

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 838 Session of
2009

INTRODUCED BY LONGIETTI, EACHUS, CALTAGIRONE, CARROLL, COHEN,
DeLUCA, DONATUCCI, FRANKEL, GALLOWAY, GEORGE, GIBBONS,
HENNESSEY, JOSEPHS, KORTZ, KOTIK, MANDERINO, MUNDY, MURT,
M. O'BRIEN, READSHAW, SIPTROTH, K. SMITH, WALKO, WHEATLEY AND
YOUNGBLOOD, MARCH 10, 2009

AS REPORTED FROM COMMITTEE ON INSURANCE, HOUSE OF
REPRESENTATIVES, AS AMENDED, MARCH 18, 2009

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," further providing for conditions
12 subject to which policies are to be issued; and providing for
13 health insurance coverage for certain children of insured
14 parents.

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

17 Section 1. Section 617(A)(3) and (9) of the act of May 17,
18 1921 (P.L.682, No.284), known as The Insurance Company Law of
19 1921, repealed and added May 25, 1951 (P.L.417, No.99) and added
20 January 18, 1968 (1967 P.L.969, No.433), are amended to read:

21 Section 617. Conditions Subject to Which Policies Are to Be
22 Issued.--(A) No such policy shall be delivered or issued for

1 delivery to any person in this Commonwealth unless:

2 * * *

3 (3) it purports to insure only one person, except that a
4 policy may insure, originally or by subsequent amendment, upon
5 the application of an adult head of a family who shall be deemed
6 the policyholder, any two or more eligible members of that
7 family, including husband, wife, dependent children or any
8 children under a specified age which, except as provided under
9 section 617.1, shall not exceed nineteen years and any other
10 person dependent upon the policyholder; and

11 * * *

12 (9) A policy delivered or issued for delivery after January
13 1, 1968, under which coverage of a dependent of a policyholder
14 terminates at a specified age shall, with respect to an
15 unmarried child covered by the policy prior to the attainment of
16 the age of nineteen or except as provided under section 617.1,
17 the age of twenty-nine, who is incapable of self-sustaining
18 employment by reason of mental retardation or physical handicap
19 and who became so incapable prior to attainment of age nineteen
20 and who is chiefly dependent upon such policyholder for support
21 and maintenance, not so terminate while the policy remains in
22 force and the dependent remains in such condition, if the
23 policyholder has within thirty-one days of such dependent's
24 attainment of the limiting age submitted proof of such
25 dependent's incapacity as described herein. The foregoing
26 provisions of this paragraph shall not require an insurer to
27 insure a dependent who is a mentally retarded or physically
28 handicapped child where the policy is underwritten on evidence
29 of insurability based on health factors set forth in the
30 application or where such dependent does not satisfy the

conditions of the policy as to any requirement for evidence of insurability or other provisions of the policy, satisfaction of which is required for coverage thereunder to take effect. In any such case the terms of the policy shall apply with regard to the coverage or exclusion from coverage of such dependent.

* * *

Section 2. The act is amended by adding a section to read:

Section 617.1. Health Insurance Coverage for Certain Children of Insured Parents.--(A) An insurer that issues, delivers, executes or renews health care insurance in this Commonwealth, under which coverage of a child would otherwise terminate at a specified age, shall, at the option of the ~~child's parent or guardian~~POLICYHOLDER'S INSURED EMPLOYEE, provide coverage to a child of ~~the insured~~AN INSURED EMPLOYEE beyond that specified age, up through AND INCLUDING the age of twenty-nine, provided that the child meet all of the following requirements:

(1) Is not married.

(2) Has no dependents.

(3) Is a resident of this Commonwealth or is enrolled as a full-time student at an institution of higher education ~~in this Commonwealth.~~

(4) Is not covered by another POLICY OF health insurance ~~policy~~INCLUDING BENEFITS UNDER TITLE XVIII OF THE SOCIAL SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1395 ET SEQ.).

(B) An insured may exercise the option provided under subsection (A) at any time during the term of the policy by notice to the insurer.

(C) THIS SECTION SHALL NOT INCLUDE THE FOLLOWING TYPES OF INSURANCE OR ANY COMBINATION THEREOF:

1 (1) HOSPITAL INDEMNITY.
2 (2) ACCIDENT.
3 (3) SPECIFIED DISEASE.
4 (4) DISABILITY INCOME.
5 (5) DENTAL.
6 (6) VISION.
7 (7) CIVILIAN HEALTH AND MEDICAL PROGRAM OF THE UNIFORMED
8 SERVICES (CHAMPUS) SUPPLEMENT.
9 (8) MEDICARE SUPPLEMENT.
10 (9) LONG-TERM CARE.
11 (10) OTHER LIMITED BENEFIT PLANS.
12 (11) INDIVIDUAL HEALTH INSURANCE POLICIES.
13 (D) FOR THE PURPOSE OF THIS SECTION:
14 "HEALTH CARE INSURANCE" MEANS A GROUP HEALTH, SICKNESS OR
15 ACCIDENT POLICY OR SUBSCRIBER CONTRACT OR CERTIFICATE ISSUED BY
16 AN ENTITY SUBJECT TO ANY ONE OF THE FOLLOWING:
17 (1) THIS ACT.
18 (2) THE ACT OF DECEMBER 29, 1972 (P.L.1701, NO.364), KNOWN
19 AS THE "HEALTH MAINTENANCE ORGANIZATION ACT."
20 (3) THE ACT OF MAY 18, 1976 (P.L.123, NO.54), KNOWN AS THE
21 "INDIVIDUAL ACCIDENT AND SICKNESS INSURANCE MINIMUM STANDARDS
22 ACT."
23 (4) 40 PA.C.S. CH. 61 (RELATING TO HOSPITAL PLAN
24 CORPORATIONS) OR 63 (RELATING TO PROFESSIONAL HEALTH SERVICES
25 PLAN CORPORATIONS).

26 ~~(C)~~ (E) Employers shall not be required to contribute to any ←
27 increased premium charged by the insurer for the exercise of the
28 option provided under subsection (A), but the contributions may
29 be agreed to by the employer.

30 SECTION 3. THE AMENDMENT OR ADDITION OF SECTIONS 617(A) (3) ←

1 AND (9) AND 617.1 OF THE ACT SHALL APPLY TO POLICIES OFFERED,
2 ISSUED OR RENEWED ON OR AFTER THE EFFECTIVE DATE OF THIS
3 SECTION.

4 Section 34. This act shall take effect in 60 days.

