

INSURER COMPLIANCE REPORT

October 31, 2023



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Insurance Commissioner

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Purpose and Scope

On May 31, 2023, Governor Ron DeSantis signed Senate Bill 7052 into law and enacted several consumer protection measures to further increase competition and accountability in Florida's property insurance market. Pursuant to section 624.315(4), Florida Statutes (F.S.), the Florida Office of Insurance Regulation (OIR or office) shall:

Create a report detailing all actions of the office to enforce insurer compliance with this code and all rules and orders of the office or department during the previous year. For each of the following, the report must detail the insurer or other licensee or registrant against whom such action was taken; whether the office found any violation of law or rule by such party, and, if so, detail such violation; and the resolution of such action, including any penalties imposed by the office. The report must be published on the website of the office and submitted to the commission, the President of the Senate, the Speaker of the House of Representatives, and the legislative committees with jurisdiction over matters of insurance on or before January 31 of each year. The report must include, but need not be limited to:

- 1. The revocation, denial, or suspension of any license or registration issued by the office.*
- 2. All actions taken pursuant to s. 624.310, F.S.*
- 3. Fines imposed by the office for violations of this code.*
- 4. Consent orders entered into by the office.*
- 5. Examinations and investigations conducted and completed by the office pursuant to ss. 624.316 and 624.3161, F.S.*
- 6. Investigations conducted and completed, by line of insurance, for which the office found violations of law or rule but did not take enforcement action.*

Each quarter, the office shall create a report detailing all actions of the office to enforce insurer compliance during the previous quarter. The report must include, but need not be limited to, the subjects that must be included in the annual report under paragraph (a). The report must be submitted to the commission, the President of the Senate, the Speaker of the House of Representatives, and the legislative committees with jurisdiction over matters of insurance. The report is due on or before April 30, July 31, October 31, and January 31, respectively, for the immediately preceding quarter. The report due January 31 may be included within the annual report required under paragraph (a).

The office need not include within any report required under this subsection information that would violate any confidentiality provision included within any agreement, order, or consent order entered into or adopted by the office.

Organization of the Report

OIR is responsible for all activities concerning insurers and other risk bearing entities, including licensing, rates, policy forms, market conduct, claims, issuance of certificates of authority,

solvency, viatical settlements, premium financing, and administrative supervision, as provided under the Florida Insurance Code (this code or the Code) or Chapter 636, F.S.

This report details market conduct actions taken by OIR’s property and casualty and life and health market regulation and financial oversight business units against regulated entities during the third quarter of 2023 (July 1 – September 30, 2023).

Previous reports are available [here](#).

Regulated Entities License

The revocation, denial, or suspension of any license or registration issued by the office

During the third quarter of 2023, OIR did not issue any orders of revocation, denial, or suspension of any license or registration issued by OIR.

All Actions Taken Pursuant to s. 624.310, F.S.

During the third quarter of 2023, OIR determined two companies were operating as an unlicensed entity. Details for the initial cease and desist orders are available below:

Company	Insurance Type	Action Taken	Consent Order
Talisman Casualty Insurance Company	Captive Insurance	Initial Order to Cease and Desist	309821-23 – Issued July 27, 2023
Clinical Wellness Network, LLC	Multiple-Employer Welfare Arrangement	Initial Order to Cease and Desist	265467-20 – Issued September 27, 2023

Previous consent orders issued against unlicensed entities are available on OIR’s website [here](#).

Fines

Fines imposed by the office for violations of this code

Fines imposed against insurers serves as a market regulation penalty following an examination or investigation. Section 624.4211(1), F.S., provides that if OIR finds that one or more grounds exist for the discretionary revocation or suspension of a certificate of authority issued under Chapter 624, F.S. OIR may, in lieu of such revocation or suspension, impose a fine upon the insurer. Upon examination, a violation of the Code could result in any of the following:

- For nonwillful violations, OIR may issue fines up to \$25,000 per violation, up to an aggregate amount of \$100,000 for all nonwillful violations arising out of the same action, related to a covered loss or claim caused by an emergency for which the Governor declared a state of emergency pursuant to s. 252.36, F.S.

- For all other nonwillful violations arising out of the same action, OIR may issue fines up to \$12,500 per violation, up to an aggregate amount of \$50,000.
- For knowing and willful violations of a lawful order or rule of the office or commission or a provision of this code, OIR may impose a fine upon the insurer up to \$200,000 for each such violation, up to an aggregate amount of \$1 million for violations arising out of the same action, related to a covered loss or claim caused by an emergency for which the Governor declared a state of emergency pursuant to s. 252.36, F.S.
- For all other knowing and willful violations arising out of the same action, OIR may issue fines up to \$100,000 per violation, up to an aggregate amount of \$500,000.

