

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1016 Session of
1993

INTRODUCED BY SCANLON, BELAN, AFFLERBACH, STAPLETON, O'PAKE,
JONES, MUSTO, FATTAH, LINCOLN, SCHWARTZ, REIBMAN AND RHOADES,
APRIL 27, 1993

AS AMENDED ON THIRD CONSIDERATION, JUNE 15, 1993

AN ACT

1 Amending the act of April 9, 1929 (P.L.177, No.175), entitled
2 "An act providing for and reorganizing the conduct of the
3 executive and administrative work of the Commonwealth by the
4 Executive Department thereof and the administrative
5 departments, boards, commissions, and officers thereof,
6 including the boards of trustees of State Normal Schools, or
7 Teachers Colleges; abolishing, creating, reorganizing or
8 authorizing the reorganization of certain administrative
9 departments, boards, and commissions; defining the powers and
10 duties of the Governor and other executive and administrative
11 officers, and of the several administrative departments,
12 boards, commissions, and officers; fixing the salaries of the
13 Governor, Lieutenant Governor, and certain other executive
14 and administrative officers; providing for the appointment of
15 certain administrative officers, and of all deputies and
16 other assistants and employes in certain departments, boards,
17 and commissions; and prescribing the manner in which the
18 number and compensation of the deputies and all other
19 assistants and employes of certain departments, boards and
20 commissions shall be determined," providing for fees paid by
21 health care providers; and further providing for the review
22 of financial solvency of insurers.

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

25 Section 1. The act of April 9, 1929 (P.L.177, No.175), known
26 as The Administrative Code of 1929, is amended by adding a
27 section to read:

Section 610-A.1. Fees Paid by Health Care Providers.--(a)

The administration of the portions of the act of October 15,
1975 (P.L.390, No.111), known as the "Health Care Services
Malpractice Act," which relate to the Arbitration Panels for
Health Care shall be funded from annual fees charged to health <—
care providers practicing in this Commonwealth and payable in an
amount determined by the agency in the manner provided for in
this section. IN THE AMOUNT OF: <—

(1) TWENTY-FIVE DOLLARS (\$25) FOR PHYSICIANS AND PODIATRISTS
PRACTICING IN THIS COMMONWEALTH;

(2) FIVE HUNDRED DOLLARS (\$500) FOR EACH HOSPITAL WITH TWO
HUNDRED FIFTY OR MORE BEDS;

(3) THREE HUNDRED FIFTY DOLLARS (\$350) FOR ALL OTHER
HOSPITALS; AND

(4) ONE HUNDRED DOLLARS (\$100) FOR ALL OTHER HEALTH CARE
ORGANIZATIONS EXCEPT NURSING HOMES, WHICH SHALL BE CHARGED AN
ANNUAL FEE OF FIFTY DOLLARS \$50.

(b) The fees authorized by this section shall be based on
the cost incurred by the Arbitration Panels for Health Care in
conciliating and settling claims. Unless otherwise directed by <—
the administrator, the fees shall be computed and collected in
the same manner as the surcharge levied under section 701 of the
"Health Care Services Malpractice Act." INCREASES IN THE AMOUNT <—
OF THE FEE SHALL BE AUTHORIZED BY REGULATION ADOPTED IN
ACCORDANCE WITH SECTION 307 OF THE "HEALTH CARE SERVICES
MALPRACTICE ACT."

(c) Annual fees collected under this section shall be
deposited into a restricted account in the General Fund. All
moneys placed in said restricted account are appropriated with
the approval of the General Assembly to the Arbitration Panels

1 for Health Care for the purpose of implementing the "Health Care
2 Services Malpractice Act." Moneys collected prior to the
3 effective date of this amendatory act and remaining in any
4 restricted account established by the Arbitration Panels for
5 Health Care under the "Health Care Services Malpractice Act" may
6 also be used to pay expenses of the agency.

7 Section 2. Section 612-A introductory paragraph and
8 (1)(xviii) of the act, amended July 1, 1990 (P.L.277, No.67),
9 are amended and the section is amended by adding a subsection
10 and a clause to read:

11 Section 612-A. Insurance Department.--(a) The Insurance
12 Department is authorized to charge fees for the following
13 purposes and in the following amounts:

14 (1) Insurance companies, associations or
15 exchanges:

16 * * *

17 (xviii) Copy of any paper filed with
18 [department on a per/page basis... .25]
19 department on a per/page basis... 1.00

20 * * *

21 (9) Financial Solvency of Insurers:

22 (i) Every domestic and foreign insurance
23 company, association or exchange, title
24 insurance company, fraternal benefit
25 society, hospital plan corporation,
26 professional health service plan
27 corporation, health maintenance
28 organization, preferred provider
29 organization or other entity licensed
30 to transact the business of insurance

in Pennsylvania shall pay within sixty
(60) days of billing date an annual
financial regulation fee for analysis of
its financial condition..... \$.0018
per thousand
dollars of
total admit-
ted assets
or \$250,
whichever
amount is
greater

(b) Beginning July 1, 1993, and thereafter, all moneys
collected by the Insurance Department under subsection (a)(9)(i)
shall be paid into the Insurance Monitoring and Activities
Augmentation Account, which is hereby established and which
shall be a special restricted account within the General Fund.
Moneys in the Insurance Monitoring and Activities Augmentation
Account are hereby appropriated upon approval by the Governor to
the Insurance Department on a continuing basis and shall be used
to support the activities of the Insurance Department relating
to monitoring and solvency activities related to insurers.
Assessments made under subsection (a)(9)(i) shall not be
considered burdens and prohibitions under section 212 of the act
of May 17, 1921 (P.L.789, No.285), known as "The Insurance
Department Act of 1921."

Section 3. This act shall take effect as follows:

(1) The addition of section 610-A.1 of the act shall
take effect in 60 days.

(2) The amendment of section 612-A of the act shall take

1 effect immediately.

2 (3) This section shall take effect immediately.