

# Insurance Consumer Rights in Florida (2023)

Insurance policies are contracts and legal rules come into play when you file an insurance claim. You are “the insured” and your insurance company is “the insurer.” Understanding how your insurer should handle your claim and what your rights are will help you navigate the process, be your own best advocate and collect all available policy benefits to cover your losses.

After disasters, it’s common for an insurer to rotate adjusters, which means you will have to work with multiple adjusters before your claim is resolved. Knowing your legal rights will make it easier for you to deal with rotating adjusters and keep your claim on track toward a fair and full claim settlement without unreasonable delays.

Your insurance company and its employees are required to be fair and reasonable and follow state laws and regulations. They must do a timely, thorough and unbiased investigation and assessment of your loss(es) and claim. They must work with you to adjust your claim and pay what they owe in a timely and fair manner and in full compliance with the policy contract and applicable laws.

Insurance company claim adjusters are supposed to be trained on your state’s laws and claim handling regulations, but it’s often up to you to make sure they’re valuing your losses fairly, offering all benefits you’re entitled to, and following the regulations and laws in your state.

Use the guidance and [sample letters](#) you’ll find on this website ([uphelp.org](http://uphelp.org)) to “speak UP” and collect all benefits you’re entitled to under the policy you paid for.

The information included here will give you a basic understanding of how the claim process should go and the legal rights that give you leverage to get a fair outcome. Here are the places where your rights as an insurance consumer are spelled out:

## **Florida Statutes - [Chapters 624 to 651 INSURANCE](#)**

## **Unfair Insurance Trade Practices - [§§ 626.951 to 626.99 Fla. Stat.](#)**

## **Florida Administrative Code (F.A.C.) -[Title 69](#), Subtitles 69O and 69B, [Insurance Regulation](#) and [Insurance Agent/Agency Services](#)**

## **Notices and bulletins issued by the [Florida Office of Insurance Regulation](#)**

### **Claim Communications**

UP strongly recommends keeping a daily claim journal. As often as possible, jot down the date, time, and details of conversations, issues, problems and agreements with the adjuster assigned to your claim and other professionals such as contractors, government agencies, etc.

Also, we strongly recommend communicating in writing with insurance company representatives so there is a clear paper trail of how your claim is being handled. These days many communications will be via email, so make sure to save those emails where you can find them. After in-person or phone conversations with insurance company representative you should send short follow-up emails or letters summarizing what was said or agreed to. Document that you're cooperating fully with the insurer. This will prevent them from blaming you for delays and confirm that you're holding up your end of the bargain.

Check out our "[Speak UP](#)" tips on being politely assertive, organized and avoiding delays and misunderstandings.

### **Time Frames and Deadlines**

Below are timeframes and deadlines to be aware of. After a disaster, deadlines can become unrealistic due to shortages of available inspection, clean up and construction professionals. Speak UP! Document the contractors or service providers you called, who you spoke with, and what they told you in your claim journal. Sometimes following a natural disaster more work exists than skilled labor can support, and it is important to document that you kept trying to find someone to

help protect your property following a loss.

Recently, the state of Florida approved amendments to the laws that guide and protect the insured. Some of the most significant changes for the 2023 hurricane season, are the following:

- Reduces the time for policyholders to file a claim under the policy from 2 years to 1 year for a new or reopened claim, and from 3 years to 18 months for a supplemental claim. Fla. Stat. 627.701322(2) Notice of property insurance claim.
- Other changes to the Florida 2023 law are regarding claim communications, the amendments to the section “Insurer’s duty to acknowledge communications regarding claims; investigation” 627.70131 – establishes significant changes to deadlines related to your claim and the possible solution to it, for example:
  - Reduces from 45 days to 30 days the time for the insurer to perform a physical inspection and compliance is required in all claims for damages caused by hurricanes. 627.70131 (3)(b). Insurer’s duty to acknowledge communications regarding claims investigation.

#### Processing your claim

**Reduced 14 to 7 Calendar Days** – After receiving your claim your insurer should, within 7 calendar days, review and acknowledge receipt of such communication unless payment is made within that period of time or unless the failure to acknowledge is caused by factors beyond the control of the insurer which reasonably prevent such acknowledgment. [Fla. Stat. 627.70131\(1\)\(a\).](#)

**Reduced 14 to 7 Calendar Days** – Within 7 days after an insurer receives proof of loss statements, your insurer should begin such investigation as is reasonably necessary unless the failure to begin such investigation is caused by factors beyond the control of the insurer which reasonably prevent the commencement of such investigation. [Fla. Stat. 627.70131\(3\)\(a\).](#)

