

AN ACT

1 Amending the act of May 17, 1921 (P.L.789, No.285), entitled, as
2 amended, "An act relating to insurance; establishing an
3 insurance department; and amending, revising, and
4 consolidating the law relating to the licensing,
5 qualification, regulation, examination, suspension, and
6 dissolution of insurance companies, Lloyds associations,
7 reciprocal and inter-insurance exchanges, and certain
8 societies and orders, the examination and regulation of fire
9 insurance rating bureaus, and the licensing and regulation of
10 insurance agents and brokers; the service of legal process
11 upon foreign insurance companies, associations or exchanges;
12 providing penalties, and repealing existing laws," providing
13 for right to purchase health insurance sold in other states.

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

16 Section 1. The act of May 17, 1921 (P.L.789, No.285), known
17 as The Insurance Department Act of 1921, is amended by adding a
18 section to read:

19 Section 107. Right to Purchase Health Insurance Sold in
20 Other States.--(a) The Insurance Commissioner shall undertake a
21 review of laws and regulations existing on the effective date of
22 this section pertaining to the business of health insurance in
23 this Commonwealth and in other states to determine how to allow

1 Pennsylvania residents the ability to purchase health insurance
2 products sold in other states by carriers not otherwise subject
3 to Pennsylvania insurance laws and regulations.

4 (b) On or before December 1, 2013, the Insurance
5 Commissioner shall submit a report to the Banking and Insurance
6 Committee of the Senate and the Insurance Committee of the House
7 of Representatives on what changes to Pennsylvania laws and
8 regulations would be necessary in order to enable Pennsylvanians
9 to purchase out-of-State health insurance products. The report
10 shall address at least the following:

11 (1) The mechanism by which the Insurance Commissioner can
12 regulate the purchase of out-of-State health insurance products
13 and the carriers offering those products in order to protect
14 Pennsylvania consumers, either through multistate agreements
15 with other states or a similar mechanism whereby the Insurance
16 Commissioner and the other states that participate in the
17 agreement delineate their respective roles and responsibilities
18 for oversight, regulation and enforcement of applicable laws and
19 rules and specify which state's laws and regulations apply.

20 (2) The responsibilities of out-of-State carriers with
21 regard to informing Pennsylvania consumers about the impact of
22 purchasing a health insurance product that is regulated by the
23 laws of another state, including information about whether
24 coverages that are mandated by Pennsylvania law are included in
25 the out-of-State product, whether Pennsylvania laws or
26 restrictions on rate changes apply and whether the product is
27 more or less expensive than other products regulated under
28 Pennsylvania laws and rules.

29 (3) The barriers to allowing Pennsylvania consumers to
30 purchase out-of-State health insurance products.

1 (4) A proposed time line for implementing changes necessary
2 to enable the interstate purchase of health insurance.
3 Section 2. This act shall take effect in 60 days.