THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1914 Session of 1999

INTRODUCED BY LYNCH, BARRAR, BELARDI, BELFANTI, CORRIGAN, DeLUCA, GEORGE, HARHAI, JOSEPHS, MELIO, ROEBUCK, SHANER, STEELMAN, TRAVAGLIO, TRELLO, WOJNAROSKI AND YOUNGBLOOD, OCTOBER 4, 1999

REFERRED TO COMMITTEE ON INSURANCE, OCTOBER 4, 1999

AN ACT

- Providing for certain health insurance policies to cover the cost of prescription drugs following major surgery.
- 3 The General Assembly of the Commonwealth of Pennsylvania
- 4 hereby enacts as follows:
- 5 Section 1. Short title.
- 6 This act shall be known and may be cited as the Prescription
- 7 Drug Insurance Coverage Act.
- 8 Section 2. Definitions.
- 9 The following words and phrases when used in this act shall
- 10 have the meanings given to them in this section unless the
- 11 context clearly indicates otherwise:
- 12 "Health insurance policy." Except for specified disease and
- 13 accident-only policies, a group health insurance policy,
- 14 contract or any individual policy, contract or plan with
- 15 coverage for prescription drugs which provides medical coverage
- 16 on an expense-incurred service or prepaid basis. The term
- 17 includes the following:

- 1 (1) A health insurance policy or contract issued by a
- 2 nonprofit corporation subject to 40 Pa.C.S. Chs. 61 (relating
- 3 to hospital plan corporations) and 63 (relating to
- 4 professional health services plan corporations) and the act
- of December 14, 1992 (P.L.835, No.134), known as the
- 6 Fraternal Benefit Societies Code.
- 7 (2) A health service plan operating under the act of
- 8 December 29, 1972 (P.L.1701, No.364), known as the Health
- 9 Maintenance Organization Act.
- 10 Section 3. Prescription Drug Insurance Coverage.
- 11 (a) General rule.--Except as provided in section 4, a health
- 12 insurance policy which is delivered, issued for delivery,
- 13 renewed, extended or modified in this Commonwealth by any health
- 14 care insurer shall provide that the health insurance benefits
- 15 applicable under the policy include coverage for the cost of
- 16 prescription drugs for a period of one year following major
- 17 surgery, as medically necessary, as administered under the
- 18 direction of a physician.
- 19 (b) Delivery of policy. -- For purposes of this section, a
- 20 health insurance policy that provides coverage or benefits to a
- 21 resident of this Commonwealth shall be deemed to be delivered in
- 22 this Commonwealth regardless of whether the health care insurer
- 23 issuing or delivering the policy is located within or outside
- 24 this Commonwealth.
- 25 Section 4. Exemption.
- 26 This act shall not be construed to require a health insurance
- 27 policy to include coverage if all of the following apply:
- 28 (1) The individual is employed outside this
- 29 Commonwealth.
- 30 (2) The individual's employer maintains a health

- 1 insurance policy for the individual as an employment benefit.
- 2 Section 5. Cost-sharing provisions.
- 3 Benefits for prescription drugs under this act shall be
- 4 subject to copayment and coinsurance provisions of a health
- 5 insurance policy to the extent that other medical services
- 6 covered by the policy are subject to those provisions.
- 7 Section 6. Regulations.
- 8 The Department of Health and the Insurance Department shall
- 9 jointly promulgate regulations to administer this act.
- 10 Section 7. Applicability.
- 11 This act shall apply to all insurance polices, subscriber
- 12 contracts and group insurance certificates issued under any
- 13 group master policy delivered or issued for delivery on or after
- 14 the effective date of this act. This act shall also apply to all
- 15 renewals of contracts on any renewal date which is on or after
- 16 the effective date of this act.
- 17 Section 8. Effective date.
- 18 This act shall take effect in 180 days.