

AMENDMENTS TO HOUSE BILL NO. 2005

Sponsor: REPRESENTATIVE KILLION

Printer's No. 2837

1 Amend Title, page 1, line 14, by striking out "and" and
2 inserting a comma

3 Amend Title, page 1, line 14, by removing the period after
4 "coverage" and inserting
5 and for LifeLine health insurance.

6 Amend Sec. 3, page 4, line 12, by striking out "an article"
7 and inserting
8 articles

9 Amend Sec. 3, page 23, by inserting between lines 1 and 2

ARTICLE XLIIILIFELINE HEALTH INSURANCE

10 Section 4301. Scope of article.

11 This article relates to LifeLine health insurance.

12 Section 4302. Statement of purpose.

13 The General Assembly recognizes the need for individuals and
14 employers in this Commonwealth to have the opportunity to
15 acquire affordable health benefit plans that provide appropriate
16 and affordable coverage. The General Assembly seeks to increase
17 the availability of coverage by specifying health benefit plans
18 which certain insurers shall offer and also to require the
19 Insurance Department to take steps to facilitate the
20 availability of information relating to the plans and their
21 terms, conditions and premiums through electronic and other
22 media.

23 Section 4303. Definitions.

24 The following words and phrases when used in this article
25 shall have the meanings given to them in this section unless the
26 context clearly indicates otherwise:

27 "Commissioner." The Insurance Commissioner of the
28 Commonwealth.

29 "Department." The Insurance Department of the Commonwealth.

30 "Dependent child." A natural or adopted child of a qualified
31 individual. The term includes a stepchild who resides in a
32 qualified individual's household if the qualified individual has
33 assumed the financial responsibility for the child and another
34

parent is not legally responsible for the support and medical expenses of the child.

"Eligible dependent." A spouse of a qualified individual and a dependent child who is under 19 years of age.

"Health benefit plan." An individual or group health insurance policy, subscriber contract, certificate or plan which provides health or sickness and accident coverage which is offered by an insurer. The term does not include any of the following:

(1) An accident only policy.

(2) A limited benefit policy.

(3) A credit only policy.

(4) A long-term or disability income policy.

(5) A specified disease policy.

(6) A Medicare supplement policy.

(7) A Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) supplement policy.

(8) A fixed indemnity policy.

(9) A dental only policy.

(10) A vision only policy.

(11) A workers' compensation policy.

(12) An automobile medical payment policy under 75 Pa.C.S. (relating to vehicles).

"High deductible health plan." A health insurance policy that would qualify as a high deductible health plan under section 223(c)(2) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 223(c)(2)).

"Insurer." A company or health insurance entity licensed in this Commonwealth to issue any individual or group health, sickness or accident policy or subscriber contract or certificate or plan that provides medical or health care coverage by a health care facility or licensed health care provider that is offered or governed under any of the following:

(1) This act.

(2) The act of December 29, 1972 (P.L.1701, No.364), known as the Health Maintenance Organization Act.

(3) The act of May 18, 1976 (P.L.123, No.54), known as the Individual Accident and Sickness Insurance Minimum Standards Act.

(4) 40 Pa.C.S. Ch. 61 (relating to hospital plan corporations) or 63 (relating to professional health services plan corporations).

"Licensee." An individual who is licensed by the Department of State to provide professional health care services in this Commonwealth.

"LifeLine health plan." A health benefit plan that offers the following, subject to the provisions of section 4304:

(1) Twenty-one days of inpatient hospital surgical and medical coverage per policy year.

(2) Coverage for four office visits for primary health care services for covered services rendered by a licensee, subject to a copayment for each visit of \$10 for treatment of injury or illness.

(3) Coverage for surgery and anesthesia.

(4) Coverage for emergency accident and medical treatment.

(5) Coverage for diagnostic services up to \$1,000 per policy year.

(6) Coverage for chemotherapy and radiation treatment.

1 (7) Coverage for maternity care.

2 (8) Coverage for newborn care for up to 31 days
3 following birth.

4 "Participating insurer." An insurer that offers health
5 benefit plans to groups or individuals and which has health
6 benefit plans in force covering in the aggregate at least
7 100,000 qualified individuals in this Commonwealth.

8 "Standard health benefit plan." The LifeLine health plan and
9 any high deductible health plan offered by participating
10 insurers to individuals and employers.

11 Section 4304. Offering of standard health benefit plans.

12 (a) Offering of plans.--All participating insurers shall
13 offer the standard benefit plans specified under this article to
14 individuals and to employers for the benefit of individuals
15 employed by them.

