) Workers' compensation and employer's liability~~  
196 ~~insurance;~~

197 ~~(a)-(b)~~ Insurance as defined in ss. 624.604 and 624.605,  
198 limited to coverage of commercial risks other than commercial  
199 residential multiperil; or

200 ~~(b)-(c)~~ Travel insurance, if issued as a master group policy  
201 with a situs in another state where each certificateholder pays  
202 less than \$30 in premium for each covered trip and where the  
203 insurer has written less than \$1 million in annual written  
204 premiums in the travel insurance product in this state during  
205 the most recent calendar year,

206  
207 shall make an annual base rate filing for each such line with  
208 the office no later than 12 months after its previous base rate  
209 filing, demonstrating that its rates are not inadequate.

210 Section 14. Effective July 1, 2018, subsections (1) and (5)  
211 of section 627.072, Florida Statutes, are amended to read:

212 627.072 Making and use of rates.—

213 (1) As to workers' compensation and employer's liability  
214 insurance, the following factors shall be used in the



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215 determination and fixing of loss costs or rates, as applicable:

216 (a) The past loss experience and prospective loss  
217 experience within and outside this state;

218 (b) The conflagration and catastrophe hazards;

219 (c) A reasonable margin for underwriting profit and  
220 contingencies;

221 (d) Dividends, savings, or unabsorbed premium deposits  
222 allowed or returned by insurers to their policyholders, members,  
223 or subscribers;

224 (e) Investment income on unearned premium reserves and loss  
225 reserves;

226 (f) Past expenses and prospective expenses, both those  
227 countrywide and those specifically applicable to this state; and

228 (g) All other relevant factors, including judgment factors,  
229 within and outside this state.

230 ~~(5)(a) In the case of workers' compensation and employer's~~  
231 ~~liability insurance, the office shall consider utilizing the~~  
232 ~~following methodology in rate determinations: Premiums,~~  
233 ~~expenses, and expected claim costs would be discounted to a~~  
234 ~~common point of time, such as the initial point of a policy~~  
235 ~~year, in the determination of rates; the cash-flow pattern of~~  
236 ~~premiums, expenses, and claim costs would be determined~~  
237 ~~initially by using data from 8 to 10 of the largest insurers~~  
238 ~~writing workers' compensation insurance in the state; such~~  
239 ~~insurers may be selected for their statistical ability to report~~  
240 ~~the data on an accident-year basis and in accordance with~~  
241 ~~subparagraphs (b)1., 2., and 3., for at least 2 1/2 years; such~~  
242 ~~a cash-flow pattern would be modified when necessary in~~  
243 ~~accordance with the data and whenever a radical change in the~~



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244 ~~payout pattern is expected in the policy year under~~  
245 ~~consideration.~~

246 ~~(b) If the methodology set forth in paragraph (a) is~~  
247 ~~utilized, to facilitate the determination of such a cash-flow~~  
248 ~~pattern methodology:~~

249 ~~1. Each insurer shall include in its statistical reporting~~  
250 ~~to the rating bureau and the office the accident year by~~  
251 ~~calendar quarter data for paid-claim costs;~~

252 ~~2. Each insurer shall submit financial reports to the~~  
253 ~~rating bureau and the office which shall include total incurred~~  
254 ~~claim amounts and paid-claim amounts by policy year and by~~  
255 ~~injury types as of December 31 of each calendar year; and~~

256 ~~3. Each insurer shall submit to the rating bureau and the~~  
257 ~~office paid-premium data on an individual risk basis in which~~  
258 ~~risks are to be subdivided by premium size as follows:~~

259  
260 ~~Number of Risks in~~

261 ~~Premium Range~~ \_\_\_\_\_ ~~Standard Premium Size~~

262  
263 ~~...(to be filled in by carrier)...~~ \_\_\_\_\_ ~~\$300-999~~

264 ~~...(to be filled in by carrier)...~~ \_\_\_\_\_ ~~1,000-4,999~~

265 ~~...(to be filled in by carrier)...~~ \_\_\_\_\_ ~~5,000-49,999~~

266 ~~...(to be filled in by carrier)...~~ \_\_\_\_\_ ~~50,000-99,999~~

267 ~~...(to be filled in by carrier)...~~ \_\_\_\_\_ ~~100,000 or more~~

268 ~~Total:~~

269 Section 15. Effective July 1, 2018, section 627.091,  
270 Florida Statutes, is amended to read:

271 627.091 Rate filings; workers' compensation and employer's  
272 liability insurances.-



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273       (1) As used in this section, the term:  
274       (a) "Expenses" means the portion of a rate which is  
275 attributable to acquisition, field supervision, collection  
276 expenses, taxes, reinsurance, assessments, and general expenses.  
277       (b) "Loss cost modifier" means an adjustment to, or a  
278 deviation from, the approved prospective loss costs filed by a  
279 licensed rating organization.  
280       (c) "Loss cost multiplier" means the profit and expense  
281 factor, expressed as a single nonintegral number to be applied  
282 to the prospective loss costs, which is associated with writing  
283 workers' compensation and employer's liability insurance and  
284 which is approved by the office in making rates for each  
285 classification of risks used by that insurer.  
286       (d) "Prospective loss costs" means the portion of a rate  
287 which reflects historical industry average aggregate losses and  
288 loss adjustment expenses projected through development to their  
289 ultimate value and through trending to a future point in time.  
290 The term does not include provisions for profit or expenses  
291 other than loss adjustment expense.  
292       (2) ~~(1)~~ As to workers' compensation and employer's liability  
293 insurances, every insurer shall file with the office every  
294 manual of classifications, rules, and rates, every rating plan,  
295 and every modification of any of the foregoing which it proposes  
296 to use. Each insurer or insurer group shall independently and  
297 individually file with the office the final rates it proposes to  
298 use. An insurer may satisfy this filing requirement by adopting  
299 the most recent loss costs filed by a licensed rating  
300 organization and approved by the office, and by otherwise  
301 complying with this part. Each insurer shall file data in



