



Chief Financial Officer Jimmy Patronis'

DOLLARS & SENSE

Florida Department of Financial Services

Dear Fellow Floridians:

Healthcare coverage is a valuable tool in keeping ourselves and our families healthy, but in recent years, the cost of health insurance keeps climbing. I'm certain you've felt the strain on your family's monthly budget, just as I have. Regrettably, on top of monthly premium payments, there's an impending tax that stands to drive our costs even higher: the federal Health Insurance Tax.

If you haven't heard of it, I encourage you to learn more about this tax, which I believe is burdensome, unnecessary and will negatively impact Florida's financial bottom line. Initially scheduled to go into effect in 2017, Congress opted to delay its implementation until January 1, 2018. While I believe this was a smart move that lowered policyholder premiums by three percent this year, without additional action, it ultimately serves as nothing more than a delay tactic.

As Florida's Chief Financial Officer, it's my job to monitor the security of Florida's finances and to sound the alarm on laws that will hurt the health of Florida's families' finances and the state's. Florida alone faces a \$1.7 billion overall increase in 2018 health care premiums.

I know that Florida families simply cannot afford these increases, nor can they afford Congress to sit by and do nothing. This week, I wrote a letter to Florida's congressional delegation urging them to take swift action to address this ill-designed and costly tax ahead of its implementation.

To read a full copy of my letter, [click here](#). I'll keep you apprised of my further conversations, and in the meantime, I strongly encourage you to research this tax and contact your congressional delegation to encourage their action on this important issue.

Sincerely,



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State of Florida

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News of Interest

Fort Myers News-Press: **Man arrested for repairing roofs without a contractor license following Hurricane Irma**

A Fort Myers man was arrested after authorities found he made "subpar" roof repairs to an apartment complex after Hurricane Irma damaged the structure. Oscar M. Palma advertised himself as a licensed and insured contractor but investigators found he had no insurance and was not licensed as a contractor, according to a news release. The investigation began after Florida's Department of Financial Services received a tip that Palma was performing work without the proper licensing. Investigators with the department's Bureau of Workers' Compensation Compliance sent investigators to one of Palma's worksites and issued a stop-work order after they confirmed Palma had no insurance and he confessed he didn't have a professional license.

Sarasota Herald-Tribune: **Claims for Irma damage top \$5 billion in Florida**

Six weeks after Hurricane Irma ripped through Florida, claims for damage have now topped \$5 billion. More than 23,160 property owners in Southwest Florida have filed claims for insured losses from Irma, according to an updated report Monday from the state Office of Insurance Regulation. That is 700 claims added since last week from Sarasota, Manatee and Charlotte counties. The state agency said 772,934 owners of residential and commercial properties statewide had submitted claims to insurers as of the end of last week. Total losses have now climbed to \$5.31 billion, up by \$740,000 from the previous week.

Digital Journal: **Florida aims to become regional alternative jet fuels hub**

Florida wants to establish a biofuel supply chain based around Brassica carinata, a non-edible plant that has already been used to produce 100 percent bio-derived jet fuel. Earlier this month, the U.S. Department of Agriculture's (USDA) National Institute of Food and Agriculture (NIFA) announced grants totaling \$21.1 million to support the development of new jet fuel, biobased products and biomaterials from renewable sources.

Politico Magazine: **The boomtown that shouldn't exist**

The ads promised paradise, "Legendary Lazy Living" in a "Waterfront Wonderland." The brochures sold the Florida dream, "an enchanted City-in-the-Making (average temperature: 71.2 degrees)" without winter, worries or state income taxes. Cape Coral was America's land of tomorrow, just \$20 down and \$20 a month for a quarter-acre slice of heaven: "Breathtaking, isn't it? How could it be otherwise when Nature was so lavishly generous to begin with?"

Tampa Bay Times: **Florida unemployment rate drops to 3.8 percent**

Florida lost a whopping 127,400 jobs last month as Hurricane Irma swept through, according to state figures released Friday. "It left a big bruise on the economy," Sean Snaith, economist at the University of Central Florida, said. Despite the big dip, Florida's unemployment rate continued its downward tear in September to hit 3.8 percent - the lowest since April 2007. The unemployment rate is based on a household survey while the calculation of jobs lost or added is drawn from employer data.

