

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1348 Session of
2007

INTRODUCED BY REICHLLEY, BAKER, BELFANTI, BOYD, CALTAGIRONE,
CAPPELLI, CREIGHTON, DENLINGER, EVERETT, FRANKEL, GEIST,
GEORGE, GIBBONS, GOODMAN, HARHAI, HARHART, HARPER, HENNESSEY,
HERSHEY, HESS, JOSEPHS, M. KELLER, KENNEY, KORTZ, MAHONEY,
MAJOR, MANDERINO, McILHATTAN, R. MILLER, MOUL, MOYER, NAILOR,
O'NEILL, PHILLIPS, PICKETT, PYLE, RAPP, READSHAW, SEIP,
K. SMITH, SONNEY, STABACK, J. TAYLOR, THOMAS, WATSON,
WOJNAROSKI, YOUNGBLOOD AND WANSACZ, MAY 24, 2007

REFERRED TO COMMITTEE ON INSURANCE, MAY 24, 2007

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 notice of termination
12 of health or sickness or accident insurance policies.

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 a
17 section to read:

18 Section 635.2. Notice of Termination.--(a) All group or
19 individual health or sickness or accident insurance policies
20 providing hospital or medical/surgical coverage and all group or

1 individual subscriber contracts or certificates issued by any
2 entity subject to Article XXIV of this act, 40 Pa.C.S. Ch. 61
3 (relating to hospital plan corporations) or 63 (relating to
4 professional health services plan corporations), the act of
5 December 29, 1972 (P.L.1701, No.364), known as the "Health
6 Maintenance Organization Act," or an employe welfare benefit
7 plan as defined in section 3 of the Employee Retirement Income
8 Security Act of 1974 (Public Law 93-406, 88 Stat. 829) providing
9 hospital or medical/surgical coverage shall provide written
10 notice of cancellation or refusal to renew.

11 (b) A cancellation or refusal to renew by an insurer or
12 employer of a policy of health insurance shall not be effective
13 unless the insurer or employer delivers or mails to the insured
14 a written notice of the cancellation or refusal to renew. The
15 notice shall:

16 (1) Be in a form acceptable to the Insurance Commissioner.

17 (2) State the date, not less than sixty (60) days after the
18 date of the mailing or delivery, on which cancellation or
19 refusal to renew shall become effective.

20 (3) State the specific reason or reasons for cancellation or
21 refusal to renew.

22 Section 2. This act shall take effect in 60 days.