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302 accordance with the uniform statistical plan approved by the  
303 office. Every filing under this subsection:

304 (a) Must state the proposed effective date and must be made  
305 at least 90 days before such proposed effective date;

306 (b) Must indicate the character and extent of the coverage  
307 contemplated;

308 (c) May use the most recent approved prospective loss costs  
309 filed by a licensed rating organization in combination with the  
310 insurer's own approved loss cost multiplier and loss cost  
311 modifier;

312 (d) Must include all deductibles required in chapter 440,  
313 and may include additional deductible provisions in its manual  
314 of classifications, rules, and rates. All deductibles must be in  
315 a form and manner that is consistent with the underlying purpose  
316 of chapter 440;

317 (e) May use variable or fixed expense loads or a  
318 combination thereof, and may vary the expense, profit, or  
319 contingency provisions by class or group of classes, if the  
320 insurer files supporting data justifying such variations;

321 (f) May include a schedule of proposed premium discounts,  
322 credits, and surcharges. The office may not approve discounts,  
323 credits, and surcharges unless they are based on objective  
324 criteria that bear a reasonable relationship to the expected  
325 loss, expense, or profit experience of an individual  
326 policyholder or a class of policyholders; and

327 (g) May file a minimum premium or expense constant ~~Every~~  
328 ~~insurer is authorized to include deductible provisions in its~~  
329 ~~manual of classifications, rules, and rates. Such deductibles~~  
330 ~~shall in all cases be in a form and manner which is consistent~~



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331 ~~with the underlying purpose of chapter 440.~~

332 ~~(3)(2) Every such filing shall state the proposed effective~~  
333 ~~date thereof, and shall indicate the character and extent of the~~  
334 ~~coverage contemplated.~~ When a filing is not accompanied by the  
335 information upon which the insurer or rating organization  
336 supports the filing and the office does not have sufficient  
337 information to determine whether the filing meets the applicable  
338 requirements of this part, the office, ~~it shall~~ within 15 days  
339 after the date of filing, shall require the insurer or rating  
340 organization to furnish the information upon which it supports  
341 the filing. The information furnished in support of a filing may  
342 include:

343 (a) The experience or judgment of the insurer or rating  
344 organization making the filing;

345 (b) The ~~its~~ interpretation of any statistical data which  
346 the insurer or rating organization making the filing ~~it~~ relies  
347 upon;

348 (c) The experience of other insurers or rating  
349 organizations; or

350 (d) Any other factors which the insurer or rating  
351 organization making the filing deems relevant.

352 ~~(4)(3)~~ A filing and any supporting information are ~~shall be~~  
353 open to public inspection as provided in s. 119.07(1).

354 ~~(5)(4)~~ An insurer may become ~~satisfy its obligation to make~~  
355 ~~such filings by becoming~~ a member of, or a subscriber to, a  
356 licensed rating organization that ~~which~~ makes loss costs ~~such~~  
357 filings and by authorizing the office to accept such filings in  
358 its behalf; but nothing contained in this chapter shall be  
359 construed as requiring any insurer to become a member or a



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360 subscriber to any rating organization.

361 (6) A licensed rating organization may develop and file for  
362 approval with the office reference filings containing  
363 prospective loss costs and the underlying loss data, and other  
364 supporting statistical and actuarial information. A rating  
365 organization may not develop or file final rates or multipliers  
366 for expenses, profit, or contingencies. After a loss cost  
367 reference filing is filed with the office and is approved, the  
368 rating organization must provide its member subscribers with a  
369 copy of the approved reference filing.

370 (7) A rating organization may file supplementary rating  
371 information and rules, including, but not limited to,  
372 policywriting rules, rating plan classification codes and  
373 descriptions, experience modification plans, statistical plans  
374 and forms, and rules that include factors or relativities, such  
375 as increased limits factors, classification relativities, or  
376 similar factors, but that exclude minimum premiums. An insurer  
377 may use supplementary rating information if such information is  
378 approved by the office.

379 (8)~~(5)~~ Pursuant to the provisions of s. 624.3161, the  
380 office may examine the underlying statistical data used in such  
381 filings.

382 (9)~~(6)~~ Whenever the committee of a recognized rating  
383 organization with authority to file prospective loss costs for  
384 use by insurers in determining ~~responsibility for~~ workers'  
385 compensation and employer's liability insurance rates in this  
386 state meets to discuss the necessity for, or a request for,  
387 Florida rate increases or decreases in prospective loss costs in  
388 this state, the determination of prospective loss costs in this



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389 state Florida rates, the prospective loss costs rates to be  
390 requested in this state, and any other matters pertaining  
391 specifically and directly to prospective loss costs in this  
392 state such Florida rates, such meetings shall be held in this  
393 state and are shall be subject to s. 286.011. The committee of  
394 such a rating organization shall provide at least 3 weeks' prior  
395 notice of such meetings to the office and shall provide at least  
396 14 days' prior notice of such meetings to the public by  
397 publication in the Florida Administrative Register.

398 (10) An insurer group with multiple insurers writing  
399 workers' compensation and employer's liability insurance shall  
400 file underwriting rules not contained in rating manuals.

