

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL

## No. 1121

Session of  
2007

INTRODUCED BY YUDICHAK, DERMODY, K. SMITH, KENNEY, BELFANTI,  
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YOUNGBLOOD, MYERS, FREEMAN, J. WHITE, LONGIETTI, COSTA,  
PALLONE, SIPTROTH, SEIP AND GOODMAN, APRIL 23, 2007

AS REPORTED FROM COMMITTEE ON INSURANCE, HOUSE OF  
REPRESENTATIVES, AS AMENDED, JUNE 17, 2008

## AN ACT

1 Amending the act of April 9, 1929 (P.L.177, No.175), entitled  
2 "An act providing for and reorganizing the conduct of the  
3 executive and administrative work of the Commonwealth by the  
4 Executive Department thereof and the administrative  
5 departments, boards, commissions, and officers thereof,  
6 including the boards of trustees of State Normal Schools, or  
7 Teachers Colleges; abolishing, creating, reorganizing or  
8 authorizing the reorganization of certain administrative  
9 departments, boards, and commissions; defining the powers and  
10 duties of the Governor and other executive and administrative  
11 officers, and of the several administrative departments,  
12 boards, commissions, and officers; fixing the salaries of the  
13 Governor, Lieutenant Governor, and certain other executive  
14 and administrative officers; providing for the appointment of  
15 certain administrative officers, and of all deputies and  
16 other assistants and employees in certain departments, boards,  
17 and commissions; and prescribing the manner in which the  
18 number and compensation of the deputies and all other  
19 assistants and employees of certain departments, boards and  
20 commissions shall be determined," establishing the Office of  
21 Consumer Advocate for ~~Insurance as an independent~~ HEALTH <—  
22 INSURANCE AS AN office within the ~~Office of Attorney General~~ <—  
23 OFFICE OF CONSUMER ADVOCATE and prescribing its powers and <—  
24 duties; ~~and~~ establishing the Consumer Advocate for HEALTH <—  
25 Insurance Fund; AND MAKING EDITORIAL CHANGES. <—

26 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 ~~Section 1. The act of April 9, 1929 (P.L.177, No.175), known~~ <—  
3 ~~as The Administrative Code of 1929, is amended by adding an~~  
4 ~~article to read:~~

5 ARTICLE IX-C

6 OFFICE OF CONSUMER ADVOCATE FOR INSURANCE

7 SECTION 1. ARTICLE IX-A OF THE ACT OF APRIL 9, 1929 <—  
8 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929, IS  
9 AMENDED BY ADDING A SUBARTICLE HEADING TO READ:

10 (A) GENERAL PROVISIONS

11 SECTION 2. SECTION 901-A OF THE ACT, ADDED JULY 9, 1976  
12 (P.L.903, NO.161), IS AMENDED TO READ:

13 SECTION 901-A. DEFINITIONS.--AS USED IN THIS [ARTICLE]  
14 SUBARTICLE:

15 "COMMISSION" MEANS THE PENNSYLVANIA PUBLIC UTILITY  
16 COMMISSION.

17 "CONSUMER" MEANS ANY PERSON (I) WHO MAKES A DIRECT USE OR IS  
18 THE ULTIMATE RECIPIENT OF A PRODUCT OR A SERVICE SUPPLIED BY ANY  
19 PERSON OR PUBLIC UTILITY SUBJECT TO THE AUTHORITY OF THE  
20 COMMISSION OR (II) WHO MAY BE A DIRECT USER OR ULTIMATE  
21 RECIPIENT OF A PRODUCT OR SERVICE SUPPLIED BY ANY PERSON OR  
22 PUBLIC UTILITY SUBJECT TO THE AUTHORITY OF THE COMMISSION AND  
23 MAY BE AFFECTED IN ANY WAY BY ANY ACTION WITHIN THE AUTHORITY OF  
24 THE COMMISSION. THE TERM "CONSUMER" INCLUDES ANY "PERSON,"  
25 "CORPORATION" OR "MUNICIPAL CORPORATION" AS DEFINED IN [SECTION  
26 2 OF THE ACT OF MAY 28, 1937 (P.L.1053, NO.286), KNOWN AS THE  
27 "PUBLIC UTILITY LAW."] 66 PA.C.S. § 102 (RELATING TO  
28 DEFINITIONS).

