

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2558 Session of 2020

INTRODUCED BY DeLUCA, ZABEL, KINSEY, FREEMAN, PASHINSKI,
GALLOWAY, SCHWEYER, BRADFORD, YOUNGBLOOD, ROZZI, LEE, WARREN,
ROEBUCK AND SANCHEZ, MAY 28, 2020

REFERRED TO COMMITTEE ON INSURANCE, MAY 28, 2020

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," in casualty insurance, further
12 providing for health insurance coverage for certain children
13 of insured parents and providing for coverage for essential
14 health benefits, for prohibition on lifetime and annual
15 limits on essential health benefits and for exclusions for
16 preexisting conditions.

17 The General Assembly of the Commonwealth of Pennsylvania
18 hereby enacts as follows:

19 Section 1. Section 617.1(A) of the act of May 17, 1921
20 (P.L.682, No.284), known as The Insurance Company Law of 1921,
21 is amended to read:

22 Section 617.1. Health Insurance Coverage for Certain
23 Children of Insured Parents.--(A) An insurer that issues,
24 delivers, executes or renews group health care insurance in this

1 Commonwealth under which coverage of a child would otherwise
2 terminate at a specified age shall, at the option of the
3 [policyholder] policyholder's insured employe, provide coverage
4 to a child of an insured employe beyond that specified age, up
5 through and including the age of [29] 25, at the insured
6 employe's expense, and provided that the child meet all of the
7 following requirements:

8 (1) Is not married.

9 (2) Has no dependents.

10 (3) Is a resident of this Commonwealth or is enrolled as a
11 full-time student at an institution of higher education.

12 (4) Is not provided coverage as a named subscriber, insured,
13 enrollee or covered person under any other group or individual
14 health insurance policy or enrolled in or entitled to benefits
15 under any government health care benefits program, including
16 benefits under Title XVIII of the Social Security Act (49 Stat.
17 620, 42 U.S.C. § 1395 et seq.).

18 * * *

19 Section 2. The act is amended by adding sections to read:

20 Section 635.8. Coverage for Essential Health Benefits.--(a)
21 A health insurance policy offered, issued or renewed in this
22 Commonwealth shall include coverage for essential health
23 benefits.

24 (b) Notwithstanding any other provision of law, the
25 provisions of this section providing greater protections to
26 individuals insured under a health insurance policy shall be
27 construed to supersede any law relating to a requirement of the
28 Patient Protection and Affordable Care Act (Public Law 111-148,
29 124 Stat. 119), except to the extent this section prevents the
30 application of a requirement of the Patient Protection and

1 Affordable Care Act.

2 (c) This act shall apply as follows:

3 (1) For health insurance policies for which either rates or
4 forms are required to be filed with the Insurance Department or
5 the Federal Government, this act shall apply to any policy for
6 which a form or rate is first filed on or after the effective
7 date of this section.

8 (2) For health insurance policies for which neither rates
9 nor forms are required to be filed with the Insurance Department
10 or the Federal Government, this act shall apply to any policy
11 issued or renewed on or after one hundred eighty days after the
12 effective date of this section.

13 (d) The Insurance Department may promulgate regulations
14 necessary for the implementation and administration of this
15 section.

16 (e) As used in this section, the following words and phrases
17 shall have the meanings given to them in this subsection unless
18 the context clearly indicates otherwise:

19 "Essential health benefits" means health care services and
20 benefits in the following categories:

21 (1) Ambulatory patient services.

22 (2) Emergency services.

23 (3) Hospitalization.

24 (4) Maternity and newborn health care.

25 (5) Mental health and substance use disorder services,
26 including, but not limited to, behavioral health treatment.

27 (6) Prescription drugs.

28 (7) Rehabilitative and habilitative services and devices.

29 (8) Laboratory services.

30 (9) Preventive and wellness services and chronic disease

1 management.

2 (10) Pediatric services, including, but not limited to, oral
3 and vision care.

4 "Health insurance policy" means a policy, subscriber
5 contract, certificate or plan, issued by an insurer that
6 provides medical or health care coverage. The term does not
7 include any of the following policies:

8 (1) Accident only.

9 (2) Credit only.

10 (3) Long-term care or disability income.

