

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2352 Session of
1993

INTRODUCED BY MICOZZIE, BUNT, NYCE, DONATUCCI, OLASZ, CORRIGAN,
DeLUCA, SERAFINI, STABACK, MIHALICH, ROONEY, MILLER, GEIST,
KASUNIC, LAUGHLIN, PETTIT, TRELLO, RAYMOND, O'BRIEN, SATHER,
TIGUE, MELIO, PLATTS, CAWLEY, HENNESSEY, HUGHES AND CURRY,
DECEMBER 8, 1993

REFERRED TO COMMITTEE ON INSURANCE, DECEMBER 8, 1993

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 conditions
12 subject to which policies are to be issued.

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

15 Section 1. Section 617(A)(9) act of May 17, 1921 (P.L.682,
16 No.284), known as The Insurance Company Law of 1921, added
17 January 18, 1968 (1967 P.L.969, No.433), is amended and the
18 subsection is amended by adding a paragraph to read:

19 Section 617. Conditions Subject to Which Policies Are to Be
20 Issued.--(A) No such policy shall be delivered or issued for
21 delivery to any person in this Commonwealth unless:

1 * * *

2 [(9) A policy delivered or issued for delivery after January
3 1, 1968, under which coverage of a dependent of a policyholder
4 terminates at a specified age shall, with respect to an
5 unmarried child covered by the policy prior to the attainment of
6 the age of nineteen who is incapable of self-sustaining
7 employment by reason of mental retardation or physical handicap
8 and who became so incapable prior to attainment of age nineteen
9 and who is chiefly dependent upon such policyholder for support
10 and maintenance, not so terminate while the policy remains in
11 force and the dependent remains in such condition, if the
12 policyholder has within thirty-one days of such dependent's
13 attainment of the limiting age submitted proof of such
14 dependent's incapacity as described herein. The foregoing
15 provisions of this paragraph shall not require an insurer to
16 insure a dependent who is a mentally retarded or physically
17 handicapped child where the policy is underwritten on evidence
18 of insurability based on health factors set forth in the
19 application or where such dependent does not satisfy the
20 conditions of the policy as to any requirement for evidence of
21 insurability or other provisions of the policy, satisfaction of
22 which is required for coverage thereunder to take effect. In any
23 such case the terms of the policy shall apply with regard to the
24 coverage or exclusion from coverage of such dependent.]

25 (9.1) A policy delivered or issued for delivery after
26 January 1, 1994, under which coverage of a dependent of a
27 policyholder terminates at a specified age shall, with respect
28 to an unmarried child covered by the policy prior to the
29 attainment of the age of nineteen, or twenty-three if enrolled
30 full time in a postsecondary educational institution, who is

incapable of self-sustaining employment by reason of mental
retardation, severe mental illness or physical handicap and who
became so incapable prior to attainment of age nineteen, or
twenty-three if enrolled full time in a postsecondary
educational institution, and who is chiefly dependent upon such
policyholder for support and maintenance, not so terminate while
the policy remains in force and the dependent remains in such
condition, if the policyholder has within thirty-one days of
such dependent's attainment of the limiting age submitted proof
of such dependent's incapacity as described herein. The
foregoing provisions of this paragraph included as part of the
policy shall be made known to the policyholder at each renewal
of the policy. The foregoing provisions of this paragraph shall
not require an insurer to insure a dependent who is a mentally
retarded, severely mentally ill or physically handicapped child
where the policy is underwritten on evidence of insurability
based on health factors set forth in the 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. This act shall take effect in 60 days.