401 Section 16. Effective July 1, 2018, section 627.093,  
402 Florida Statutes, is amended to read:

403 627.093 Application of s. 286.011 to workers' compensation  
404 and employer's liability insurances.—Section 286.011 shall be  
405 applicable to every prospective loss cost and rate filing,  
406 approval or disapproval of filing, rating deviation from filing,  
407 or appeal from any of these regarding workers' compensation and  
408 employer's liability insurances.

409 Section 17. Effective July 1, 2018, subsection (1) of  
410 section 627.101, Florida Statutes, is amended to read:

411 627.101 When filing becomes effective; workers'  
412 compensation and employer's liability insurances.—

413 (1) The office shall review all required filings as to  
414 workers' compensation and employer's liability insurances as  
415 soon as reasonably possible after they have been made in order  
416 to determine whether they meet the applicable requirements of  
417 this part. If the office determines that part of a required rate



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418 filing does not meet the applicable requirements of this part,  
419 it may reject so much of the filing as does not meet these  
420 requirements, and approve the remainder of the filing.

421 Section 18. Effective July 1, 2018, section 627.211,  
422 Florida Statutes, is amended to read:

423 627.211 Annual report by the office on the workers'  
424 compensation insurance market ~~Deviations; workers' compensation~~  
425 ~~and employer's liability insurances.-~~

426 ~~(1) Every member or subscriber to a rating organization~~  
427 ~~shall, as to workers' compensation or employer's liability~~  
428 ~~insurance, adhere to the filings made on its behalf by such~~  
429 ~~organization; except that any such insurer may make written~~  
430 ~~application to the office for permission to file a uniform~~  
431 ~~percentage decrease or increase to be applied to the premiums~~  
432 ~~produced by the rating system so filed for a kind of insurance,~~  
433 ~~for a class of insurance which is found by the office to be a~~  
434 ~~proper rating unit for the application of such uniform~~  
435 ~~percentage decrease or increase, or for a subdivision of~~  
436 ~~workers' compensation or employer's liability insurance:~~

437 ~~(a) Comprised of a group of manual classifications which is~~  
438 ~~treated as a separate unit for ratemaking purposes; or~~

439 ~~(b) For which separate expense provisions are included in~~  
440 ~~the filings of the rating organization.~~

441  
442 ~~Such application shall specify the basis for the modification~~  
443 ~~and shall be accompanied by the data upon which the applicant~~  
444 ~~relies. A copy of the application and data shall be sent~~  
445 ~~simultaneously to the rating organization.~~

446 ~~(2) Every member or subscriber to a rating organization~~



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447 ~~may, as to workers' compensation and employer's liability~~  
448 ~~insurance, file a plan or plans to use deviations that vary~~  
449 ~~according to factors present in each insured's individual risk.~~  
450 ~~The insurer that files for the deviations provided in this~~  
451 ~~subsection shall file the qualifications for the plans,~~  
452 ~~schedules of rating factors, and the maximum deviation factors~~  
453 ~~which shall be subject to the approval of the office pursuant to~~  
454 ~~s. 627.091. The actual deviation which shall be used for each~~  
455 ~~insured that qualifies under this subsection may not exceed the~~  
456 ~~maximum filed deviation under that plan and shall be based on~~  
457 ~~the merits of each insured's individual risk as determined by~~  
458 ~~using schedules of rating factors which shall be applied~~  
459 ~~uniformly. Insurers shall maintain statistical data in~~  
460 ~~accordance with the schedule of rating factors. Such data shall~~  
461 ~~be available to support the continued use of such varying~~  
462 ~~deviations.~~

463 ~~(3) In considering an application for the deviation, the~~  
464 ~~office shall give consideration to the applicable principles for~~  
465 ~~ratemaking as set forth in ss. 627.062 and 627.072 and the~~  
466 ~~financial condition of the insurer. In evaluating the financial~~  
467 ~~condition of the insurer, the office may consider: (1) the~~  
468 ~~insurer's audited financial statements and whether the~~  
469 ~~statements provide unqualified opinions or contain significant~~  
470 ~~qualifications or "subject to" provisions; (2) any independent~~  
471 ~~or other actuarial certification of loss reserves; (3) whether~~  
472 ~~workers' compensation and employer's liability reserves are~~  
473 ~~above the midpoint or best estimate of the actuary's reserve~~  
474 ~~range estimate; (4) the adequacy of the proposed rate; (5)~~  
475 ~~historical experience demonstrating the profitability of the~~



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476 ~~insurer; (6) the existence of excess or other reinsurance that~~  
477 ~~contains a sufficiently low attachment point and maximums that~~  
478 ~~provide adequate protection to the insurer; and (7) other~~  
479 ~~factors considered relevant to the financial condition of the~~  
480 ~~insurer by the office. The office shall approve the deviation if~~  
481 ~~it finds it to be justified, it would not endanger the financial~~  
482 ~~condition of the insurer, and it would not constitute predatory~~  
483 ~~pricing. The office shall disapprove the deviation if it finds~~  
484 ~~that the resulting premiums would be excessive, inadequate, or~~  
485 ~~unfairly discriminatory, would endanger the financial condition~~  
486 ~~of the insurer, or would result in predatory pricing. The~~  
487 ~~insurer may not use a deviation unless the deviation is~~  
488 ~~specifically approved by the office. An insurer may apply the~~  
489 ~~premiums approved pursuant to s. 627.091 or its uniform~~  
490 ~~deviation approved pursuant to this section to a particular~~  
491 ~~insured according to underwriting guidelines filed with and~~  
492 ~~approved by the office, such approval to be based on ss. 627.062~~  
493 ~~and 627.072.~~