11 (4) Specified disease.

12 (5) Medicare supplement.

13 (6) Tricare, including a Civilian Health and Medical Program
14 of the Uniformed Services (CHAMPUS) supplement.

15 (7) Fixed indemnity.

16 (8) Dental only.

17 (9) Vision only.

18 (10) Workers' compensation.

19 (11) Automobile medical payment under 75 Pa.C.S. (relating
20 to vehicles).

21 "Health insurer" means an entity licensed by the Insurance
22 Department with accident and health authority to issue a policy,
23 subscriber contract, certificate or plan that provides medical
24 or health care coverage that is offered or governed under any of
25 the following:

26 (1) This act, including, but not limited to, section 630 and
27 Article XXIV.

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

30 (3) 40 Pa.C.S. Ch. 61 (relating to hospital plan

1 corporations) or 63 (relating to professional health services
2 plan corporations).

3 Section 635.9. Prohibition on Lifetime and Annual Limits on
4 Essential Health Benefits.--(a) A health insurance policy
5 offered, issued or renewed in this Commonwealth shall not
6 establish a lifetime limit or annual limit of the dollar amount
7 on essential health benefits for an individual.

8 (b) Notwithstanding any other provision of law, the
9 provisions of this section providing greater protections to
10 individuals insured under a health insurance policy shall be
11 construed to supersede any law relating to a requirement of the
12 Patient Protection and Affordable Care Act (Public Law 111-148,
13 124 Stat. 119), except to the extent this section prevents the
14 application of a requirement of the Patient Protection and
15 Affordable Care Act.

16 (c) This act shall apply as follows:

17 (1) For health insurance policies for which either rates or
18 forms are required to be filed with the Insurance Department or
19 the Federal Government, this act shall apply to any policy for
20 which a form or rate is first filed on or after the effective
21 date of this section.

22 (2) For health insurance policies for which neither rates
23 nor forms are required to be filed with the Insurance Department
24 or the Federal Government, this act shall apply to any policy
25 issued or renewed on or after one hundred eighty days after the
26 effective date of this section.

27 (d) The Insurance Department may promulgate regulations
28 necessary for the implementation and administration of this
29 section.

30 (e) As used in this section, the following words and phrases

1 shall have the meanings given to them in this subsection unless
2 the context clearly indicates otherwise:

3 "Essential health benefits." Health care services and
4 benefits in the following categories:

5 (1) Ambulatory patient services.

6 (2) Emergency services.

7 (3) Hospitalization.

8 (4) Maternity and newborn health care.

9 (5) Mental health and substance use disorder services,
10 including, but not limited to, behavioral health treatment.

11 (6) Prescription drugs.

12 (7) Rehabilitative and habilitative services and devices.

13 (8) Laboratory services.

14 (9) Preventive and wellness services and chronic disease
15 management.

16 (10) Pediatric services, including, but not limited to, oral
17 and vision care.

18 "Health insurance policy." A policy, subscriber contract,
19 certificate or plan issued by an insurer that provides medical
20 or health care coverage. The term does not include any of the
21 following policies:

22 (1) Accident only.

23 (2) Credit only.

24 (3) Long-term care or disability income.

25 (4) Specified disease.

26 (5) Medicare supplement.

27 (6) Tricare, including a Civilian Health and Medical Program
28 of the Uniformed Services (CHAMPUS) supplement.

29 (7) Fixed indemnity.

30 (8) Dental only.

1 (9) Vision only.

2 (10) Workers' compensation.

3 (11) Automobile medical payment under 75 Pa.C.S. (relating
4 to vehicles).

5 "Health insurer." An entity licensed by the Insurance
6 Department with accident and health authority to issue a policy,
7 subscriber contract, certificate or plan that provides medical
8 or health care coverage that is offered or governed under any of
9 the following:

10 (1) This act, including, but not limited to, section 630 and
11 Article XXIV.

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

14 (3) 40 Pa.C.S. Ch. 61 (relating to hospital plan
15 corporations) or 63 (relating to professional health services
16 plan corporations).

17 Section 635.10. Exclusions For Preexisting Conditions.--(a)
18 A health insurer shall be prohibited from discriminating against
19 a qualified individual or a qualified group based on a
20 preexisting medical condition.

