

From: Barry, Abdoul [<mailto:abbarry@pa.gov>]
Sent: Wednesday, April 19, 2017 7:50 PM
To: Rick O'Leary <Roleary@pahousegop.com>
Cc: abrinton@pahouse.net; Barry, Abdoul <abbarry@pa.gov>
Subject: HB 1013 - non-ER transport bill

Rick, our legal shop reviewed the bill and had some technical comments I thought your committee should be aware of. The comments are below:

(1) The bill would amend Act 68 of 1998, which imposes requirements on "managed care plans." As defined in that law, "managed care plans" are gatekeeper entities - HMOs or gatekeeper PPOs. ("Gatekeeper" refers to the concept of needing to see your primary care physician for a referral before seeing another physician.) Thus, it would protect enrollees of some health insurance plans, but not all. If the intent of the bill is to require coverage of emergency services that do not result in transport, regardless of the type of insurance plan, it should not be an amendment to Act 68, but should be placed elsewhere - LRB may have ideas for location.

(2) Because of the federal limitations (in the Affordable Care Act) on when individual and small group policies may be modified, an applicability provision was drafted and agreed to by the insurance industry: it appears in Act 158 of 2014. That language is provided here as a proposed insert (drafted with the assumption that you are keeping it in Act 68), with a slight modification to that language as requested by a carrier in reference to another bill that was not enacted.

On page 2 line 24, after "Section 2." Insert:

Applicability.-Section 2116(b) of the act shall apply as follows:

(a) For a health insurance policy for which either rates or forms are required to be filed with the federal government or the Insurance Department, the subsection shall apply to any policy for which a form or rate is first permitted to be used 180 days on or after enactment.

(b) For a health insurance policy for which neither rates nor forms are required to be filed with the federal government or the Insurance department, the subsection shall apply to any policy issued or renewed on or after 180 days after enactment.

Section 3.

I hope that these comments are helpful.

If you have any questions, please let me know and I will be happy to either call or stop by your office.

Thanks,