#### Communicating information to you

**Reduced 14 to 7 Calendar Days** – After receiving a communication with respect to a claim you insurer should reply within 7 calendar days. [Fla. Stat. 627.70131\(1\)\(a\).](#)

### Investigating your claim

**Reduced 90 to 60 Days** – Your insurer must complete its claim investigation within 60 days of receipt of the claim, unless factors beyond the control of the insurer prevent it, in which case the claim must be paid or denied within 15 days after those factors cease. [Fla. Stat. 627.70131\(7\)\(a\).](#)

### Paying or denying your claim

**Reduced 90 to 60 Days** – Within 60 days after an insurer receives notice of an initial, reopened, or supplemental property insurance claim from a policyholder, the insurer shall pay or deny such claim or a portion of the claim unless the failure to pay is caused by factors beyond the control of the insurer which reasonably prevent such payment. [Fla. Stat. 627.70131\(7\)\(a\).](#)

**More time** – If the insurer needs more time affirm or deny a claim, due to factors beyond their control. Then the insurer will be given additional time, but the claim must be paid or denied within 15 days after those factors cease. [Fla. Stat. 627.70131\(7\)\(a\).](#)

### Preserving your right to sue if necessary

There is typically a deadline in your insurance policy for filing a lawsuit related to a claim. Check your policy for a “suit against us” provision, or similarly worded provision, to find that deadline. It’s typically 12 months from the date of loss or the date your insurer closes your claim. However, the laws in your state that apply to lawsuit deadlines may extend the period stated in your policy, so it’s best to check with an experienced Florida state attorney to avoid losing your legal rights and the leverage those rights give you to get a fair payout on a claim.

[Florida Civil Remedy Statute 624.155](#)– Provides that, any person may bring an action against an insurer when such person is damaged by the specific violations of the statute. 624.155(3)(a)(c) further clarifies that As a condition precedent to bringing an action under this section, the department and the authorized insurer must have been given 60 days’ written notice of the violation. Additionally, no bad faith action shall lie “if, within 60 days after the insurer receives notice from the department in accordance with this subsection, the damages are paid or the circumstances giving rise to the violation are corrected.”

In addition, under the amendments, bad faith lawsuits for mere negligence in failing to resolve a property

insurance claim may not be brought until the insured has established, through adverse court judgment, that the insurer breached the property insurance contract, insurance and final judgment or decree has been issued against the insurer, only then can you recover damages for bad faith. Fla. Stat. 624.155(7) Civil Remedy

## **Unfair Claim Practices**

Your insurer is prohibited from using unfair claim practices and/or treating you badly during the claim process. These practices are set out in the Florida Statutes. Florida has adopted the [Unfair Insurance Trade Practices Act](#). The following are a few examples listed in [Fla. Stat. 626.9541 \(1\)\(i\)](#) Specific **Unfair claims settlement practices defined:**

### ***(i) Unfair claim settlement practices.—***

1. Attempting to settle claims on the basis of an application, when serving as a binder or intended to become a part of the policy, or any other material document which was altered without notice to, or knowledge or consent of, the insured;
2. A material misrepresentation made to an insured or any other person having an interest in the proceeds payable under such contract or policy, for the purpose and with the intent of effecting settlement of such claims, loss, or damage under such contract or policy on less favorable terms than those provided in, and contemplated by, such contract or policy; or
3. Committing or performing with such frequency as to indicate a general business practice any of the following:
  - a. Failing to adopt and implement standards for the proper investigation of claims;
  - b. Misrepresenting pertinent facts or insurance policy provisions relating to coverages at issue;
  - c. Failing to acknowledge and act promptly upon communications with respect to claims;
  - d. Denying claims without conducting reasonable investigations based upon available information;
  - e. Failing to affirm or deny full or partial coverage of claims, and, as to partial coverage, the dollar

amount or extent of coverage, or failing to provide a written statement that the claim is being investigated, upon the written request of the insured within 30 days after proof-of-loss statements have been completed;

f. Failing to promptly provide a reasonable explanation in writing to the insured of the basis in the insurance policy, in relation to the facts or applicable law, for denial of a claim or for the offer of a compromise settlement;

g. Failing to promptly notify the insured of any additional information necessary for the processing of a claim; or

h. Failing to clearly explain the nature of the requested information and the reasons why such information is necessary.

i. Failing to pay personal injury protection insurance claims within the time periods required by s. [627.736\(4\)\(b\)](#). The office may order the insurer to pay restitution to a policyholder, medical provider, or other claimant, including interest at a rate consistent with the amount set forth in s. [55.03\(1\)](#), for the time period within which an insurer fails to pay claims as required by law. Restitution is in addition to any other penalties allowed by law, including, but not limited to, the suspension of the insurer's certificate of authority.