29 "PUBLIC UTILITY" MEANS PUBLIC UTILITY AS DEFINED IN [SECTION  
30 2(17), ACT OF MAY 28, 1937 (P.L.1053, NO.286), KNOWN AS THE

1 "PUBLIC UTILITY LAW." ] 66 PA.C.S. § 102 (RELATING TO  
2 DEFINITIONS).

3 SECTION 3. ARTICLE IX-A OF THE ACT IS AMENDED BY ADDING A  
4 SUBARTICLE TO READ:

5 (B) OFFICE OF CONSUMER ADVOCATE  
6 FOR HEALTH INSURANCE

7 Section ~~901-C~~ 921-A. Definitions. <—

8 The following words and phrases when used in this article <—

9 SUBARTICLE shall have the meanings given to them in this section <—  
10 unless the context clearly indicates otherwise:

11 "Consumer." Any person who is a named insured, insured or  
12 beneficiary of a policy of HEALTH insurance or any other person <—  
13 who may be affected in any way by the Insurance Department's  
14 exercise of or the failure to exercise its authority.

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

16 "Fund." The Consumer Advocate for HEALTH Insurance Fund <—  
17 established pursuant to section ~~906-C~~ 926-A. <—

18 "Insurer." Any "company," "association" or "exchange" as  
19 such terms are defined in section 101 of the act of May 17, 1921  
20 (P.L.682, No.284), known as The Insurance Company Law of 1921 or  
21 any entity subject to 40 Pa.C.S. Ch. 61 (relating to hospital  
22 plan corporations) or 63 (relating to professional health  
23 services plan corporations) or Article XXIV of The Insurance  
24 Company Law of 1921 or the act of December 29, 1972 (P.L.1701,  
25 No.364), known as the Health Maintenance Organization Act.

26 ~~Section 902-C. Office of Consumer Advocate for Insurance.~~ <—

27 SECTION 922-A. OFFICE OF CONSUMER ADVOCATE FOR HEALTH <—  
28 INSURANCE.

29 (a) Office established.--There is hereby established as an  
30 independent office within the Office of Attorney General an <—

1 ~~Office of Consumer Advocate for Insurance appointed by the~~  
2 ~~Attorney General~~ OFFICE WITHIN THE OFFICE OF CONSUMER ADVOCATE <—  
3 ~~AN OFFICE OF CONSUMER ADVOCATE FOR HEALTH INSURANCE to represent~~  
4 ~~the interest of consumers before the department.~~

5 (b) Consumer Advocate for HEALTH Insurance.--The Office of <—  
6 Consumer Advocate for HEALTH Insurance shall be headed by the <—  
7 Consumer Advocate for HEALTH Insurance appointed by the Attorney <—  
8 General who by reason of training, experience and attainment is  
9 qualified to represent the interest of consumers. Compensation  
10 shall be set by the Executive Board.

11 (c) Conflict of interest.--No individual who serves as a  
12 Consumer Advocate for HEALTH Insurance shall, while serving in <—  
13 the position, engage in any business, vocation or other  
14 employment, or have other interests, inconsistent with the  
15 official responsibilities, nor shall the individual seek or  
16 accept employment nor render beneficial services for  
17 compensation with any insurer subject to the authority of the  
18 office during the tenure of the appointment and for a period of  
19 two years immediately after the appointment is served or  
20 terminated.

21 (d) Political office.--Any individual who is appointed to  
22 the position of Consumer Advocate for HEALTH Insurance shall not <—  
23 seek election nor accept appointment to any political office  
24 during the tenure as Consumer Advocate for HEALTH Insurance and <—  
25 for a period of two years after the appointment is served or  
26 terminated.

