

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL

No. 1432 Session of  
2014

INTRODUCED BY McILHINNEY, JUNE 17, 2014

SENATOR WHITE, BANKING AND INSURANCE, AS AMENDED, JUNE 25, 2014

## 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 limits on copayments  
12 and coinsurances for insured medical services provided by a  
13 physical therapist, chiropractor or occupational therapist.

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.682, No.284), known  
17 as The Insurance Company Law of 1921, is amended by adding an  
18 article to read:

19 ARTICLE X-B.

20 FAIRNESS IN MULTIPLE COPAYMENTS.

21 Section 1001-B. Declaration of intent.

22 The general purpose of this article is to provide fairness  
23 for persons seeking appropriate physical therapy, chiropractic  
24 and occupational therapy who are sharing the cost of the care

1 pursuant to a health insurance policy by prohibiting the  
2 imposition of multiple copayments and coinsurance for licensed <--  
3 physical therapy, chiropractic and occupational therapy  
4 services.

5 Section 1002-B. Definitions.

6 The following words and phrases when used in this article  
7 shall have the meanings given to them in this section unless the  
8 context clearly indicates otherwise:

9 "Chiropractic." As defined in section 102 of the act of  
10 December 16, 1986 (P.L.1646, No.188), known as the Chiropractic  
11 Practice Act.

12 ~~"Coinsurance." A percentage of the contractual fee schedule~~ <--  
13 ~~of the provider that a covered person must pay for covered~~  
14 ~~services and supplies rendered by the provider under a health~~  
15 ~~insurance policy.~~

16 "Copayment." A specific dollar amount a covered person must  
17 pay for services rendered by a provider under a health benefit  
18 plan.

19 "Health insurance policy." As follows:

20 (1) An individual or group health insurance policy,  
21 contract or plan that provides medical or health care  
22 coverage by a health care facility or licensed health care  
23 provider that is offered by or is governed under any of the  
24 following:

25 (i) This act.

26 (ii) The act of December 29, 1972 (P.L.1701,  
27 No.364), known as the Health Maintenance Organization  
28 Act.

29 (iii) 40 Pa.C.S. Ch. 61 (relating to hospital plan  
30 corporations).

1           (iv) 40 Pa.C.S. Ch. 63 (relating to professional  
2           health services plan corporations).

3           (2) The term does not include accident only, fixed  
4           indemnity, limited benefit, credit, dental, vision, specified  
5           disease, Medicare supplement, Civilian Health and Medical  
6           Program of the Uniformed Services (CHAMPUS) supplement, long-  
7           term care or disability income, workers' compensation or  
8           automobile medical payment insurance.

9           "Occupational therapy." As defined in section 3 of the act  
10          of June 15, 1982 (P.L.502, No.140), known as the Occupational  
11          Therapy Practice Act.

12          "Physical therapy." As defined in section 2 of the act of  
13          October 10, 1975 (P.L.383, No.110), known as the Physical  
14          Therapy Practice Act.

15          Section 1003-B. Limits on copayments.

16          A health insurance policy that is delivered, issued for  
17          delivery, renewed, extended or modified in this Commonwealth by  
18          a health care insurer may not subject an insured to more than <--  
19          one copayment or coinsurance amount per visit or deplete more  
20          than one visit for services provided by a licensed physical  
21          therapist, chiropractor or occupational therapist provider on a  
22          given date. FOR SERVICES PROVIDED BY A LICENSED PHYSICAL <--

23          THERAPIST, CHIROPRACTOR OR OCCUPATIONAL THERAPIST PROVIDER MAY  
24          NOT SUBJECT AN INSURED TO MORE THAN ONE COPAYMENT AMOUNT PER  
25          VISIT OR DEplete MORE THAN ONE VISIT.

26          SECTION 1004-B. REGULATIONS.

27          THE DEPARTMENT MAY PROMULGATE REGULATIONS AS MAY BE NECESSARY  
28          OR APPROPRIATE TO CARRY OUT THE PROVISIONS OF THIS ARTICLE.

29          SECTION 1005-B. PENALTIES.

30          A VIOLATION OF THIS ARTICLE BY AN INSURER IF COMMITTED

1 FLAGRANTLY AND IN CONSCIOUS DISREGARD OF THE PROVISIONS OF THIS  
2 ARTICLE OR WITH FREQUENCY SUFFICIENT TO CONSTITUTE A GENERAL  
3 BUSINESS PRACTICE SHALL BE CONSIDERED A VIOLATION OF THE ACT OF  
4 JULY 22, 1974 (P.L.589, NO.205), KNOWN AS THE UNFAIR INSURANCE  
5 PRACTICES ACT. A VIOLATION OF THIS ARTICLE IS DEEMED AN UNFAIR  
6 METHOD OF COMPETITION AND AN UNFAIR DECEPTIVE ACT OR PRACTICE  
7 PURSUANT TO THE UNFAIR INSURANCE PRACTICES ACT.

8 Section ~~1004-B~~ 1006-B. Applicability.

<--

9 This article shall apply as follows:

10 (1) For health insurance policies for which either rates  
11 or forms are required to be filed with the Insurance  
12 Department or the Federal Government, this article shall  
13 apply to any policy for which a form or rate is first filed  
14 on or after the effective date of this section.

15 (2) For health insurance policies for which neither  
16 rates nor forms are required to be filed with the Insurance  
17 Department or the Federal Government, this article shall  
18 apply to any policy issued or renewed on or after 180 days  
19 after the effective date of this section.

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