16 (b) Inclusion in coverage.--If coverage is provided to
17 eligible dependents under a LifeLine health plan, the coverage
18 shall include dependent children of the insured from the moment
19 of birth and for adopted dependent children with prior coverage
20 from the date of the interlocutory decree of adoption. The
21 participating insurer may require that the insured give notice
22 to it of any newborn child within 90 days following the birth of
23 the newborn child and of any adopted child within 60 days of the
24 date the insured has filed a petition to adopt.

25 (c) Exclusion.--Participating insurers may exclude coverage
26 under a LifeLine health plan for an individual who has not been
27 covered by a health benefit plan for more than 30 days for up to
28 one year for medical conditions for which medical advice or
29 treatment was received by the individual during the 12 months
30 prior to the effective date of the individual's LifeLine health
31 plan policy.

32 (d) Applicability.--No law, regulation or administrative
33 directive requiring the coverage of a health care benefit or
34 service or requiring the reimbursement, utilization or inclusion
35 of a specific category of licensee shall apply to LifeLine
36 health plans delivered or issued for delivery in this
37 Commonwealth under the authority granted under this article,
38 including the provision of the benefits or requirements mandated
39 by Article VI-A or by regulations promulgated under this
40 article.

41 Section 4305. Facilitation by the department of access to
42 standard health benefit plans and related
43 information.

44 (a) Duty of department.--The department shall take all
45 actions necessary to effectuate the provisions of this article
46 such that participating insurers are able to make standard
47 benefit plans available not later than 180 days following the
48 effective date of this section.

49 (b) Demonstration of coverage.--

50 (1) Each insurer shall, not more than 90 days after the
51 effective date of this section, demonstrate to the
52 commissioner all of the following:

53 (i) If it has health benefit plans in force covering
54 a sufficient number of individuals to qualify as a
55 participating insurer.

56 (ii) If qualified as a participating insurer, that
57 it has the capacity to issue standard health benefit
58 plans and provide information sufficient to permit the
59 department to discharge the responsibilities assigned to

1 it under subsection (d).

2 (iii) If qualified as a participating insurer, that
3 it has undertaken a process to make standard benefit
4 plans available not later than 180 days following the
5 effective date of this section.

6 (2) The commissioner shall notify an insurer of its
7 qualification as a participating insurer under this
8 subsection.

9 (c) Demonstration of capacity.--

10 (1) An insurer shall, within 30 days of first providing
11 coverage under health benefit plans to a sufficient number of
12 individuals to qualify as a participating insurer under this
13 article, demonstrate to the commissioner all of the
14 following:

15 (i) That it has the capacity to issue standard
16 health benefit plans and provide information sufficient
17 to permit the department to discharge the
18 responsibilities assigned to it under subsection (d).

19 (ii) That it has undertaken a process to make
20 standard benefit plans available not later than 180 days
21 following provision of the information to the
22 commissioner.

23 (2) The commissioner shall notify an insurer of its
24 qualification as a participating insurer under this
25 subsection.

26 (d) Facilitation.--The department shall facilitate the
27 availability of information relating to standard health benefit
28 plans by electronic and other media, inclusive of pricing and
29 benefit information and all other relevant information, such
30 that prospective purchasers of the plans have the ability to
31 compare benefits, terms, conditions and pricing among all
32 participating insurers.

33 (e) Provision of information.--Participating insurers shall
34 provide the department, at its request, with information
35 sufficient to enable it to discharge its responsibilities under
36 subsection (d).

37 Section 4306. Records and reporting.

38 A participating insurer shall provide an annual report to the
39 department in a form prescribed by the department enumerating
40 all of the following:

41 (1) The number of individuals covered under standard
42 health benefit plans, coverage provided both directly to
43 individuals and through employers.

44 (2) The number of persons receiving coverage both under
45 LifeLine health benefit plans and through high deductible
46 health plans.

47 Section 4307. Petition for exception.

48 (a) Petition.--An insurer may, after the third anniversary
49 of its qualification as a participating insurer, petition the
50 commissioner to be relieved of the obligation to offer LifeLine
51 health plans under this article. The commissioner may grant the
52 petition upon a finding that the petitioner has used its
53 commercially reasonable best efforts to market and issue the
54 coverage and that continuation of the efforts would not provide
55 LifeLine health plan coverage to a sufficient number of
56 individuals to justify continued efforts to market and issue the
57 coverage.

58 (b) Arrangements.--The commissioner shall, as a condition
59 for approving a petition described under subsection (a), require

1 that arrangements be made for the orderly disposition of
2 outstanding coverage.

3 Amend Sec. 5, page 23, line 15, by inserting after "617.1"
4 and Article XLIII