
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2737 Session of
2020

INTRODUCED BY ROAE, RAPP, DONATUCCI, BOBACK, MILLARD, READSHAW,
MOUL, MURT, DRISCOLL, DAVANZO, LAWRENCE AND DeLUCA,
JULY 30, 2020

REFERRED TO COMMITTEE ON INSURANCE, JULY 30, 2020

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," in casualty insurance, providing
12 for coverage for essential medications.

13 The General Assembly of the Commonwealth of Pennsylvania
14 hereby enacts as follows:

15 Section 1. The act of May 17, 1921 (P.L.682, No.284), known
16 as The Insurance Company Law of 1921, is amended by adding a
17 section to read:

18 Section 635.8. Coverage for Essential Medications.--(a) A
19 health insurance policy providing prescription coverage shall
20 treat essential medications as an essential health benefit in
21 accordance with the Patient Protection and Affordable Care Act
22 (Public Law 111-148, 124 Stat. 119) and may not impose on a

1 covered individual a deductible for covered prescription drugs
2 that are medically necessary.

3 (b) A health insurance policy providing prescription
4 coverage shall provide for the cost-sharing requirement for a
5 covered individual for any given prescription drug with the
6 following limitations:

7 (1) The cost-sharing shall be calculated based on the net
8 cost to the payer and not the list price of the manufacturer.

9 (2) The cost-sharing may not exceed the amount of the
10 copayment or coinsurance specified in the health insurance
11 policy's summary of benefits and coverage.

12 (c) This section shall not apply to the following types of
13 policies:

14 (1) Accident only.

15 (2) Fixed indemnity.

16 (3) Limited benefit.

17 (4) Credit.

18 (5) Dental.

19 (6) Vision.

20 (7) Specified disease.

21 (8) Medicare supplement.

22 (9) CHAMPUS (Civilian Health and Medical Program for the
23 Uniform Services) supplement.

24 (10) Long-term care or disability income.

25 (11) Workers' compensation.

26 (12) Automobile medical payment.

27 (d) As used in this section, the term "essential
28 medications" includes medications identified by the United
29 States Department of the Treasury and the United States Internal
30 Revenue Service in Notice 2019-45 for certain care for chronic

1 conditions.

2 Section 2. This act shall take effect in 60 days.