494 ~~(4) Each deviation permitted to be filed shall be effective~~  
495 ~~for a period of 1 year unless terminated, extended, or modified~~  
496 ~~with the approval of the office. If at any time after a~~  
497 ~~deviation has been approved the office finds that the deviation~~  
498 ~~no longer meets the requirements of this code, it shall notify~~  
499 ~~the insurer in what respects it finds that the deviation fails~~  
500 ~~to meet such requirements and specify when, within a reasonable~~  
501 ~~period thereafter, the deviation shall be deemed no longer~~  
502 ~~effective. The notice shall not affect any insurance contract or~~  
503 ~~policy made or issued prior to the expiration of the period set~~  
504 ~~forth in the notice.~~



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505       ~~(5) For purposes of this section, the office, when~~  
506 ~~considering the experience of any insurer, shall consider the~~  
507 ~~experience of any predecessor insurer when the business and the~~  
508 ~~liabilities of the predecessor insurer were assumed by the~~  
509 ~~insurer pursuant to an order of the office which approves the~~  
510 ~~assumption of the business and the liabilities.~~

511       (6) The office shall submit an annual report to the  
512 President of the Senate and the Speaker of the House of  
513 Representatives by January 15 of each year which evaluates  
514 insurance company solvency and competition in the workers'  
515 compensation insurance market in this state. The report must  
516 contain an analysis of the availability and affordability of  
517 workers' compensation coverage and whether the current market  
518 structure, conduct, and performance are conducive to  
519 competition, based upon economic analysis and tests. The purpose  
520 of this report is to aid the Legislature in determining whether  
521 changes to the workers' compensation rating laws are warranted.  
522 The report must also document that the office has complied with  
523 the provisions of s. 627.096 which require the office to  
524 investigate and study all workers' compensation insurers in the  
525 state and to study the data, statistics, schedules, or other  
526 information as it finds necessary to assist in its review of  
527 workers' compensation rate filings.

528       Section 19. Effective July 1, 2018, section 627.2151,  
529 Florida Statutes, is created to read:

530       627.2151 Workers' compensation excessive defense and cost  
531 containment expenses.—

532       (1) As used in this section, the term "defense and cost  
533 containment expenses" or "DCCE" includes the following Florida



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534 expenses of an insurer group or insurer writing workers'  
535 compensation insurance:  
536 (a) Insurance company attorney fees;  
537 (b) Expert witnesses;  
538 (c) Medical examinations and autopsies;  
539 (d) Medical fee review panels;  
540 (e) Bill auditing;  
541 (f) Treatment utilization reviews; and  
542 (g) Preferred provider network expenses.  
543 (2) Each insurer group or insurer writing workers'  
544 compensation insurance shall file with the office a schedule of  
545 Florida defense and cost containment expenses and total Florida  
546 incurred losses for each of the 3 years before the most recent  
547 accident year. The DCCE and incurred losses must be valued as of  
548 December 31 of the first year following the latest accident year  
549 to be reported, developed to an ultimate basis, and at two 12-  
550 month intervals thereafter, each developed to an ultimate basis,  
551 so that a total of three evaluations will be provided for each  
552 accident year. The first year reported shall be accident year  
553 2018, so that the reporting of 3 accident years under this  
554 evaluation will not take place until accident years 2019 and  
555 2020 have become available.  
556 (3) Excessive DCCE occurs when an insurer includes in its  
557 rates Florida defense and cost containment expenses for workers'  
558 compensation which exceed 15 percent of Florida workers'  
559 compensation incurred losses by the insurer or insurer group for  
560 the 3 most recent calendar years for which data is to be filed  
561 under this section.  
562 (4) If the insurer or insurer group realizes excessive



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563 DCCE, the office must order a return of the excess amounts after  
564 affording the insurer or insurer group an opportunity for a  
565 hearing and otherwise complying with the requirements of chapter  
566 120. Excessive DCCE amounts must be returned in all instances  
567 unless the insurer or insurer group affirmatively demonstrates  
568 to the office that the refund of the excessive DCCE amounts will  
569 render a member of the insurer group financially impaired or  
570 will render it insolvent under provisions of the Florida  
571 Insurance Code.

572 (5) Any excess DCCE amount must be returned to  
573 policyholders in the form of a cash refund or credit toward the  
574 future purchase of insurance. The refund or credit must be made  
575 on a pro rata basis in relation to the final compilation year  
576 earned premiums to the policyholders of record of the insurer or  
577 insurer group on December 31 of the final compilation year. Cash  
578 refunds and data in required reports to the office may be  
579 rounded to the nearest dollar and must be consistently applied.

580 (6) (a) Refunds must be completed in one of the following  
581 ways:

582 1. A cash refund must be completed within 60 days after  
583 entry of a final order indicating that excessive DCCE has been  
584 realized.

585 2. A credit to renewal policies must be applied to policy  
586 renewal premium notices that are forwarded to insureds more than  
587 60 calendar days after entry of a final order indicating that  
588 excessive DCCE has been realized. If the insured thereafter  
589 cancels a policy or otherwise allows the policy to terminate,  
590 the insurer or insurer group must make a cash refund not later  
591 than 60 days after coverage termination.



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592           (b) Upon completion of the renewal credits or refunds, the  
593 insurer or insurer group shall immediately certify having made  
594 the refunds to the office.

595           (7) Any refund or renewal credit made pursuant to this  
596 section is treated as a policyholder dividend applicable to the  
597 year immediately succeeding the compilation period giving rise  
598 to the refund or credit, for purposes of reporting under this  
599 section for subsequent years.

