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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 468 Session of  
2017

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INTRODUCED BY DeLUCA, FREEMAN, MURT, MILLARD, V. BROWN, D. COSTA  
AND NEILSON, FEBRUARY 13, 2017

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REFERRED TO COMMITTEE ON INSURANCE, FEBRUARY 13, 2017

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AN ACT

1 Providing for Internet advertisements for insurance, for  
2 advertisements relating to Medicare program, for  
3 advertisements relating to preferred provider benefit plans,  
4 for advertising regarding guaranteed renewable coverage, for  
5 enforcement, for remedies and for private cause of action;  
6 and imposing a duty on the Insurance Department.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

9 Section 1. Short title.

10 This act shall be known and may be cited as the Truth in  
11 Insurance Advertising over the Internet Act.

12 Section 2. Definitions.

13 The following words and phrases when used in this act shall  
14 have the meanings given to them in this section unless the  
15 context clearly indicates otherwise:

16 "Commissioner." The Insurance Commissioner of the  
17 Commonwealth.

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

19 "Institutional advertisement." A general advertisement of an  
20 insurer or producer that is intended to promote interest in the

1 concept of insurance or to promote a producer or insurer. The  
2 term includes pages on an Internet website that do not refer to  
3 a specific insurance policy, certificate of coverage or evidence  
4 of coverage or that do not provide an opportunity for an  
5 individual to apply for coverage or to request a quote.

6 "Insurer." An insurance company, association, exchange,  
7 interinsurance exchange, health maintenance organization,  
8 preferred provider organization, professional health services  
9 plan corporation subject to 40 Pa.C.S. Ch. 63 (relating to  
10 professional health services plan corporations), hospital plan  
11 corporation subject to 40 Pa.C.S. Ch. 61 (relating to hospital  
12 plan corporations), fraternal benefit society, beneficial  
13 association, Lloyd's insurer or health plan corporation.

14 "Producer." A person required to be licensed under the laws  
15 of this Commonwealth to sell, solicit or negotiate insurance.  
16 Section 3. Internet advertisements for insurance.

17 (a) Requirement.--A web page of an insurer's Internet  
18 website shall include the appropriate disclosures and  
19 information required by applicable rules and regulations adopted  
20 by the department relating to advertising only if the web page:

21 (1) describes specific policies or coverage available in  
22 this Commonwealth; or

23 (2) includes an opportunity for an individual to apply  
24 for coverage or obtain a quote from an insurer for an  
25 insurance policy or certificate or other evidence of  
26 coverage.

27 (b) Compliance with requirement.--An insurer may comply with  
28 subsection (a) by including a link to a web page that includes  
29 the information necessary to comply with the applicable rules  
30 relating to advertising. The link permitted under this

1 subsection shall be prominently placed on the insurer's web  
2 page.

3 (c) Institutional advertisements.--

4 (1) Web pages of an Internet website that do not refer  
5 to a specific insurance policy, certificate of coverage or  
6 evidence of coverage or that do not provide an opportunity  
7 for an individual to apply for coverage or request a quote  
8 from an insurer are considered to be institutional  
9 advertisements subject to the regulations adopted by the  
10 department relating to advertising.

11 (2) Web pages or navigation aids within an insurer's  
12 Internet website that provide a link to a web page described  
13 by subsection (a) but that do not otherwise contain content  
14 described in subsection (b) are considered to be  
15 institutional advertisements subject to rules adopted by the  
16 department relating to advertising.

17 Section 4. Advertisements relating to Medicare program.

18 A person may not use an advertisement for an insurance  
19 product relating to Medicare coverage unless the advertisement  
20 includes, in a prominent place, the following language or  
21 similar language: Not connected with or endorsed by the United  
22 States Government or the Federal Medicare program.

23 Section 5. Advertisements relating to preferred provider  
24 benefit plans.

25 It is sufficient for an insurer to use the term "PPO plan" in  
26 advertisements when referring to a preferred provider benefit  
27 plan offered under the act of May 17, 1921 (P.L.682, No.284),  
28 known as The Insurance Company Law of 1921.

29 Section 6. Advertising regarding guaranteed renewable coverage.

30 (a) Required statement.--An advertisement for a guaranteed

1 renewable accident and health insurance policy shall include, in  
2 a prominent place, a statement indicating that rates for the  
3 policy may change if the advertisement suggests or implies that  
4 rates for the product will not change.

5 (b) Identifying the manner of change.--If an advertisement  
6 is required to include the statement described by subsection  
7 (a), the statement shall generally identify the manner in which  
8 rates may change, such as by age, by health status, by class or  
9 through application of other general criteria.

10 Section 7. Enforcement.

11 Upon a determination by hearing that this act has been  
12 violated, the commissioner may pursue one or more of the  
13 following courses of action:

14 (1) Issue an order requiring the person in violation to  
15 cease and desist from engaging in the violation.

16 (2) Suspend or revoke or refuse to issue or renew the  
17 certificate or license of the person in violation.

18 (3) Impose a civil penalty of not more than \$5,000 for  
19 each violation.

20 (4) Impose any other penalty or remedy deemed  
21 appropriate by the commissioner, including restitution.

22 Section 8. Remedies.

23 The enforcement remedies imposed under this section are in  
24 addition to other remedies or penalties that may be imposed by  
25 any other applicable statute, including the act of July 22, 1974  
26 (P.L.589, No.205), known as the Unfair Insurance Practices Act.  
27 Violations of this act are deemed and defined by the  
28 commissioner to be an unfair method of competition and an unfair  
29 or deceptive act or practice under the Unfair Insurance  
30 Practices Act.

1 Section 9. Private cause of action.

2 This act may not be construed to create or imply a private  
3 cause of action for a violation of this act.

4 Section 10. Rules and regulations.

5 The department shall promulgate rules and regulations  
6 necessary for the administration and enforcement of this act.

7 Section 11. Effective date.

8 This act shall take effect in 60 days.