During the third quarter of 2023, OIR issued fines to 22 insurers. Details for each fine are available below:

Company	Violation	Line of Insurance	Fine Imposed	Consent Order
American Federation Insurance Company	Failed to timely file the 2022 Professional Liability Claims Report pursuant to s. 627.912(1), F.S.	Surplus Lines	\$1,000	311418-23 – Issued July 31, 2023
Beazley America Insurance Company, Inc.	Failed to timely file the 2022 Professional Liability Claims Report pursuant to s. 627.912(1), F.S.	Property & Casualty	\$1,000	311421-23 – Issued August 10, 2023
ClassicPlan Premium Financing, Inc.	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$3,700	311118-23 – Issued July 21, 2023
Del Rio Discount Corporation	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$800	311125-23 – Issued July 17, 2023
Doctors Direct Insurance, Inc.	Failed to timely file the 2022 Professional Liability Claims Report pursuant to s. 627.912(1), F.S.	Property & Casualty	\$1,000	311417-23 – Issued July 17, 2023
Egret Premium Finance Company	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$6,600	311120-23 – Issued September 11, 2023
General Insurance Company of America	Failed to timely file the 2022 Professional Liability Claims Report pursuant to s. 627.912(1), F.S.	Property & Casualty	\$1,000	311419-23 – Issued August 3, 2023

HNO Premium Finance Corporation	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$1,000	311115-23 – Issued July 5, 2023
Insurance Finance Specialists	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$10,000	315920-23 – Issued September 27, 2023
Insurance Premium Financing, Inc.	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$1,300	311126-23 – Issued September 6, 2023
IPFS Corporation	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$1,000	313204-23 – Issued September 29, 2023
National Premium Budget Plan Corporation	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$10,000	311122-23 – Issued July 5, 2023
Old Republic Insurance Company	Failed to timely file the 2022 Professional Liability Claims Report pursuant to s. 627.912(1), F.S.	Property & Casualty	\$1,000	311415-23 – Issued August 17, 2023
Old Republic Union Insurance Company	Failed to timely file the 2022 Professional Liability Claims Report pursuant to s. 627.912(1), F.S.	Surplus Lines	\$1,000	311416-23 – Issued August 17, 2023
Protective Property & Casualty Insurance Company	Failed to timely file the Property and Casualty Calendar Year Experience Reporting pursuant to s. 627.915, F.S.	Property & Casualty	\$1,000	309621-23 – Issued July 24, 2023
Reliable Premium Finance Company	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$900	314743-23 – Issued September 1, 2023

SiriusPoint Specialty Insurance Corporation	Failed to timely file the 2022 Professional Liability Claims Report pursuant to s. 627.912(1), F.S.	Surplus Lines	\$1,000	311422-23 – Issued July 21, 2023
Siuprem, Inc.	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$10,000	313205-23 – Issued August 3, 2023
South Bay Acceptance Corporation	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$5,300	315924-23 – Issued September 29, 2023
Southern Pacific Insurance Corporation	Failed to timely file the 2022 Professional Liability Claims Report pursuant to s. 627.912(1), F.S.	Surplus Lines	\$1,000	311423-23 – Issued July 31, 2023
Starr Specialty Insurance Company	Failed to timely file the 2022 Professional Liability Claims Report pursuant to s. 627.912(1), F.S.	Surplus Lines	\$1,000	311424-23 – Issued August 10, 2023
Tepco Premium Finance, L.L.C.	Tri-annual examination of the premium finance company for compliance with s. 627.848, F.S. and the Code.	Premium Finance	\$5,200	312083-23 – Issued August 3, 2023

Examinations and Investigations

Examinations and investigations conducted and completed by the office pursuant to ss. 624.316 and 624.3161, F.S.

Financial Examinations

OIR monitors the financial condition of regulated entities through financial examinations. OIR is statutorily required to conduct a financial examination of each domestic insurer at least once every five years. During the third quarter of 2023, OIR’s property and casualty financial oversight business unit completed 4 financial examinations and OIR’s life and health financial oversight business unit completed 2 financial examinations¹.

¹ This report specifically references examinations completed pursuant to ss. 624.316 and 624.3161, F.S. Some life and health financial examinations are completed pursuant to s. 641.27, F.S. and are not included in this report.