27 ~~Section 903 C. Assistant consumer advocates for insurance;~~ <—  
28 ~~SECTION 923-A. ASSISTANT CONSUMER ADVOCATES FOR HEALTH~~ <—  
29 ~~INSURANCE; employees.~~

30 ~~The Consumer Advocate for Insurance shall appoint attorneys~~ <—

1 THE CONSUMER ADVOCATE FOR HEALTH INSURANCE WITH THE APPROVAL OF <—  
2 THE ATTORNEY GENERAL SHALL APPOINT ATTORNEYS as assistant  
3 consumer advocates for HEALTH insurance and additional clerical, <—  
4 technical and professional staff as may be appropriate, and may  
5 contract for additional services as shall be necessary for the  
6 performance of the duties imposed by this article SUBARTICLE. <—  
7 The compensation of assistant consumer advocates for HEALTH <—  
8 insurance and clerical, technical and professional staff shall  
9 be set by the Executive Board. No assistant consumer advocate  
10 for HEALTH insurance or other staff employee shall, while <—  
11 serving in the position, engage in any business, vocation or  
12 other employment, or have other interests, inconsistent with  
13 official responsibilities.  
14 ~~Section 904 C. Powers and duties of Consumer Advocate for~~ <—  
15 SECTION 924-A. POWERS AND DUTIES OF CONSUMER ADVOCATE FOR <—  
16 HEALTH Insurance.  
17 (a) Representation of consumer interests.--In addition to  
18 any other authority conferred by this article SUBARTICLE, the <—  
19 Consumer Advocate for HEALTH Insurance is authorized to and <—  
20 shall, in carrying out the responsibilities under this article <—  
21 SUBARTICLE, represent the interest of consumers as a party, or <—  
22 otherwise participate for the purpose of representing an  
23 interest of consumers, before the department in any matter  
24 properly before the department, and before any court or agency,  
25 initiating proceedings if, in the judgment of the Consumer  
26 Advocate for HEALTH Insurance, the representation may be <—  
27 necessary, in connection with any matter involving regulation by  
28 the department or the corresponding regulatory agency of the  
29 ~~Federal Government~~ UNITED STATES, whether on appeal or otherwise <—  
30 initiated.

1       (b) Exercise of discretion.--The Consumer Advocate for  
2 HEALTH Insurance may exercise discretion in determining the <—  
3 interests of consumers which will be advocated in any particular  
4 proceeding and in determining whether to participate in or  
5 initiate any particular proceeding and, in so determining, shall  
6 consider the public interest, the resources available and the  
7 substantiality of the effect of the proceeding on the interest  
8 of consumers. The Consumer Advocate for HEALTH Insurance may <—  
9 refrain from intervening when, in the judgment of the Consumer  
10 Advocate for HEALTH Insurance, intervention is not necessary to <—  
11 represent adequately the interest of consumers.

12       (c) Action on petition.--In addition to any other authority  
13 conferred by this article, the Consumer Advocate for SUBARTICLE, <—  
14 THE CONSUMER ADVOCATE FOR HEALTH Insurance is authorized to  
15 represent an interest of consumers which is presented for  
16 consideration, upon petition in writing, by a substantial number  
17 of persons who are consumers of an insurer subject to regulation  
18 by the department. The Consumer Advocate for HEALTH Insurance <—  
19 shall notify the principal sponsors of the petition within a  
20 reasonable time after receipt of the petition of the action  
21 taken or intended to be taken with respect to the interest of  
22 consumers presented in that petition. If the Consumer Advocate  
23 for HEALTH Insurance declines or is unable to represent the <—  
24 interest, written notification and the reasons for the action  
25 shall be given to the sponsors.

26       (d) Name in which action is brought.--Any action brought by  
27 the Consumer Advocate for HEALTH Insurance before a court or an <—  
28 agency of this Commonwealth shall be brought in the name of the  
29 Consumer Advocate for HEALTH Insurance. The Consumer Advocate <—  
30 for HEALTH Insurance may name a consumer or group of consumers <—

1 in whose name the action may be brought or may join with a  
2 consumer or group of consumers in bringing the action.

3 (e) Public statement.--At a time as the Consumer Advocate  
4 for HEALTH Insurance determines, in accordance with applicable <—  
5 time limitations, to initiate, intervene or otherwise  
6 participate in any department, agency or court proceeding, the  
7 Consumer Advocate for HEALTH Insurance shall issue publicly a <—  
8 written statement, a copy of which shall be filed in the  
9 proceeding in addition to any required entry of appearance,  
10 stating concisely the specific interest of consumers to be  
11 protected.

