

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2403 Session of  
1990

INTRODUCED BY FOX, PRESSMANN, MAINE, FARGO, MORRIS, SALOOM,  
CAWLEY, J. L. WRIGHT, KOSINSKI, KONDRICH, COY, PESCI, BILLOW,  
NAHILL, FARMER, JACKSON, ANGSTADT, HALUSKA, LAUGHLIN, ADOLPH,  
TRELLO, RAYMOND, J. TAYLOR, SERAFINI, KASUNIC, CIVERA,  
GIGLIOTTI, JOHNSON, OLASZ AND MELIO, MARCH 28, 1990

REFERRED TO COMMITTEE ON HEALTH AND WELFARE, MARCH 28, 1990

AN ACT

1 Amending the act of July 22, 1974 (P.L.589, No.205), entitled  
2 "An act relating to unfair insurance practices; prohibiting  
3 unfair methods of competition and unfair or deceptive acts  
4 and practices; and prescribing remedies and penalties,"  
5 requiring health care insurers to pay certain claims within  
6 30 days of receipt of a notice of claim.

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

9 Section 1. Section 5(a)(10) of the act of July 22, 1974  
10 (P.L.589, No.205), known as the Unfair Insurance Practices Act,  
11 is amended by adding a subparagraph to read:

12 Section 5. Unfair Methods of Competition and Unfair or  
13 Deceptive Acts or Practices Defined.--(a) "Unfair methods of  
14 competition" and "unfair or deceptive acts or practices" in the  
15 business of insurance means:

16 \* \* \*

17 (10) Any of the following acts if committed or performed  
18 with such frequency as to indicate a business practice shall

1 constitute unfair claim settlement or compromise practices:

2 \* \* \*

3 (xvi) Refusing to pay a claim submitted under major medical  
4 coverage of a health care insurance policy within thirty days of  
5 receipt of a completed notice of claim.

6 \* \* \*

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