

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1395 Session of  
1999

INTRODUCED BY BLAUM, CIVERA, GEORGE, HALUSKA, ORIE, TIGUE,  
YOUNGBLOOD, HASAY, WALKO, SHANER, E. Z. TAYLOR, TRELLO,  
STABACK, MELIO, MUNDY, HARHAI, YUDICHAK, BELARDI AND VEON,  
APRIL 26, 1999

REFERRED TO COMMITTEE ON INSURANCE, APRIL 26, 1999

AN ACT

1 Amending the act of May 18, 1976 (P.L.123, No.54), entitled "An  
2 act to provide reasonable standardization and simplification  
3 of terms and coverages of individual accident and health  
4 insurance policies and subscriber contracts of health plan  
5 corporations, nonprofit health service plans and certificates  
6 issued by fraternal benefit societies to facilitate public  
7 understanding and comparison, to eliminate provisions  
8 contained in individual accident and health insurance  
9 policies and subscriber contracts of health plan corporations  
10 and nonprofit health service plans and certificates issued by  
11 fraternal benefit societies which may be misleading or  
12 unreasonably confusing in connection either with the purchase  
13 of such coverages or with the settlement of claims, and to  
14 provide for full disclosure in the sale of accident and  
15 health coverages," further providing for minimum standards  
16 for benefits.

17 The General Assembly of the Commonwealth of Pennsylvania  
18 hereby enacts as follows:

19 Section 1. Section 4 of the act of May 18, 1976 (P.L.123,  
20 No.54), known as the Individual Accident and Sickness Insurance  
21 Minimum Standards Act, is amended to read:

22 Section 4. Minimum Standards for Benefits.--(a) The  
23 Insurance Commissioner shall issue regulations to establish  
24 minimum standards for benefits under each of the following

1 categories of coverage in individual policies of accident and  
2 health insurance and subscriber contracts of health plan  
3 corporations and nonprofit health service plans and certificates  
4 issued by fraternal benefit societies:

5 (1) basic hospital expense coverage;

6 (2) basic medical-surgical expense coverage;

7 (3) hospital confinement indemnity coverage;

8 (4) major medical expense coverage;

9 (5) disability income protection coverage;

10 (6) accident only coverage;

11 (7) specified disease or specified accident coverage; and

12 (8) supplemental coverage shall be permitted for all

13 preceding categories of coverages with the exception of

14 paragraph (7).

15 (b) Nothing in this section shall preclude the issuance of  
16 any policy or contract which combines two or more of the  
17 categories of coverage enumerated in paragraphs (1) through (7)  
18 of subsection (a).

19 (c) No policy or contract shall be delivered or issued for  
20 delivery in this State which does not meet the prescribed  
21 minimum standards for those categories of coverage listed in  
22 paragraphs (1) through (8) of subsection (a) which are contained  
23 within the policy or contract unless the Insurance Commissioner  
24 finds that such policy or contract will not be unjust, unfair or  
25 unfairly discriminatory to the policyholder, subscriber, any  
26 person insured under the policy, or beneficiary. Changes to a  
27 policy or contract required by regulations promulgated pursuant  
28 to this act, including changes to premium rates applicable  
29 thereto, shall be permitted by endorsement or rider unless the  
30 commissioner shall determine that such change or changes

1 substantially alters the policy or contract.

2 (d) Notwithstanding any other provision of this act or  
3 regulations promulgated hereunder, any policy or contract  
4 submitted for approval which does not meet the prescribed  
5 minimum standards for those categories of coverage listed in  
6 paragraphs (1) through (8) of subsection (a) which are contained  
7 within the policy or contract may be approved if, in the opinion  
8 of the Insurance Commissioner, such policy or contract is not  
9 unjust, unfair, or unfairly discriminatory to the policyholder,  
10 subscriber, any person insured under the policy or beneficiary.

11 (e) The Insurance Commissioner shall issue regulations  
12 prescribing the method of identification of policies and  
13 contracts based upon coverages provided.

14 (f) (1) Every policy of accident and health insurance  
15 providing coverage to a resident of this Commonwealth including  
16 benefits provided for by the provisions of the act of December  
17 2, 1992 (P.L.741, No.113), known as the "Children's Health Care  
18 Act," shall cover general anesthesia and hospital charges for  
19 dental care provided to a covered person who:

20 (i) is under nine years of age;

21 (ii) has a medical condition or disability that necessitates  
22 hospitalization or general anesthesia for dental care treatment;  
23 or

24 (iii) chooses to undergo a dental procedure requiring  
25 general anesthesia in a hospital setting.

26 (2) A health carrier may require prior authorization of  
27 hospitalization for dental care procedures in the same manner  
28 that prior authorization is required for hospitalization for  
29 other covered diseases or conditions.

30 (3) A policy of accident and health insurance providing

1 coverage to a resident of this Commonwealth must also provide  
2 coverage for general anesthesia and treatment rendered by a  
3 dentist for a medical condition covered under that health plan,  
4 regardless of whether the services are provided in a hospital or  
5 a dental office.

6       Section 2. The addition of section 4(f) of the act shall  
7 apply to insurance policies issued or renewed on or after the  
8 effective date of this act.

9       Section 3. This act shall take effect in 60 days.