12 ~~(f) Service. The Consumer Advocate for Insurance shall be~~ <—  
13 ~~served with copies of all filings, correspondence or other~~  
14 ~~documents filed by insurers with the department unless the~~  
15 ~~Consumer Advocate for Insurance informs the insurer that~~  
16 ~~specific types of classes of documents need not be so served.~~  
17 ~~The department shall not accept a document as timely filed if~~  
18 ~~the document is also required to be served on the Consumer~~  
19 ~~Advocate for Insurance and the insurer has not indicated that~~  
20 ~~service has or is being made on the Consumer Advocate for~~  
21 ~~Insurance. Insurers shall provide any other nonprivileged~~  
22 ~~information or data requested by the Consumer Advocate for~~  
23 ~~Insurance to the extent that the request is reasonably related~~  
24 ~~to the performance of the duties of the Consumer Advocate for~~  
25 ~~Insurance under this article.~~

26 Section 905-C 925-A. Duties of department. <—

27 In dealing with any proposed action which may substantially  
28 affect the interest of consumers, including, but not limited to,  
29 a proposed change of rates and the adoption of rules,  
30 regulations, guidelines, orders, standards or final policy

1 decisions, the department shall:

2       (1) Notify the Consumer Advocate for Insurance and <—  
3       provide, free of charge, copies of all related documents  
4       HEALTH INSURANCE when notice of the proposed action is given <—  
5       to the public or at a time fixed by agreement between the  
6       Consumer Advocate for HEALTH Insurance and the department in <—  
7       a manner to assure the Consumer Advocate for HEALTH Insurance <—  
8       reasonable notice and adequate time to determine whether to  
9       intervene in the matter.

10       (2) Consistent with its other statutory  
11       responsibilities, take action with due consideration to the  
12       interest of consumers.

13 Section 906 C. Consumer Advocate for Insurance Fund. <—

14       (a) Fund established. There is hereby established a  
15       separate account in the State Treasury to be known as the  
16       Consumer Advocate for Insurance Fund. This fund shall be  
17       administered by the State Treasurer.

18       (b) Deposits. All moneys deposited into the fund shall be  
19       held in trust and shall not be considered general revenue of the  
20       Commonwealth but shall be used only to effectuate the purposes  
21       of this article. The fund shall be subject to audit by the  
22       Auditor General.

23       (c) Payment by insurers. Prior to the first day of April  
24       following the effective date of this article and prior to the  
25       first day of April of each year thereafter so long as this  
26       article shall remain in effect, each insurer who writes  
27       coverages for fire and casualty, accident and health, credit  
28       accident and health under life/annuity/accident, health and life  
29       including annuities in this Commonwealth, as a condition of its  
30       authorization to transact business in this Commonwealth, shall



~~pay into the fund in trust an amount equal to the product obtained by multiplying \$5,000,000 by a fraction, the numerator of which is the direct premium collected for all coverages by that insurer in this Commonwealth during the preceding calendar year and the denominator of which is the direct premium written on such coverages in this Commonwealth by all insurers in the same period. Any insurer who fails to pay the required assessment under this section shall be prohibited from writing any insurance within this Commonwealth.~~

~~(d) Adjustment of base amount. In succeeding years the General Assembly may vary the base amount of \$5,000,000 based upon the actual funding experience and requirements of the Office of Consumer Advocate for Insurance.~~

~~(e) Construction. Assessments made under this section shall not be considered burdens and prohibitions under section 212 of the act of May 17, 1921 (P.L.789, No.285), known as The Insurance Department Act of 1921.~~

~~(f) Dissolution or termination. In the event that the fund is dissolved or the Office of Consumer Advocate for Insurance is terminated by operation of law, any balance remaining in the fund, after deducting administrative costs for liquidation, shall be returned to insurers in proportion to their financial contributions to the fund in the preceding calendar year.~~

SECTION 926-A. ASSESSMENT UPON INSURANCE COMPANIES,

DISPOSITION, APPROPRIATION AND DISBURSEMENT  
OF ASSESSMENTS.