600           Section 20. Effective July 1, 2018, section 627.291,  
601 Florida Statutes, is amended to read:

602           627.291 Information to be furnished insureds; appeal by  
603 insureds; workers' compensation and employer's liability  
604 insurances.-

605           (1) As to workers' compensation and employer's liability  
606 insurances, every rating organization filing prospective loss  
607 costs and every insurer which makes its own rates shall, within  
608 a reasonable time after receiving written request therefor and  
609 upon payment of such reasonable charge as it may make, furnish  
610 to any insured affected by a rate made by it, or to the  
611 authorized representative of such insured, all pertinent  
612 information as to such rate.

613           (2) As to workers' compensation and employer's liability  
614 insurances, every rating organization filing prospective loss  
615 costs and every insurer which makes its own rates shall provide  
616 within this state reasonable means whereby any person aggrieved  
617 by the application of its rating system may be heard, in person  
618 or by his or her authorized representative, on his or her  
619 written request to review the manner in which such rating system  
620 has been applied in connection with the insurance afforded him



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621 or her. If the rating organization filing prospective loss costs  
622 or the insurer making its own rates fails to grant or rejects  
623 such request within 30 days after it is made, the applicant may  
624 proceed in the same manner as if his or her application had been  
625 rejected. Any party affected by the action of such rating  
626 organization filing prospective loss costs or insurer making its  
627 own rates on such request may, within 30 days after written  
628 notice of such action, appeal to the office, which may affirm or  
629 reverse such action.

630 Section 21. Effective July 1, 2018, section 627.318,  
631 Florida Statutes, is amended to read:

632 627.318 Records.—Every insurer, rating organization filing  
633 prospective loss costs, and advisory organization and every  
634 group, association, or other organization of insurers which  
635 engages in joint underwriting or joint reinsurance shall  
636 maintain reasonable records, of the type and kind reasonably  
637 adapted to its method of operation, of its experience or the  
638 experience of its members and of the data, statistics, or  
639 information collected or used by it in connection with the  
640 prospective loss costs, rates, rating plans, rating systems,  
641 underwriting rules, policy or bond forms, surveys, or  
642 inspections made or used by it, so that such records will be  
643 available at all reasonable times to enable the office to  
644 determine whether such organization, insurer, group, or  
645 association, and, in the case of an insurer or rating  
646 organization, every prospective loss cost, rate, rating plan,  
647 and rating system made or used by it, complies with the  
648 provisions of this part applicable to it. The maintenance of  
649 such records in the office of a licensed rating organization of



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650 which an insurer is a member or subscriber will be sufficient  
651 compliance with this section for any such insurer maintaining  
652 membership or subscribership in such organization, to the extent  
653 that the insurer uses the prospective loss costs, rates, rating  
654 plans, rating systems, or underwriting rules of such  
655 organization. Such records shall be maintained in an office  
656 within this state or shall be made available for examination or  
657 inspection within this state by the department at any time upon  
658 reasonable notice.

659 Section 22. Effective July 1, 2018, section 627.361,  
660 Florida Statutes, is amended to read:

661 627.361 False or misleading information.—No person shall  
662 willfully withhold information from or knowingly give false or  
663 misleading information to the office, any statistical agency  
664 designated by the office, any rating organization, or any  
665 insurer, which will affect the prospective loss costs, rates, or  
666 premiums chargeable under this part.

667 Section 23. Effective July 1, 2018, subsections (1) and (2)  
668 of section 627.371, Florida Statutes, are amended to read:

669 627.371 Hearings.—

670 (1) Any person aggrieved by any rate charged, rating plan,  
671 rating system, or underwriting rule followed or adopted by an  
672 insurer, and any person aggrieved by any rating plan, rating  
673 system, or underwriting rule followed or adopted by a rating  
674 organization, may herself or himself or by her or his authorized  
675 representative make written request of the insurer or rating  
676 organization to review the manner in which the prospective loss  
677 cost, rate, plan, system, or rule has been applied with respect  
678 to insurance afforded her or him. If the request is not granted



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679 within 30 days after it is made, the requester may treat it as  
680 rejected. Any person aggrieved by the refusal of an insurer or  
681 rating organization to grant the review requested, or by the  
682 failure or refusal to grant all or part of the relief requested,  
683 may file a written complaint with the office, specifying the  
684 grounds relied upon. If the office has already disposed of the  
685 issue as raised by a similar complaint or believes that probable  
686 cause for the complaint does not exist or that the complaint is  
687 not made in good faith, it shall so notify the complainant.  
688 Otherwise, and if it also finds that the complaint charges a  
689 violation of this chapter and that the complainant would be  
690 aggrieved if the violation is proven, it shall proceed as  
691 provided in subsection (2).

692 (2) If after examination of an insurer, rating  
693 organization, advisory organization, or group, association, or  
694 other organization of insurers which engages in joint  
695 underwriting or joint reinsurance, upon the basis of other  
696 information, or upon sufficient complaint as provided in  
697 subsection (1), the office has good cause to believe that such  
698 insurer, organization, group, or association, or any prospective  
699 loss cost, rate, rating plan, or rating system made or used by  
700 any such insurer or rating organization, does not comply with  
701 the requirements and standards of this part applicable to it, it  
702 shall, unless it has good cause to believe such noncompliance is  
703 willful, give notice in writing to such insurer, organization,  
704 group, or association stating therein in what manner and to what  
705 extent noncompliance is alleged to exist and specifying therein  
706 a reasonable time, not less than 10 days thereafter, in which  
707 the noncompliance may be corrected, including any premium



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708 adjustment.

709       Section 24. Effective July 1, 2017, the sums of \$723,118 in  
710 recurring funds and \$100,000 in nonrecurring funds from the  
711 Insurance Regulatory Trust Fund are appropriated to the Office  
712 of Insurance Regulation, and eight full-time equivalent  
713 positions with associated salary rate of 460,000 are authorized,  
714 for the purpose of implementing this act.