21 (b) Methods of discriminating based on preexisting medical
22 conditions shall include:

23 (1) refusing to sell, offer or issue a health insurance
24 policy to a qualified individual or a qualified group due to a
25 preexisting medical condition;

26 (2) selling, offering or issuing a health insurance policy
27 to a qualified individual or a qualified group that excludes
28 coverage for a preexisting medical condition;

29 (3) considering a qualified individual's or qualified
30 group's prior medical history in the medical underwriting

1 process;

2 (4) requiring or requesting a qualified individual or a
3 qualified group to provide information regarding prior medical
4 history as part of the health insurer's application or
5 enrollment process; or

6 (5) any other method or action of a health insurer that the
7 Insurance Commissioner deems a limitation or exclusion of
8 benefits based on the fact that a preexisting medical condition
9 was present before the effective date of coverage, or, if
10 coverage is denied, the date of the denial, under a qualified
11 individual's or a qualified group's health insurance policy.

12 (c) This section shall apply as follows:

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

18 (2) For health insurance policies for which neither rates
19 nor forms are required to be filed with the Insurance Department
20 or the Federal Government, this section shall apply to any
21 policy issued or renewed on or after one hundred eighty days
22 after the effective date of this section.

23 (d) As used in this section, the following words and phrases
24 shall have the meanings given to them in this subsection unless
25 the context clearly indicates otherwise:

26 "Government program." Any of the following:

27 (1) The Commonwealth's medical assistance program
28 established under the act of June 13, 1967 (P.L.31, No.21),
29 known as the "Human Services Code."

30 (2) A program under Article XXIII-A.

1 "Health insurance policy." Any individual or group health,
2 sickness or accident policy, or subscriber contract or
3 certificate offered, issued or renewed by a health insurer. The
4 term does not include any of the following types of insurance:

5 (1) Accident only.

6 (2) Fixed indemnity.

7 (3) Limited benefit.

8 (4) Credit.

9 (5) Dental.

10 (6) Vision.

11 (7) Specified disease.

12 (8) Medicare supplement.

13 (9) Civilian Health and Medical Program of the Uniformed
14 Services (CHAMPUS) supplement.

15 (10) Long-term care or disability income.

16 (11) Workers' compensation.

17 (12) Automobile medical payment.

18 "Health insurer." An entity that issues a health insurance
19 policy and is subject to the following:

20 (1) this act, including, but not limited to, section 630 and
21 Article XXIV;

22 (2) the act of December 29, 1972 (P.L.1701, No.364), known
23 as the "Health Maintenance Organization Act"; or

24 (3) 40 Pa.C.S. Ch. 61 (relating to hospital plan
25 corporations) or 63 (relating to professional health services
26 plan corporations).

27 "Preexisting medical condition." A physical or mental
28 condition, including, but not limited to, a disease, an illness,
29 an injury, pregnancy or a genetic defect for which medical
30 advice, diagnosis, care or treatment has been recommended or

1 received prior to the effective date of coverage.

2 "Qualified group." Any of the following:

3 (1) A group of qualified individuals covered or applying for
4 coverage under the same health insurance policy.

5 (2) A group of individuals covered under an employer
6 sponsored group health insurance policy.

7 "Qualified individual." Any of the following:

8 (1) An individual who is under nineteen (19) years of age.

9 (2) An individual who:

10 (i) is covered or applying for coverage under a health
11 insurance policy; and

12 (ii) has had health coverage under a health insurance policy
13 or government program for at least nine months of the twelve
14 consecutive month period immediately preceding the date of
15 application or enrollment.

16 Section 3. The amendment of section 617.1(A) of the act
17 shall apply to either of the following that occurs 60 days after
18 the effective date of this act:

19 (1) entering into a contract; or

20 (2) renewing a contract.

21 Section 4. This act shall take effect as follows:

22 (1) The following shall take effect in 60 days:

23 (i) The amendment of section 617.1(A) of the act.

24 (ii) Section 3 of this act.

25 (2) The addition of sections 635.8, 635.9 and 635.10 of
26 the act shall take effect in 30 days.

27 (3) The remainder of this act shall take effect
28 immediately.