AN ACT

Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," in casualty insurance, providing for coverage for essential medications.

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

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

Section 635.8. Coverage for Essential Medications.--(a) A health insurance policy providing prescription coverage shall treat essential medications as an essential health benefit in accordance with the Patient Protection and Affordable Care Act (Public Law 111-148, 124 Stat. 119) and may not impose on a
covered individual a deductible for covered prescription drugs
that are medically necessary.

(b) A health insurance policy providing prescription
coverage shall provide for the cost-sharing requirement for a
covered individual for any given prescription drug with the
following limitations:
  (1) The cost-sharing shall be calculated based on the net
cost to the payer and not the list price of the manufacturer.
  (2) The cost-sharing may not exceed the amount of the
copayment or coinsurance specified in the health insurance
policy's summary of benefits and coverage.

(c) This section shall not apply to the following types of
policies:
  (1) Accident only.
  (2) Fixed indemnity.
  (3) Limited benefit.
  (4) Credit.
  (5) Dental.
  (6) Vision.
  (7) Specified disease.
  (8) Medicare supplement.
  (9) CHAMPUS (Civilian Health and Medical Program for the
Uniform Services) supplement.
  (10) Long-term care or disability income.
  (11) Workers' compensation.
  (12) Automobile medical payment.

(d) As used in this section, the term "essential
medications" includes medications identified by the United
States Department of the Treasury and the United States Internal
Revenue Service in Notice 2019-45 for certain care for chronic
Section 2. This act shall take effect in 60 days.