(A) ESTIMATE OF EXPENDITURES.--BEFORE NOVEMBER 1, 2008, FOR FISCAL YEAR 2009-2010, AND BEFORE NOVEMBER 1 OF EACH YEAR THEREAFTER, THE OFFICE OF CONSUMER ADVOCATE FOR HEALTH INSURANCE SHALL ESTIMATE THE TOTAL EXPENDITURES FOR THE OFFICE OF CONSUMER

1 ADVOCATE FOR HEALTH INSURANCE AND SUBMIT THE ESTIMATE TO THE  
2 GOVERNOR IN ACCORDANCE WITH SECTION 610. AT THE SAME TIME THE  
3 CONSUMER ADVOCATE FOR HEALTH INSURANCE SUBMITS THE ESTIMATE TO  
4 THE GOVERNOR, THE CONSUMER ADVOCATE FOR HEALTH INSURANCE SHALL  
5 ALSO SUBMIT THAT ESTIMATE TO THE GENERAL ASSEMBLY. THE ESTIMATE  
6 SHALL NOT EXCEED AN AMOUNT EQUAL TO THE TOTAL ASSESSMENTS AS  
7 PROVIDED IN THIS SECTION.

8 (B) BUDGET PROCEDURES.--THE CONSUMER ADVOCATE FOR HEALTH  
9 INSURANCE OR DESIGNATED REPRESENTATIVES SHALL BE AFFORDED AN  
10 OPPORTUNITY TO APPEAR BEFORE THE GOVERNOR AND THE APPROPRIATIONS  
11 COMMITTEE OF THE SENATE AND THE APPROPRIATIONS COMMITTEE OF THE  
12 HOUSE OF REPRESENTATIVES REGARDING THE ESTIMATE. IF THE GENERAL  
13 ASSEMBLY FAILS TO APPROVE THE CONSUMER ADVOCATE FOR HEALTH  
14 INSURANCE'S BUDGET FOR THE PURPOSES OF THIS SECTION BY MARCH 30,  
15 THE DEPARTMENT SHALL ASSESS INSURERS ON THE BASIS OF THE  
16 ASSESSMENT PROVIDED IN THIS SECTION. AT SUCH TIME AS THE GENERAL  
17 ASSEMBLY APPROVES THE PROPOSED BUDGET, THE CONSUMER ADVOCATE FOR  
18 HEALTH INSURANCE AND THE DEPARTMENT SHALL MAKE AN ADJUSTMENT IN  
19 THE ASSESSMENTS TO REFLECT THE APPROVED BUDGET. THE OFFICE OF  
20 CONSUMER ADVOCATE SHALL SUBTRACT FROM THE BUDGET FINALLY  
21 APPROVED BY THE GENERAL ASSEMBLY ANY BALANCE OF THE  
22 APPROPRIATION TO BE CARRIED OVER INTO THE FISCAL YEAR FROM THE  
23 PRECEDING FISCAL YEAR.

24 (C) ASSESSMENT.--FOR FISCAL YEAR 2009-2010 AN ASSESSMENT ON  
25 EACH INSURER WHO WRITES COVERAGES FOR HEALTH AND HEALTH UNDER  
26 LIFE/ANNUITY/ACCIDENT, INCLUDING ANNUITIES, IN THIS COMMONWEALTH  
27 SHALL BE MADE. EACH INSURER SHALL BE ASSESSED AN AMOUNT EQUAL TO  
28 THE PRODUCT OBTAINED BY MULTIPLYING \$2,000,000 BY A FRACTION,  
29 THE NUMERATOR OF WHICH IS THE DIRECT PREMIUM COLLECTED FOR ALL  
30 COVERAGES BY THAT INSURER IN THIS COMMONWEALTH DURING THE

1 PRECEDING CALENDAR YEAR AND THE DENOMINATOR OF WHICH IS THE  
2 DIRECT PREMIUM WRITTEN ON SUCH COVERAGES IN THIS COMMONWEALTH BY  
3 ALL INSURERS IN THE SAME PERIOD.

4 (D) ADJUSTMENT.--IN SUCCEEDING YEARS THE GENERAL ASSEMBLY  
5 MAY VARY THE BASE AMOUNT OF \$2,000,000 BASED UPON THE ACTUAL  
6 FUNDING EXPERIENCE AND REQUIREMENTS OF THE OFFICE OF CONSUMER  
7 ADVOCATE FOR HEALTH INSURANCE.

8 (E) FUND.--ALL ASSESSMENTS RECEIVED, COLLECTED OR RECOVERED  
9 UNDER THIS SUBARTICLE SHALL BE PAID BY THE DEPARTMENT INTO A  
10 SEPARATE ACCOUNT IN THE STATE TREASURY, TO BE KNOWN AS THE  
11 CONSUMER ADVOCATE FOR HEALTH INSURANCE FUND THROUGH THE  
12 DEPARTMENT OF REVENUE.

