

19-8.029 Insurer Reporting Requirements and Responsibilities.

(1) Purpose. This rule specifies certain deadlines and other requirements for insurers that participate in the Florida Hurricane Catastrophe Fund (FHCF) and addresses confidentiality of certain information provided to the FHCF.

(2) Definitions. The definitions in the Reimbursement Contract for the applicable Contract Year also apply to this rule and the forms referenced in this rule. In addition, as used in this rule and the forms referenced in this rule:

(a) “Contract Year” is defined in Section 215.555(2), F.S.

(b) “Insurer” or “Company” means an insurer that is required to enter into a Reimbursement Contract.

(3) Duties of New Participants. A New Participant must designate a coverage level in the Reimbursement Contract, make any required selections therein, and return the fully executed Reimbursement Contract and applicable Addenda within 30 calendar days after the effective date of its first Covered Policy.

(4) Confidentiality of reports containing insured values under Covered Policies. Section 215.557, F.S., enacted for the express purpose of protecting trade secret and proprietary information submitted to the FHCF by a Company, protects the confidentiality of reports of insured values under Covered Policies by ZIP Code submitted pursuant to Section 215.555, F.S., regardless of whether the information contained in such reports appears in the Data Call or in any other document. Such information is not subject to the provisions of Section 119.07(1), F.S., or section 24(a), Article I of the Florida State Constitution. In addition, Sections 812.081 and 815.045, F.S., provide for confidentiality of trade secret information. Confidential information and trade secrets reported to the FHCF are protected to the extent allowed by law.

(5) Data Call forms. For the 2017/2018 Contract Year, the reporting of Company exposure data shall be in accordance with Form FHCF-D1A, “Florida Hurricane Catastrophe Fund 2017 Data Call,” rev. 01/17, <http://www.flrules.org/Gateway/reference.asp?No=Ref-07728>, which is hereby adopted and incorporated by reference into this rule.

(6) Loss reporting forms.

(a) For the 2017/2018 Contract Year, the reporting of estimated Ultimate Net Loss shall be in accordance with Form FHCF-L1A, “Contract Year 2017 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 01/17, <http://www.flrules.org/Gateway/reference.asp?No=Ref-07729>, which is hereby adopted and incorporated by reference into this rule.

(b) For the 2017/2018 Contract Year, the reporting of Ultimate Net Loss shall be in accordance with Form FHCF-L1B, “Contract Year 2017 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 01/17, <http://www.flrules.org/Gateway/reference.asp?No=Ref-07730>, which is hereby adopted and incorporated by reference into this rule.

(c) For the 2017/2018 Contract Year, the applicable Detailed Claims Listing Instructions is Form FHCF-DCL, “Contract Year 2017 Detailed Claims Listing Instructions,” rev. 01/17, <http://www.flrules.org/Gateway/reference.asp?No=Ref-07731>, which is hereby adopted and incorporated by reference into this rule.

(7) Examination.

(a) Advance examination record requirements. Within 30 days after the date of the request for such information, a Company must provide the FHCF with the records indicated in the applicable Contract Year’s “Exposure Examination Advance Preparation Instructions” or in the applicable Contract Year’s “Loss Reimbursement Examination Advance Preparation Instructions.” The FHCF may grant an extension of 30 days if the Company can show that the need for the additional time is due to circumstances beyond its reasonable control. For the 2017/2018 Contract Year, the applicable exposure examination instructions form is the “Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2017 Advance Preparation Instructions,” FHCF-EAP1, rev. 01/17, <http://www.flrules.org/Gateway/reference.asp?No=Ref-07732>, which is hereby adopted and incorporated by reference into this rule. The applicable loss examination instructions form is the “Florida Hurricane Catastrophe Fund (FHCF) Loss Reimbursement Examination – Contract Year 2017 Advance Preparation Instructions,” FHCF-LAP1, rev. 01/17, <http://www.flrules.org/Gateway/reference.asp?No=Ref-07733>, which is hereby adopted and incorporated by reference into this rule.

(b) Response to the FHCF examination report. Within 30 days from the date of the letter accompanying the examination report, a Company must provide a written response to the FHCF. The response must indicate whether or not the Company agrees with the recommendations of the examination report. If the Company disagrees with the examination findings, the reason for the disagreement must be outlined in the response, and the Company must provide supporting information for the objection. The FHCF may grant an extension of 30 days if the Company can show that the need for the additional time is due to circumstances beyond its reasonable control. No response is required if the examination report does not include any findings or recommendations.

(c) Consequences for failure to meet the requirements contained in the FHCF-EAP1, “Exposure Examination Advance Preparation Instructions” or the FHCF-LAP1, “Loss Reimbursement Examination Advance Preparation Instructions.” In addition to

other penalties or consequences, the FHCF has the authority, pursuant to Section 215.555(4)(f), F.S., to require that the Company pay for the following services under the circumstances specified herein:

1. If the Company is responsible for the delay of an examination, the inability to conduct an examination as scheduled, or the inability to complete an examination, the Company shall be required to reimburse the FHCF for all the usual and customary expenses connected to such delay, cancellation, or incompleteness.

2. If the FHCF finds any Company's records or other necessary information to be inadequate or inadequately posted, recorded, or maintained, the FHCF may employ experts to reconstruct, rewrite, record, post, or maintain such records or information, at the expense of the Company being examined.

3. A Company required to reimburse the FHCF for costs as required in subparagraphs 1. and 2., is liable for interest on the amount owed to the FHCF from the date the FHCF pays such expenses until the date payment from the Company is received. The applicable interest rate will be the average rate earned by the SBA for the FHCF for the first four months of the current Contract Year plus 5%. The payment of reimbursements or refunds by the FHCF to the Company will be offset by any amounts owed by that Company to the FHCF under this paragraph.

(8) Company contact information. Companies must submit Form FHCF C-1, Company Contact Information, rev. 01/17, <http://www.flrules.org/Gateway/reference.asp?No=Ref-07734>, which is hereby adopted and incorporated by reference into this rule, by March 1 preceding each Contract Year to the FHCF Administrator, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, Minnesota 55437. A New Participant must submit Form FHCF C-1 within 30 calendar days after writing its first Covered Policy. This form must be updated by the Company as the information provided thereon changes. The FHCF shall have the right to rely upon the information provided by the Company to the FHCF on this form until receipt by the FHCF of a new properly completed and notarized Form FHCF C-1 from the Company.

(9) Deadlines. If any deadline provided for herein falls on a Saturday, Sunday or on a legal holiday, then the applicable due date will be the first business day immediately following the Saturday, Sunday or legal holiday.

(10) All the forms adopted and incorporated by reference in this rule may be obtained from the FHCF website at www.sbafla.com/fhcf or by contacting the Florida Hurricane Catastrophe Fund Administrator, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, MN 55437.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555(2), (3), (4), (5), (6), (7), (15), 627.351(6) FS. History—New 5-17-99, Amended 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 5-10-06, 5-8-07, 6-8-08, 3-30-09, 8-2-09, 3-29-10, 8-8-10, 7-20-11, 5-22-12, 3-17-13, 4-24-14, 5-12-15, 3-13-16, 1-24-17.