CFO Patronis' Insurance Consumer Helpline Recovers More Than \$9 Million for Floridians in Third Quarter

Florida's Chief Financial Officer Jimmy

Patronis on Wednesday announced that assistance provided to Floridians by insurance specialists working Florida's insurance consumer helpline (1-877-MY-FL-CFO) led to the recovery of nearly \$9.3 million in the third quarter of 2017.



Recoveries included insurance claim payments and premium refunds that consumers sought the Department of Financial Services' help collecting.

CFO Patronis said, "Now more than ever, it's crucial for Floridians to know that they have an unbiased place to turn for insurance information. As many families continue to navigate the post-storm claims process, I encourage them to call us if they reach a roadblock of any kind. Our experts will advocate on their behalf, and quite possibly, secure a positive outcome to a problem that seemed otherwise unsolvable. We're only one call away, and we're always ready to help."

The helpline assists Floridians with financial and insurance-related matters, including disaster preparation and insurance fraud, as well as questions and complaints regarding auto, home, health, life and small business insurance. Between July 1, 2017 and September 30, 2017, the helpline's insurance specialists answered 70,454 calls and opened nearly 4,500 assistance requests. Nearly \$9.3 million was recovered on behalf of 1,307 consumers.

Since January, the helpline has answered more than 211,000 calls, opening nearly 14,000 assistance requested and helping return a total of \$25.9 million back to Floridians.

Recent examples of how consumers were helped by helpline specialists include:

- A Bay County consumer asked for the Department's assistance with an automobile claim after his car was stolen in January 2017. After providing his insurance company with the police report and supporting documentation to validate the theft, he stopped hearing from his insurance company. Following several unsuccessful attempts at reaching his insurance adjuster, who had previously acknowledged receiving the documentation, the consumer called the helpline. The insurance company said that staff turnover had derailed the processing of property damage claims, but quickly processed and paid out the consumer's \$6,100 claim.
- A Brevard County consumer filed a homeowners' claim for Hurricane Matthew damages in October 2016, and, after all repairs had been completed, the consumer filed a second claim in Spring 2017 for the recoverable depreciation. The consumer's second claim went unanswered for months, until she contacted the Helpline for assistance. The insurance company acknowledged receipt of the second claim, but could provide no valid reason why it had not responded to the consumer or paid the claim. Soon after speaking with a DFS insurance expert, the insurance company apologized to the consumer and promptly paid the \$1,372 claim.
- A Citrus County consumer requested the Department's assistance when, after her sister's passing, her sibling's life insurance company continued to demand monthly premium payments rather than paying out the policy benefit. Even after providing a death certificate and beneficiary information, several calls to the life insurance company could not solve the problem. A DFS insurance expert reached out on the consumer's behalf, and the company acknowledged the miscommunication and delay. The nearly \$10,000 policy benefit was promptly paid out to the consumer as her sister's beneficiary.
- A Brevard County consumer contacted the helpline to settle an aging but unresolved homeowners' claim. The consumer's insurance company offered \$10,000 in June 2016 to settle the claim, but the consumer declined and hired a public adjuster to help her. The public adjuster she hired worked alongside the insurance company's adjuster to submit a second settlement offer, which was rejected by the insurance company. After going to mediation and reaching a settlement amount in April 2017, the claim was still not paid by the company. Upon calling for assistance, helpline experts secured the release of the \$61,000 payment to the consumer.

Floridians can contact the insurance consumer helpline toll-free by calling 1-877-MY-FL-CFO (1-877-

CFO Patronis' Disaster Fraud Action Strike Team Nets Fly-By-Night Contractor in Fort Myers

Chief Financial Officer Jimmy Patronis on Friday announced the arrest of Oscar M. Palma made by the Department of Financial Services' Disaster Fraud Action Strike Team. Palma, a Fort Myers contractor, was reported to authorities after allegedly making subpar roof repairs to an area apartment complex following Hurricane Irma. Upon launching an investigation, fraud detectives quickly learned that while Palma advertised himself as a licensed and insured contractor, he in fact held no workers' compensation coverage and was not licensed as a contractor.