13 (F) USE OF FUND.--ALL ASSESSMENTS PAID INTO THE CONSUMER  
14 ADVOCATE FOR HEALTH INSURANCE FUND SHALL BE HELD IN TRUST SOLELY  
15 FOR THE PURPOSE OF DEFRAYING THE COST OF THE ADMINISTRATION AND  
16 PERFORMANCE OF THE DUTIES OF THE OFFICE OF CONSUMER ADVOCATE FOR  
17 HEALTH INSURANCE, RELATED JUDICIAL PROCEEDINGS AND OTHER SUCH  
18 MATTERS WITHIN THE JURISDICTION OF THE OFFICE OF CONSUMER  
19 ADVOCATE FOR HEALTH INSURANCE, AND SHALL BE EARMARKED FOR THE  
20 USE OF, AND ANNUALLY APPROPRIATED TO, THE OFFICE OF CONSUMER  
21 ADVOCATE FOR DISBURSEMENT SOLELY FOR THAT PURPOSE. THE FUND  
22 SHALL BE SUBJECT TO AUDIT BY THE AUDITOR GENERAL.

23 (G) CONSTRUCTION.--ASSESSMENTS MADE UNDER THIS SECTION SHALL  
24 NOT BE CONSIDERED BURDENS AND PROHIBITIONS UNDER SECTION 212 OF  
25 THE ACT OF MAY 17, 1921 (P.L.789, NO.285), KNOWN AS THE  
26 INSURANCE DEPARTMENT ACT OF 1921.

27 (H) REQUISITIONS.--ALL REQUISITIONS UPON SUCH APPROPRIATION  
28 SHALL BE SIGNED BY THE CONSUMER ADVOCATE FOR HEALTH INSURANCE OR  
29 SUCH DEPUTIES AS THE CONSUMER ADVOCATE FOR HEALTH INSURANCE MAY  
30 DESIGNATE IN WRITING TO THE STATE TREASURER AND SHALL BE

PRESENTED TO THE STATE TREASURER AND DEALT WITH BY THE STATE  
TREASURER AND THE TREASURY DEPARTMENT IN THE MANNER PRESCRIBED  
BY THE ACT OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN AS THE  
FISCAL CODE.

(I) BALANCE.--IN THE EVENT THAT THE FUND IS DISSOLVED OR THE  
OFFICE OF CONSUMER ADVOCATE FOR HEALTH INSURANCE IS TERMINATED  
BY OPERATION OF LAW, ANY BALANCE REMAINING IN THE FUND, AFTER  
DEDUCTING ADMINISTRATIVE COSTS FOR LIQUIDATION, SHALL BE  
RETURNED TO INSURERS IN PROPORTION TO THEIR FINANCIAL  
CONTRIBUTIONS TO THE FUND IN THE PRECEDING CALENDAR YEAR.

~~Section 907-C~~ 927-A. Reports.

The Consumer Advocate for HEALTH Insurance shall annually  
transmit to the Governor, TO THE ATTORNEY GENERAL and to the  
General Assembly, and shall make available to the public, an  
annual report on the conduct of the Office of Consumer Advocate  
for HEALTH Insurance. The Consumer Advocate for HEALTH Insurance  
shall make recommendations as may from time to time be necessary  
or desirable to protect the interest of consumers.

~~Section 908-C~~ 928-A. Savings provision and construction.

(a) No bar to action.--Nothing contained in this ~~article~~  
SUBARTICLE shall in any way limit the right of any consumer to  
bring a proceeding before either the department or a court.

(b) No impairment to department.--Nothing contained in this  
~~article~~ SUBARTICLE shall be construed to impair the statutory  
authority or responsibility of the department to regulate  
insurers in the public interest.

Section 2 4. This act shall take effect as follows:

(1) The addition of section ~~906-C~~ 926-A of the act shall  
take effect in 90 days.

(2) This section shall take effect immediately.

1           (3) The remainder of this act shall take effect July 1,  
2   ~~2007~~ 2008, or immediately, whichever is later.

<—