715       Section 25. Effective July 1, 2017, the sum of \$24,720 in  
716 nonrecurring funds from the Operating Trust Fund is appropriated  
717 to the Office of Judges of Compensation Claims within the  
718 Division of Administrative Hearings for the purposes of  
719 implementing this act.

720       Section 26. Section 440.345, Florida Statutes, is amended  
721 to read:

722       440.345 Reporting of attorney ~~attorney's~~ fees.—All fees  
723 paid to attorneys for services rendered under this chapter shall  
724 be reported to the Office of the Judges of Compensation Claims  
725 as the Division of Administrative Hearings requires by rule. A  
726 carrier must specify in its report the total amount of attorney  
727 fees paid for and the total number of attorney hours spent on  
728 services related to the defense of petitions, and the total  
729 amount of attorney fees paid for services unrelated to the  
730 defense of petitions.

731       Section 27. Paragraph (b) of subsection (6) of section  
732 440.491, Florida Statutes, is amended to read:

733       440.491 Reemployment of injured workers; rehabilitation.—

734       (6) TRAINING AND EDUCATION.—

735       (b) When an employee who has attained maximum medical  
736 improvement is unable to earn at least 80 percent of the



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737 compensation rate and requires training and education to obtain  
738 suitable gainful employment, the employer or carrier shall pay  
739 the employee additional training and education temporary total  
740 compensation benefits while the employee receives such training  
741 and education for a period not to exceed 26 weeks, which period  
742 may be extended for an additional 26 weeks or less, if such  
743 extended period is determined to be necessary and proper by a  
744 judge of compensation claims. The benefits provided under this  
745 paragraph are shall ~~not be~~ in addition to the maximum number of  
746 ~~104~~ weeks as specified in s. 440.15(2). However, a carrier or  
747 employer is not precluded from voluntarily paying additional  
748 temporary total disability compensation beyond that period. If  
749 an employee requires temporary residence at or near a facility  
750 or an institution providing training and education which is  
751 located more than 50 miles away from the employee's customary  
752 residence, the reasonable cost of board, lodging, or travel must  
753 be borne by the department from the Workers' Compensation  
754 Administration Trust Fund established by s. 440.50. An employee  
755 who refuses to accept training and education that is recommended  
756 by the vocational evaluator and considered necessary by the  
757 department will forfeit any additional training and education  
758 benefits and any additional compensation ~~payment for lost wages~~  
759 under this chapter. The carrier shall notify the injured  
760 employee of the availability of training and education benefits  
761 as specified in this chapter. The Department of Financial  
762 Services shall include information regarding the eligibility for  
763 training and education benefits in informational materials  
764 specified in ss. 440.207 and 440.40.

765 Section 28. Section 627.211, Florida Statutes, is amended



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766 to read:

767 627.211 Deviations and departures; workers' compensation  
768 and employer's liability insurances.-

769 (1) Except as provided in subsection (7), every member or  
770 subscriber to a rating organization shall, as to workers'  
771 compensation or employer's liability insurance, adhere to the  
772 filings made on its behalf by such organization; except that any  
773 such insurer may make written application to the office for  
774 permission to file a uniform percentage decrease or increase to  
775 be applied to the premiums produced by the rating system so  
776 filed for a kind of insurance, for a class of insurance which is  
777 found by the office to be a proper rating unit for the  
778 application of such uniform percentage decrease or increase, or  
779 for a subdivision of workers' compensation or employer's  
780 liability insurance:

781 (a) Comprised of a group of manual classifications which is  
782 treated as a separate unit for ratemaking purposes; or

783 (b) For which separate expense provisions are included in  
784 the filings of the rating organization.

785

786 Such application shall specify the basis for the modification  
787 and shall be accompanied by the data upon which the applicant  
788 relies. A copy of the application and data shall be sent  
789 simultaneously to the rating organization.

790 (2) Every member or subscriber to a rating organization  
791 may, as to workers' compensation and employer's liability  
792 insurance, file a plan or plans to use deviations that vary  
793 according to factors present in each insured's individual risk.  
794 The insurer that files for the deviations provided in this



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795 subsection shall file the qualifications for the plans,  
796 schedules of rating factors, and the maximum deviation factors  
797 which shall be subject to the approval of the office pursuant to  
798 s. 627.091. The actual deviation which shall be used for each  
799 insured that qualifies under this subsection may not exceed the  
800 maximum filed deviation under that plan and shall be based on  
801 the merits of each insured's individual risk as determined by  
802 using schedules of rating factors which shall be applied  
803 uniformly. Insurers shall maintain statistical data in  
804 accordance with the schedule of rating factors. Such data shall  
805 be available to support the continued use of such varying  
806 deviations.

