THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2209 Session of 2008

INTRODUCED BY SHAPIRO, FEBRUARY 1, 2008

REFERRED TO COMMITTEE ON INSURANCE, FEBRUARY 1, 2008

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 for issuance of
12   group accident and sickness insurance.

13   The General Assembly of the Commonwealth of Pennsylvania

14 hereby enacts as follows:

15   Section 1. Section 621.2(a) of the act of May 17, 1921

16 (P.L.682, No.284), known as The Insurance Company Law of 1921,

17 is amended by adding a clause to read:

18   Section 621.2. Group Accident and Sickness Insurance.--(a)

19 Group accident and sickness insurance is hereby declared to be

20 that form of accident and sickness insurance covering groups of

21 persons defined in this section with or without one or more

22 members of their families or one or more of their dependents, or

1 covering one or more members of the families or one or more

2 dependents of such groups or persons and issued upon the

3 following basis:

4 * * *

5 (2.1) (i) Notwithstanding the provisions of clause (2), a

6 community health network may organize for the purpose of

7 obtaining group insurance in each community health network

8 region designated by the Insurance Department, provided that the

9 community health network purchases its coverage from a

10 Pennsylvania-licensed insurer and meets the requirements

11 established by the Insurance Department for this purpose. The

12 Insurance Department shall designate no fewer than four and no

13 greater than nine community health network regions within this

14 Commonwealth based on regional health care delivery and

15 insurance patterns. Each county shall be included within a

16 single community health network region.

17 (ii) The Insurance Department may certify a single community

18 health network in each community health network region under

19 regulations established by the department. The regulations shall

20 include the following:

21 (A) Availability of membership to any person or company

22 domiciled in the community health network region if the person

23 is not enrolled in a government assistance program, including,

24 but not limited to, medical assistance, Medicare and the

25 children's health insurance program under Article XXIII of this

26 act.

27 (B) Establishment of a minimum number of members for a

28 community health network to be certified.

29 (C) That community health networks may only purchase

30 insurance from a Pennsylvania-licensed insurer.

1   (iii) As used in this clause:

2   "Community health network" means a group of individuals and

3   employers that may form for the purpose of obtaining group

4   insurance.

5   "Community health network region" means a region designated

6   by the Insurance Department in which a community health network

7   may organize.

8   "Pennsylvania-licensed insurer" includes any entity subject

9   to 40 Pa.C.S. Ch. 61 (relating to hospital plan corporations) or

10   63 (relating to professional health services plan corporations),

11   this act, the act of December 29, 1972 (P.L.1701, No.364), known

12   as the "Health Maintenance Organization Act," or an employe

13   welfare benefit plan as defined in section 3 of the Employee

14   Retirement Income Security Act of 1974 (Public Law 93-406, 29

15   U.S.C. § 1001 et seq.).

16   * * *

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