Completed property and casualty financial examination reports are available on OIR’s website [here](#). Completed life and health financial examinations are available on OIR’s website [here](#).

A list of the financial examinations completed during the third quarter of 2023 is below:

Property and Casualty

- O’Shaughnahill Surety and Insurance, Inc.
- Star Casualty Insurance Company
- Republic Mortgage Assurance Company
- Trusted Resource Underwriters Exchange

Life and Health

- Centene Venture Company Florida
AmeriHealth Caritas Florida, Inc.

Market Conduct Examinations

OIR monitors insurance company products and practices for compliance with the Code through market conduct examinations. A market conduct examination, whether routine or targeted, is a formal, in-depth, technical review and sampling of an insurer’s books and records to determine if the business practices are in compliance. Consistent with nationally recognized best practices, OIR emphasizes issue-specific, complaint-driven, and targeted examinations, along with routine examinations performed at regular intervals. During the reported timeframe, OIR completed 19 market conduct examinations. A list of the market conduct examinations is below:

Company	Line of Insurance
AFCO Credit Corporation	Premium Finance
Budget Service, Inc.	Premium Finance
Citation Finance Company, Inc.	Premium Finance
ClassicPlan Premium Financing, Inc.	Premium Finance
DAB Premium Finance LLC	Premium Finance
Del Rio Discount Corporation	Premium Finance
Direct Premium Finance LLC	Premium Finance
E.T.I. Financial Corporation	Premium Finance
Egret Premium Finance Company	Premium Finance
HNO Premium Finance Corporation	Premium Finance
Insurance Finance Specialists	Premium Finance
Insurance Premium Financing, Inc.	Premium Finance
IPFS Corporation	Premium Finance
Johnson & Johnson Preferred Financing, Inc.	Premium Finance
National Premium Budget Plan Corporation	Premium Finance
Reliable Premium Finance Company, Inc.	Premium Finance
SIUPREM, Inc.	Premium Finance
South Bay Acceptance Corporation	Premium Finance
Tepco Premium Financing LLC	Premium Finance

Market Conduct Investigations

A market conduct investigation is a formal inquiry process through which OIR conducts a thorough review of the insurer’s business practices related to an issue and makes a determination of the outcome. Investigations are usually related to a pattern of issues and practices that can affect policyholders. Depending on the outcome of the investigation, additional regulatory action may be taken by OIR.

During the reported timeframe, OIR conducted and completed 15 market conduct investigations. A list of the market conduct investigations is below:

Company	Line of Insurance
American Federation Insurance Company	Property & Casualty
AP USA	Property & Casualty
Argonaut Insurance Company	Property & Casualty
Beazley America Insurance Company, Inc.	Property & Casualty
Doctors Direct Insurance, Inc.	Property & Casualty
Elan Benefit Services, LLC	Health
General Insurance Company of America	Property & Casualty
Old Republic Insurance Company	Property & Casualty
Old Republic Union Insurance Company	Property & Casualty
Protective Property & Casualty Insurance Company	Property & Casualty
SiriusPoint Specialty Insurance Corporation	Property & Casualty
Southern Pacific Insurance Corporation	Property & Casualty
Starr Specialty Insurance Company	Property & Casualty
Sunbridge Exchange, Inc.	Health
Talisman Casualty Insurance Company	Property & Casualty

Investigations with Violations of Law or Rule

Investigations conducted and completed, by line of insurance, for which the office found violations of law or rule but did not take enforcement action

As part of its market regulation efforts, on a monthly basis, OIR reviews data from multiple sources, including information from the Florida Department of Financial Services Division of Consumer Services, direct consumer complaints, data calls issued by OIR, legislators and their constituents, insurance agents, and other industry stakeholders.

OIR’s primary concern is that consumers’ issues are properly and timely resolved. If an issue is identified, OIR can take action through an informal inquiry, investigation, or examination.

Below is a list of all investigations conducted and completed by OIR during the third quarter of 2023 which OIR did not take enforcement action.

Company	Details of Investigation	Line of Insurance
AP USA	Received a complaint alleging the company may be operating as an unlicensed entity. Referred to appropriate regulatory agency for review and appropriate action.	Property & Casualty
Elan Benefit Services	Received a complaint alleging the company may be operating as an unlicensed entity. Investigation concluded no Florida consumers were involved and no regulatory jurisdiction.	Health
Sunbridge Exchange, Inc.	Received a complaint alleging the company may be operating as an unlicensed entity. Investigation concluded the company is not an insurer or entity regulated by the Florida Insurance Code.	Health



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