807 (3) In considering an application for the deviation, the  
808 office shall give consideration to the applicable principles for  
809 ratemaking as set forth in ss. 627.062 and 627.072 and the  
810 financial condition of the insurer. In evaluating the financial  
811 condition of the insurer, the office may consider: (1) the  
812 insurer's audited financial statements and whether the  
813 statements provide unqualified opinions or contain significant  
814 qualifications or "subject to" provisions; (2) any independent  
815 or other actuarial certification of loss reserves; (3) whether  
816 workers' compensation and employer's liability reserves are  
817 above the midpoint or best estimate of the actuary's reserve  
818 range estimate; (4) the adequacy of the proposed rate; (5)  
819 historical experience demonstrating the profitability of the  
820 insurer; (6) the existence of excess or other reinsurance that  
821 contains a sufficiently low attachment point and maximums that  
822 provide adequate protection to the insurer; and (7) other  
823 factors considered relevant to the financial condition of the



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824 insurer by the office. The office shall approve the deviation if  
825 it finds it to be justified, it would not endanger the financial  
826 condition of the insurer, and it would not constitute predatory  
827 pricing. The office shall disapprove the deviation if it finds  
828 that the resulting premiums would be excessive, inadequate, or  
829 unfairly discriminatory, would endanger the financial condition  
830 of the insurer, or would result in predatory pricing. The  
831 insurer may not use a deviation unless the deviation is  
832 specifically approved by the office. An insurer may apply the  
833 premiums approved pursuant to s. 627.091 or its uniform  
834 deviation approved pursuant to this section to a particular  
835 insured according to underwriting guidelines filed with and  
836 approved by the office, such approval to be based on ss. 627.062  
837 and 627.072.

838 (4) Each deviation permitted to be filed shall be effective  
839 for a period of 1 year unless terminated, extended, or modified  
840 with the approval of the office. If at any time after a  
841 deviation has been approved the office finds that the deviation  
842 no longer meets the requirements of this code, it shall notify  
843 the insurer in what respects it finds that the deviation fails  
844 to meet such requirements and specify when, within a reasonable  
845 period thereafter, the deviation shall be deemed no longer  
846 effective. The notice shall not affect any insurance contract or  
847 policy made or issued prior to the expiration of the period set  
848 forth in the notice.

849 (5) For purposes of this section, the office, when  
850 considering the experience of any insurer, shall consider the  
851 experience of any predecessor insurer when the business and the  
852 liabilities of the predecessor insurer were assumed by the



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853 insurer pursuant to an order of the office which approves the  
854 assumption of the business and the liabilities.

855 (6) The office shall submit an annual report to the  
856 President of the Senate and the Speaker of the House of  
857 Representatives by January 15 of each year which evaluates  
858 competition in the workers' compensation insurance market in  
859 this state. The report must contain an analysis of the  
860 availability and affordability of workers' compensation coverage  
861 and whether the current market structure, conduct, and  
862 performance are conducive to competition, based upon economic  
863 analysis and tests. The purpose of this report is to aid the  
864 Legislature in determining whether changes to the workers'  
865 compensation rating laws are warranted. The report must also  
866 document that the office has complied with the provisions of s.  
867 627.096 which require the office to investigate and study all  
868 workers' compensation insurers in the state and to study the  
869 data, statistics, schedules, or other information as it finds  
870 necessary to assist in its review of workers' compensation rate  
871 filings.

872 (7) Without approval of the office, a member or subscriber  
873 to a rating organization may depart from the filings made on its  
874 behalf by a rating organization for a period of 12 months by a  
875 uniform decrease of up to 5 percent to be applied uniformly to  
876 the premiums resulting from the approved rates for the policy  
877 period. The member or subscriber must file an informational  
878 departure statement with the office within 30 days after initial  
879 use of such departure, specifying the percentage of the  
880 departure from the approved rates and an explanation of how the  
881 departure will be applied. If the departure is to be applied



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882 over a subsequent 12-month period, the member or subscriber must  
883 file a supplemental informational departure statement pursuant  
884 to this subsection at least 30 days before the end of the  
885 current period. If the office determines that a departure  
886 violates the applicable principles for ratemaking under ss.  
887 627.062 and 627.072, would result in predatory pricing, or  
888 imperils the financial condition of the member or subscriber,  
889 the office must issue an order specifying its findings and  
890 stating the time period within which the departure expires,  
891 which must be within a reasonable time period after the order is  
892 issued. The order does not affect an insurance contract or  
893 policy made or issued before the departure expiration period set  
894 forth in the order.

895 Section 29. (1) The Department of Financial Services, in  
896 consultation with the three-member panel, shall contract with an  
897 independent consultant to evaluate Florida's current  
898 reimbursement methodology for medical services provided by  
899 hospitals and ambulatory surgical centers pursuant to s. 440.13,  
900 Florida Statutes. The study must evaluate the feasibility of  
901 adopting other reimbursement methods, including group health  
902 outpatient reimbursement rates. The study must include an  
903 evaluation of the payments, prices, utilization, and outcomes  
904 associated with each of the reimbursement methods. The  
905 consultant shall submit a report with findings and  
906 recommendations to the Speaker of the House of Representatives  
907 and the President of the Senate by November 1, 2017.

908 (2) Effective July 1, 2017, the sum of \$50,000 in  
909 nonrecurring funds from the Workers' Compensation Administration  
910 Trust Fund is appropriated to the Department of Financial



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911 Services for the purpose of funding the study.

912 Section 30. (1) The Office of Insurance Regulation shall  
913 contract with an independent consultant to evaluate the  
914 competition, availability, and affordability of workers'  
915 compensation insurance in Florida, which evaluation must include  
916 a review of the current administered pricing rating system,  
917 including deviations authorized under s. 627.211(7), to evaluate  
918 the advantages and disadvantages of a loss cost system and to  
919 evaluate other mechanisms that can be used to increase  
920 competition in the marketplace. The consultant shall submit a  
921 report of its findings and recommendations to the Governor, the  
922 Senate, and the House of Representatives no later than November  
923 1, 2017.

924 (2) Effective July 1, 2017, the sum of \$25,000 in  
925 nonrecurring funds from the Workers' Compensation Administration  
926 Trust Fund is appropriated to the Office of Insurance Regulation  
927 for the purpose of funding the study.

