

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," providing for foreign health
12 insurance.

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

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

18 ARTICLE XXVI

19 FOREIGN HEALTH INSURANCE

20 Section 2601. Definitions.

21 The following words and phrases when used in this article
22 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Commissioner." The Insurance Commissioner of the
3 Commonwealth.

4 "Covered person." An individual who is entitled to health
5 care services provided, arranged for, paid for or reimbursed
6 under a health benefits plan.

7 "Domestic health insurer." An insurer licensed to sell,
8 offer or provide health benefits plans in this Commonwealth.

9 "Foreign health insurer." An insurer licensed to sell, offer
10 or provide health benefits plans in any other state.

11 "Hazardous financial condition." A condition in which a
12 foreign health insurer is unlikely to be able to meet
13 obligations to policyholders with respect to known claims or to
14 any other obligations in the normal course of business, based on
15 its present or reasonably anticipated financial status.

16 "Health benefits plan." An arrangement for the delivery of
17 health care, on an individual or group basis, in which a health
18 carrier undertakes to provide, arrange for, pay for or reimburse
19 any of the costs of health care services for a covered person
20 that is offered in accordance with the laws of any state. The
21 term does not include any of the following:

22 (1) Short-term travel, accident only, limited or
23 specified disease or individual conversion policies or
24 contracts.

25 (2) Policies or contracts designed for issuance to
26 persons eligible for coverage under Title XVIII of the Social
27 Security Act (49 Stat. 620, 42 U.S.C. § 1395 et seq.).

28 (3) Any other coverage, similar to that listed under
29 paragraph (1) or (2), under Federal or State governmental
30 plans.