

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1453 Session of 2008

INTRODUCED BY CORMAN, SCARNATI, PILEGGI, D. WHITE, ARMSTRONG, ERICKSON, BROWNE, VANCE, WONDERLING, COSTA, ORIE, BOSCOLA, KITCHEN, A. WILLIAMS, MUSTO, BRUBAKER, M. WHITE, RHOADES, WOZNIAK, LOGAN, GREENLEAF AND EARLL, JUNE 23, 2008

SENATOR D. WHITE, BANKING AND INSURANCE, AS AMENDED, SEPTEMBER 22, 2008

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An
2 act relating to insurance; amending, revising, and
3 consolidating the law providing for the incorporation of
4 insurance companies, and the regulation, supervision, and
5 protection of home and foreign insurance companies, Lloyds
6 associations, reciprocal and inter-insurance exchanges, and
7 fire insurance rating bureaus, and the regulation and
8 supervision of insurance carried by such companies,
9 associations, and exchanges, including insurance carried by
10 the State Workmen's Insurance Fund; providing penalties; and
11 repealing existing laws," further providing for conditions
12 subject to which policies are to be issued; and providing for
13 health insurance coverage for certain children of insured
14 parents.

15 The General Assembly of the Commonwealth of Pennsylvania
16 hereby enacts as follows:

17 ~~Section 1. Section 617(A)(3) and (9) of the act of May 17,~~ <—
18 ~~1921 (P.L.682, No.284), known as The Insurance Company Law of~~
19 ~~1921, repealed and added May 25, 1951 (P.L.417, No.99) and~~
20 ~~January 18, 1968 (1967 P.L.969, No.433), are amended to read:~~

21 SECTION 1. SECTION 617(A)(3) OF THE ACT OF MAY 17, 1921 <—
22 (P.L.682, NO.284), KNOWN AS THE INSURANCE COMPANY LAW OF 1921,

1 REPEALED AND ADDED MAY 25, 1951 (P.L.417, NO.99), IS AMENDED TO
2 READ:

3 Section 617. Conditions Subject to Which Policies Are to Be
4 Issued.--(A) No such policy shall be delivered or issued for
5 delivery to any person in this Commonwealth unless:

6 * * *

7 (3) it purports to insure only one person, except that a
8 policy may insure, originally or by subsequent amendment, upon
9 the application of an adult head of a family who shall be deemed
10 the policyholder, any two or more eligible members of that
11 family, including husband, wife, dependent children or any
12 children under a specified age which, except as provided under
13 section 617.1, shall not exceed nineteen years and any other
14 person dependent upon the policyholder; and

15 * * *

16 ~~(9) A policy delivered or issued for delivery after January~~ <—
17 ~~1, 1968, under which coverage of a dependent of a policyholder~~
18 ~~terminates at a specified age shall, with respect to an~~
19 ~~unmarried child covered by the policy prior to the attainment of~~
20 ~~the age of nineteen or except as provided under section 617.1,~~
21 ~~the attainment of the age of thirty, who is incapable of self-~~
22 ~~sustaining employment by reason of mental retardation or~~
23 ~~physical handicap and who became so incapable prior to~~
24 ~~attainment of age nineteen and who is chiefly dependent upon~~
25 ~~such policyholder for support and maintenance, not so terminate~~
26 ~~while the policy remains in force and the dependent remains in~~
27 ~~such condition, if the policyholder has within thirty one days~~
28 ~~of such dependent's attainment of the limiting age submitted~~
29 ~~proof of such dependent's incapacity as described herein. The~~
30 ~~foregoing provisions of this paragraph shall not require an~~

1 ~~insurer to insure a dependent who is a mentally retarded or~~
2 ~~physically handicapped child where the policy is underwritten on~~
3 ~~evidence of insurability based on health factors set forth in~~
4 ~~the application or where such dependent does not satisfy the~~
5 ~~conditions of the policy as to any requirement for evidence of~~
6 ~~insurability or other provisions of the policy, satisfaction of~~
7 ~~which is required for coverage thereunder to take effect. In any~~
8 ~~such case the terms of the policy shall apply with regard to the~~
9 ~~coverage or exclusion from coverage of such dependent.~~

10 * * *

11 Section 2. The act is amended by adding a section to read:

12 Section 617.1. Health Insurance Coverage for Certain

13 Children of Insured Parents.--(A) An insurer that issues,

14 delivers, executes or renews health care insurance in this

15 Commonwealth, under which coverage of a child would otherwise

16 terminate at a specified age, shall, at the option of the

17 policyholder, provide coverage to a child of the insured AN <—

18 INSURED EMPLOYE beyond that specified age, up through the age of <—

19 twenty nine, THROUGH AND INCLUDING THE AGE OF 29, AT THE INSURED <—

20 EMPLOYE'S EXPENSE, AND provided that the child meet all of the

21 following requirements:

22 (1) Is not married.

23 (2) Has no dependents.

24 (3) Is a resident of this Commonwealth or is enrolled as a

25 full-time student at an institution of higher education.

26 (4) Is not provided coverage as a named subscriber, insured,

27 enrollee or covered person under any other group or individual

28 health insurance policy or entitled to or eligible for benefits

29 under any government program, including benefits under Title

30 XVIII of the Social Security Act (49 Stat. 620, 42 U.S.C. § 1395

1 et seq.).

2 (B) Insurers may determine increases in premiums related to
3 continuation of coverage for the adult dependent past the
4 limiting age of nineteen.

5 (C) This section shall not include the following types of
6 insurance or any combination thereof:

7 (1) Hospital indemnity.

8 (2) Accident.

9 (3) Specified disease.

10 (4) Disability income.

11 (5) Dental.

12 (6) Vision.

13 (7) Civilian Health and Medical Program of the Uniformed
14 Services (CHAMPUS) supplement.

15 (8) Medicare supplement.

16 (9) Long-term care.

17 (10) Other limited benefit plans.

18 Section 3. This act shall apply to new contracts and
19 contract renewals occurring 90 days after the effective date of
20 this act.

21 Section 4. This act shall take effect ~~immediately~~ IN 90
22 DAYS. ←