928 Section 31. Except as otherwise expressly provided by this  
929 act, this act shall take effect July 1, 2017.

930  
931 ===== T I T L E A M E N D M E N T =====

932 And the title is amended as follows:

933 Delete lines 903 - 966

934 and insert:

935 under which certain attorney fees attach; amending s.  
936 440.34, F.S.; prohibiting the payment of certain  
937 consideration by carriers or employers, rather than  
938 prohibiting such payment for claimants, in connection  
939 with certain proceedings under certain circumstances;



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940 requiring judges of compensation claims to consider  
941 specified factors in increasing or decreasing attorney  
942 fees; specifying a maximum hourly rate for attorney  
943 fees; revising provisions that prohibit such judges  
944 from approving certain agreements and that limit  
945 attorney fees in retainer agreements; providing  
946 construction; deleting a provision authorizing such  
947 judges to approve alternative attorney fees under  
948 certain circumstances; conforming a cross-reference;  
949 amending s. 624.482, F.S.; conforming a provision to  
950 changes made by the act; amending s. 627.041, F.S.;  
951 redefining terms; amending s. 627.0612, F.S.; adding  
952 prospective loss costs to a list of reviewable matters  
953 in certain proceedings by appellate courts; amending  
954 s. 627.062, F.S.; prohibiting loss costs for specified  
955 classes of insurance from being excessive, inadequate,  
956 or unfairly discriminatory; amending s. 627.0645,  
957 F.S.; deleting an annual base rate filing requirement  
958 exception relating to workers' compensation and  
959 employer's liability insurance for certain rating  
960 organizations; amending s. 627.072, F.S.; requiring  
961 certain factors to be used in determining and fixing  
962 loss costs; deleting a specified methodology that may  
963 be used by the Office of Insurance Regulation in rate  
964 determinations; amending s. 627.091, F.S.; defining  
965 terms; requiring insurers or insurer groups writing  
966 workers' compensation and employer's liability  
967 insurances to independently and individually file  
968 their proposed final rates; specifying requirements



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969 for such filings; deleting a requirement that such  
970 filings contain certain information; revising  
971 requirements for supporting information required to be  
972 furnished to the office under certain circumstances;  
973 deleting a specified method for insurers to satisfy  
974 filing obligations; specifying requirements for a  
975 licensed rating organization that elects to develop  
976 and file certain reference filings and certain other  
977 information; authorizing insurers to use supplementary  
978 rating information approved by the office; revising  
979 applicability of public meetings and records  
980 requirements to certain meetings of recognized rating  
981 organization committees; requiring certain insurer  
982 groups to file underwriting rules not contained in  
983 rating manuals; amending s. 627.093, F.S.; revising  
984 applicability of public meetings and records  
985 requirements to prospective loss cost filings or  
986 appeals; amending s. 627.101, F.S.; conforming a  
987 provision to changes made by the act; amending s.  
988 627.211, F.S.; deleting provisions relating to  
989 deviations; requiring that the office's annual report  
990 to the Legislature relating to the workers'  
991 compensation insurance market evaluate insurance  
992 company solvency; creating s. 627.2151, F.S.; defining  
993 the term "defense and cost containment expenses" or  
994 "DCCE"; requiring insurer groups or insurers writing  
995 workers' compensation insurance to file specified  
996 schedules with the office at specified intervals;  
997 providing construction relating to excessive DCCE;



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998 requiring the office to order returns of excess  
999 amounts of DCCE, subject to certain hearing  
1000 requirements; providing requirements for, and an  
1001 exception from, the return of excessive DCCE amounts;  
1002 providing construction; amending s. 627.291, F.S.;  
1003 providing applicability of certain disclosure and  
1004 hearing requirements for rating organizations filing  
1005 prospective loss costs; amending s. 627.318, F.S.;  
1006 providing applicability of certain recordkeeping  
1007 requirements for rating organizations or insurers  
1008 filing or using prospective loss costs, respectively;  
1009 amending s. 627.361, F.S.; providing applicability of  
1010 a prohibition against false or misleading information  
1011 relating to prospective loss costs; amending s.  
1012 627.371, F.S.; providing applicability of certain  
1013 hearing procedures and requirements relating to the  
1014 application, making, or use of prospective loss costs;  
1015 providing appropriations; amending s. 440.345, F.S.;  
1016 revising requirements for a carrier's reporting of  
1017 attorney fees to the Office of the Judges of  
1018 Compensation Claims; amending s. 440.491, F.S.;  
1019 conforming a provision to changes made by the act;  
1020 revising a provision that provides for forfeiture of  
1021 certain compensation if an employee refuses to accept  
1022 certain training and education; amending s. 627.211,  
1023 F.S.; authorizing rating organization members or  
1024 subscribers to depart up a specified percentage from  
1025 certain filings without approval from the Office of  
1026 Insurance Regulation for a specified timeframe;



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1027 requiring such members or subscribers to file  
1028 informational departure statements with the office  
1029 within a specified timeframe; requiring such members  
1030 or subscribers, under certain circumstances, to file  
1031 supplemental informational departure statements within  
1032 a specified timeframe; requiring the office to issue a  
1033 specified order if it finds the order violates certain  
1034 ratemaking principles, would result in predatory  
1035 pricing, or imperils the financial condition of the  
1036 member or subscriber; providing construction;  
1037 requiring the Department of Financial Services, in  
1038 consultation with the three-member panel, to contract  
1039 with an independent consultant to conduct a specified  
1040 study; requiring the consultant to submit a report to  
1041 the Legislature by a specified date; providing an  
1042 appropriation; requiring the office to contract with  
1043 an independent consultant to make certain evaluations;  
1044 requiring such consultant to submit a report to the  
1045 Governor and Legislature by a specified date;  
1046 providing an appropriation; providing effective dates.