4. Failing to pay undisputed amounts of partial or full benefits owed under first-party property insurance policies within 60 days after an insurer receives notice of a residential property insurance claim, determines the amounts of partial or full benefits, and agrees to coverage, unless payment of the undisputed benefits is prevented by an act of God, prevented by the impossibility of performance, or due to actions by the insured or claimant that constitute fraud, lack of cooperation, or intentional misrepresentation regarding the claim for which benefits are owed.

### **Remedies: Filing an official complaint with your State Insurance Agency**

The Florida Office of Insurance Regulation oversees how insurance companies operate in the state. They can impose penalties on your insurance company if they it did not comply with the laws in your state that require insurers to handle claims fairly and in good faith.

Visit [uphelp.org](https://uphelp.org) and Insurance Resources for Florida <https://uphelp.org/recovery/state-by-state-help/florida/> for resources and tips on the process and strategy of filing a formal complaint.

You can call the Office of the Insurance Commissioner consumer hotline with any questions or complaints toll-free at (850) 413-3140, email insurance questions to [InsuranceCommissioner@flor.com](mailto:InsuranceCommissioner@flor.com), or file a complaint online, by going to <https://apps.fldfs.com/eService/Default.aspx> and select “File a Complaint” for an online form.

Mailing address:

*Florida Department of Financial Services  
Division of Consumer Services  
200 East Gaines Street  
Tallahassee, FL 32399-0322*

### **Special rules that may be in place after a disaster**

Check the Florida Office of Insurance Regulation website regularly to find all rules, regulations or other updates they may have put out that are specific to the disaster. <https://flor.com/consumers/hurricane-season-resources>

After past disasters, special rules have been put into place such as:

- Requirements that insurers advance funds for temporary expenses instead of requiring you to incur and submit receipts.
- Requirements that insurers extend deadlines for submitting proofs of loss and other documents.
- Agreements with insurers that they will accept less detailed contents inventories.

### **Hiring Professional Help**

When you paid your premium, you paid for coverage *and* good claim service. In theory, you should not have to hire outside help to get what you already paid for. However, in reality, you may need to. You have the right to hire an attorney or public adjuster to help navigate your claim. However, we urge

caution before agreeing to pay a portion of your insurance benefits to any professional, and before hiring anyone to speak for you or negotiate on your behalf with your insurance company. Only hire someone who has strong references and who is likely to add value to your claim and recover more funds more quickly than you'd be able to recover on your own.

**Attorneys** – If you hire an attorney to resolve an insurance claim dispute, try to hire them on a contingency (not hourly) fee basis and agree to advance litigation costs. Claim disputes are time-consuming, so it gets expensive fast when you pay by the hour. Ideally, arrange for one or two qualified attorneys to do an initial evaluation of your situation free of charge. Only hire one that has represented insurance consumers in claim disputes and is a member in good standing of the Florida Bar. Visit our Florida Professional Help Directory at: <https://uphelp.org/sponsor-location/florida/>. We strongly recommend reading our publication titled [“Questions and Answers for Hiring an Attorney for an Insurance Claim”](#) before making this important decision.

**Public Adjusters** – A qualified public adjuster can value your losses, handle the day-to-day aspects of your claim and negotiate a settlement on your behalf. Generally speaking, if you hire a public adjuster, you agree to pay them a percentage of the insurance benefits they recover on your behalf – not an hourly fee. Florida public adjusters can also be found by visiting our [Florida Professional Help Directory](#). We strongly recommend reading our publication titled [“Questions to Ask Before Hiring a Public Adjuster”](#) before making this important decision.

### **Using the Legal System to get a Fair Settlement**

If you haven't been able to get a fair insurance claim settlement on your own or with help from a professional and/or your state's insurance oversight agency, filing a lawsuit is your next option. If your lawsuit is successful, you can recover what the insurer owed and (ideally) also get compensation for the expenses you incurred chasing the policy benefits you were entitled to in the first place. Your success in using the legal system to get a fair settlement will depend on the quality of the lawyer(s) you hire, the laws in your state and the facts in your case.

It's common to worry that a lawsuit will be too time consuming or expensive (or both), but if you get the right lawyer and your case is strong, suing an insurer is often the best and only way to recover what you're owed. Finding a qualified lawyer is essential. Insurance matters require specialized expertise and you need a strong advocate who speaks the language and has previous experience litigating against an



insurance company.

