

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 384 Session of
1999

INTRODUCED BY MUNDY, YUDICHAK, MANN, COSTA, SOLOBAY, SAMUELSON,
RUFFING, GRUCELA, FREEMAN, GANNON, E. Z. TAYLOR, BUXTON,
LAUGHLIN, PESCI, TIGUE, COY, CLARK, SANTONI, STURLA, GEORGE,
SHANER, STETLER, TRAVAGLIO, PLATTS, DeWEESE, HENNESSEY,
FAIRCHILD, WOJNAROSKI, BEBKO-JONES, WILLIAMS, MICHLOVIC,
HALUSKA, JAMES, EACHUS, GORDNER, CARN, TRELLO, SAINATO,
STABACK, WALKO, DeLUCA, CORRIGAN, STEELMAN, ORIE, HARHAI,
SERAFINI, MANDERINO, McCALL, S. MILLER, ROEBUCK, SURRA,
RAMOS, MELIO, JOSEPHS, COLAFELLA, CURRY, WASHINGTON,
PETRARCA, SCRIMENTI, M. COHEN, TRICH AND DALEY,
FEBRUARY 8, 1999

REFERRED TO COMMITTEE ON INSURANCE, FEBRUARY 8, 1999

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," defining "medical necessity" as it
12 relates to quality health care accountability and protection.

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

15 Section 1. Section 2102 of the act of May 17, 1921 (P.L.682,
16 No.284), known as The Insurance Company Law of 1921, is amended
17 by adding a definition to read:

18 Section 2102. Definitions.--As used in this article, the

1 following words and phrases shall have the meanings given to
2 them in this section:

3 * * *

4 "Medical necessity." Clinical determinations to establish a
5 service or benefit which will or is reasonably expected to:

6 (1) prevent the onset of an illness, condition or
7 disability;

8 (2) reduce or ameliorate the physical, mental,
9 behavioral or developmental effects of an illness, condition,
10 injury or disability; or

11 (3) assist the individual to achieve or maintain maximum
12 functional capacity in performing daily activities, taking
13 into account both the functional capacity of the individual
14 and those functional capacities appropriate for individuals
15 of the same age.

16 * * *

17 Section 2. This act shall be retroactive to January 1, 1999.

18 Section 3. This act shall take effect in 60 days.