When accidents occur on job sites, workers' compensation coverage protects the property owner and hired employees from being held responsible for paying medical and lost wage costs tied to potential on-the-job injuries. Therefore, Palma put his entire staff as well as his customers at risk by failing to carry proper insurance coverage.



CFO Patronis said, "When contractors fail to secure workers' compensation coverage, a myriad of risks are presented, and we are sending a message that taking short cuts will not be tolerated. If any of Palma's workers were to get injured, the property owners, who are already going through high-stress and costly times dealing with Hurricane Irma damages, or the employee themselves are forced to pay out-of-pocket for medical expenses. Our efforts are focused on ensuring our residents, consumers and employees don't fall victim to Irma twice, and these types of uninsured activities could cause just that."

The Department's Bureau of Workers' Compensation Compliance received a tip October 12, 2017, alleging unlicensed, uninsured and careless roof work was being performed by Palma's company. Investigators visited one of Palma's current work sites and issued a stop work order upon confirming Palma failed to secure a workers' compensation insurance and Palma's confession to having no professional license.

He was arrested October 13, 2017, and transported to Lee County Jail. This case will be prosecuted by the Lee County Office of the State Attorney, 20th Judicial Circuit. If convicted, Palma could face up to five years in prison.

The Department's anti-fraud strike team consists of three teams working in areas heavily impacted by Hurricane Irma including South Florida, Miami-Dade and Monroe counties; Southwest Florida, including Lee and Collier counties; and Central Florida, including Polk and Orange counties. To report suspected fraud, call the Department's toll-free Fraud Tip Hotline at 1-800-378-0445.

Operation S.A.F.E., Be Scam Smart Workshops

Florida Chief Financial Officer Jimmy Patronis invites you to participate in **Operation S.A.F.E., Be Scam Smart**, a free workshop for seniors, their families, and caregivers.



The Florida Department of Financial Services launched Operation S.A.F.E. (Stop Adult Financial Exploitation) as part of CFO Patronis' **On Guard for Seniors** initiative. Be Scam Smart workshops help inform, empower, and protect Florida's seniors from financial scams and fraud. If you want to make sure your savings are protected, register for this workshop and get a better understanding of how scam artists and scams work.

Be Scam Smart by learning more about:

- How to Spot Fraudulent Behavior – Are you at risk?
- Common Scams that Target Seniors – Is this too good to be true?
- How to Fight Identity Theft – Protect, Prevent, Police

Feedback from seniors who attended a Be Scam Smart workshop:

"Really learned a lot of valuable information." - Jacksonville

"This was a very valuable topic of interest in our present world." - Arcadia

"I live alone and learned a lot of helpful information that I can share with other seniors." - Zephyrhills

"As a result of this presentation I will be more aware of what is going on around me." - Pensacola

"The info was very good and eyes opened more than ever." - Ormond Beach

Find out more about us in the **About Us** section or **Register** for an upcoming event, including the following workshops:

Wednesday, November 1 - Altamonte Springs

2:00 p.m. - 3:30 p.m.

One Senior Place, Auditorium

715 Douglas Avenue, Altamonte Springs, FL 32714

Register | **Directions** | **Flyer**

Tuesday, November 14th - Palm Coast

11:00 a.m. – 12:30 p.m.

African American Cultural Society, Inc.

4422 N. US Highway 1, Palm Coast, FL 32164

Register | **Directions** | **Flyer**

Wednesday, November 15th - Flagler Beach

11:00 a.m. – 12:00 p.m.

George Wickline Senior Center

800 S. Daytona Avenue, Flagler Beach, FL 32136

Register | **Directions** | **Flyer**

Thursday, November 16th - Bunnell

10:30 a.m. – 12:00 p.m.

Christ Lutheran Church, Fellowship Hall

2323 N. State Street, #112, Bunnell, FL 32110

Register | **Directions** | **Flyer**

Please let us know if you would like to **request a workshop** in your area.

Florida Economic Briefs

Housing Market Remains Strong

The housing market in Florida continues to be a strong seller's market. The median home sales price in September held steady at just under \$240,000, and inventory was only 3.8 months.

Source: **Florida Realtors Association**

Unemployment Rate Continues to Drop

The unemployment rate in Florida fell again in September, reaching a level of 3.8 percent. This is the lowest the rate has been since April 2007.

Source: **Bureau of Labor Statistics**