Start in our [“Find Help”](#) section and click on your state to find professionals who specialize in representing policyholders and support United Policyholders. You’ll find many lawyers on the Internet that advertise as insurance specialists, and many of their websites have a chat window that pops up as soon as you visit their site. Speak directly to the lawyer who’d be handling your case and interview them about their insurance and litigation experience. Get and check client references. A lawsuit is a major undertaking but is often the best way to get full compensation, so be an astute consumer and choose your attorney carefully.

The cost of hiring an attorney varies from firm to firm. The two main options are attorneys who charge by the hour and those who work on contingency. For most policyholders, hiring an attorney on a “contingency” fee basis is the only feasible way of doing battle with a well-funded insurance company. Hourly fees for lawyers vary according to firm size, experience of the attorney, and geographic location. While attorneys who work on contingency usually set their fee at 33% of the amount they recover on your behalf, that may increase to 40% if your case goes to trial. Most cases settle before trial. In some states you may not have the option of hiring an attorney on a contingency fee basis.

Using the legal system gives you leverage to get a better settlement and a lawsuit is a valuable tool. For more guidance on what to consider before suing your insurance company, read [Hiring an Attorney for an Insurance Claim](#) on [uphelp.org](http://uphelp.org).

## **Best Practices**

Visit and use UP’s [Disaster Recovery Help Library](#) to get information, about the recovery process, after a disaster occurs. Additionally, for best practices, follow these steps:

**Inventory and document your losses.** Take pictures of identifiable items before they’re removed for disposal or repairs before your lot gets cleared. Create detailed lists of damaged property. If your home was seriously damaged or completely destroyed, get at least one, ideally two, independent repair/replacement cost estimates.

**Cooperate with your insurer as best you can and keep a good paper trail.** If you are not able to stay in your home, make sure the company has an address and phone number where it can reach you.

**Be present for inspections.** It's a good idea to be home when the adjuster and or others inspect your property. Feel free to ask your contractor to be there with you to explain his/her opinions and estimates to the insurance company's representatives.

**Make only urgent/temporary repairs before filing a claim.** Your insurance company may deny your claim if you make permanent repairs before it inspects. If you're not sure if your company considers a repair to be permanent, ask your company (in writing) before starting any repair work. The cost of these repairs and for storing personal belongings is likely covered by your policy.

**Keep receipts.** Your insurer will usually require you to provide receipts before they'll reimburse you for expenses due to losing the use of all or part of your property. This is also true for collecting full replacement costs above depreciated/actual cash values. On our website you'll find a free expense spreadsheet to help you keep track.

**Speak UP.** Be politely assertive, communicate clearly, and set realistic goals during the claim process.

### **Citizens Property Insurance Corporation (Citizens)**

The 2023 Florida law amendments also increased the eligibility threshold for Citizens policyholders renewing personal line residential risk on or after April 1, 2023, and Citizens policyholders' personal line residential risk renewal of commercial lines upon becoming law. Under the new amendments, policyholders are ineligible for Citizen's coverage at renewal upon receipt of an offer of comparable coverage from a licensed insurer for a premium that is no more than 20 percent higher than Citizens' renewal premium.

It also increased the eligibility threshold for new Citizen's policies for commercial lines of residential risk from 15 percent to 20 percent, which is consistent with the current threshold for new personal residential coverage policies. The new amendments modify the offer provisions to accommodate these increased eligibility thresholds.

Under the new amendments, Citizens' rates will not be able to be competitive with the approved rates charged in the market, in addition to being actuarially sound. Rate increases in excess of Citizens are authorized for coverage of non-primary residences. The amendments to the law repealed language that allowed policyholders to return to Citizens as a renewal if the previous provider increases its rates above

## Citizens.

Following the amendments, now Citizens accounts will be a single account structure allowing Citizens to access their entire surplus to pay claims. Currently, the surplus from a given account can only be used to pay claims on that account. The surcharge imposed on the account was also revised and will now only be 15 percent for the single account.

Citizens policyholder residential personal lines must obtain and maintain flood insurance that meets certain requirements as a condition of eligibility for Citizen's coverage. Such coverage must be implemented as follows for Citizens:

- For hazards located in areas designated by the Federal Emergency Management Agency as special flood hazard areas, flood insurance must be obtained for new Citizen's policies renewing on or after April 1, 2023 and on or after July 1, 2023 for renewing Citizen's policies.
- For all other types of risks, the requirement to obtain a flood insurance policy is effective:
  - March 1, 2024, for policies that insure property up to a limit of \$600,00 or more.
  - March 1, 2025, for policies that insure property up to a limit of \$500,00 or more.
  - March 1, 2026, for policies that insure property up to a limit of \$400,00 or more.
  - March 1, 2024, for all other policy types.