
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2322 Session of
2015

INTRODUCED BY KAUFER, DRISCOLL, HARHART, BOBACK, TOOHL, TAYLOR,
RADER, COOK-ARTIS, RAPP, DAVIS, NELSON, MURT, BAKER, GINGRICH
AND KAUFFMAN, SEPTEMBER 9, 2016

REFERRED TO COMMITTEE ON INSURANCE, SEPTEMBER 9, 2016

AN ACT

1 Amending Title 40 (Insurance) of the Pennsylvania Consolidated
2 Statutes, in regulation of insurers and related persons
3 generally, providing for disclosure of addiction treatment
4 coverage and for administrative penalties.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Title 40 of the Pennsylvania Consolidated
8 Statutes is amended by adding a chapter to read:

9 CHAPTER 37

10 DISCLOSURE OF ADDICTION TREATMENT COVERAGE

11 Sec.

12 3701. Purpose.

13 3702. Definitions.

14 3703. Emergency addendum.

15 3704. Administrative penalties.

16 3705. Applicability.

17 § 3701. Purpose.

18 The purpose of this chapter is to require the complete and

1 proper disclosure and transparency of addiction services covered
2 by policies issued to policy holders.

3 § 3702. Definitions.

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

7 "Department." The Insurance Department of the Commonwealth.

8 "Insurer." An entity that issues or administers health
9 insurance policies or health plans and is subject to the
10 jurisdiction of the department. The term includes an entity
11 organized or existing under, or subject to, any of the
12 following:

13 (1) The act of May 17, 1921 (P.L.682, No.284), known as
14 The Insurance Company Law of 1921.

15 (2) The act of December 29, 1972 (P.L.1701, No.364),
16 known as the Health Maintenance Organization Act.

17 (3) The act of May 18, 1976 (P.L.123, No.54), known as
18 the Individual Accident and Sickness Insurance Minimum
19 Standards Act.

20 (4) Chapter 61 (relating to hospital plan corporations)
21 or 63 (relating to professional health services plan
22 corporations).

23 § 3703. Emergency addendum.

24 (a) Explanation of coverage.--The department shall direct
25 each insurer to provide its members and insureds with an
26 emergency addendum explaining the coverage for addiction
27 treatment services covered under the policy or plan.

28 (b) Requirement for emergency addendum.--An emergency
29 addendum issued under this chapter shall be no more than two
30 pages and contain language that is nontechnical and readily

1 understandable and that explains how to access covered services
2 and the process to file an appeal.

3 (c) Review of emergency addendum.--Before an insurer
4 provides an emergency addendum under this chapter, the insurer
5 shall submit the emergency addendum to the department and the
6 Department of Drug and Alcohol Programs for review for clarity
7 and accuracy.

8 (d) Approval of emergency addendum.--An emergency addendum
9 may not be issued until the department and the Department of
10 Drug and Alcohol Programs approve the emergency addendum.

11 § 3704. Administrative penalties.

12 The failure of an insurer to comply with section 3703
13 (relating to emergency addendum) shall result in a fine or other
14 penalty as the department determines.

15 § 3705. Applicability.

16 Section 303 of the act of December 18, 1996 (P.L.1066,
17 No.159), known as the Accident and Health Filing Reform Act,
18 shall not apply to an emergency addendum under this chapter.

19 Section 2. This act shall take effect immediately.