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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2950 Session of  
2020

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INTRODUCED BY DAVIDSON, HOHENSTEIN, KINSEY, KENYATTA, SANCHEZ,  
SHUSTERMAN, ROZZI, HANBIDGE, DONATUCCI, SCHLOSSBERG, KRUEGER,  
HOWARD, YOUNGBLOOD, READSHAW, FRANKEL, HILL-EVANS, DELLOSO,  
ULLMAN, DALEY, DRISCOLL, KOSIEROWSKI, T. DAVIS, McCARTER,  
WARREN, DeLUCA AND OTTEN, OCTOBER 21, 2020

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REFERRED TO COMMITTEE ON INSURANCE, OCTOBER 21, 2020

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AN ACT

1 Prohibiting discrimination in certain insurance policies based  
2 on certain drugs.

3 The General Assembly of the Commonwealth of Pennsylvania  
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as Lloyd's Law.

7 Section 2. Definitions.

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

11 "Adverse action." Any of the following:

12 (1) Denying or canceling insurance coverage for an  
13 applicant or enrollee.

14 (2) Limiting the amount, extent or kind of coverage  
15 available for an applicant or enrollee.

16 (3) Charging an applicant or enrollee, or a group to

1       which the applicant or enrollee belongs, a rate that is  
2       different from the rate charged to other applicants,  
3       enrollees or groups, respectively, for the same coverage,  
4       without additional actuarial justification unrelated to the  
5       need to carry an opioid overdose reversal agent.

6       "Applicant." An individual who seeks to obtain coverage  
7       under an insurance policy from an insurer.

8       "Enrollee." A policyholder, subscriber or covered person  
9       under an insurance policy.

10      "Insurance policy." A policy, subscriber contract,  
11      certificate or plan that is offered, issued or renewed by an  
12      insurer.

13      "Insurer." An entity licensed or authorized to conduct the  
14      business of insurance that is governed under any of the  
15      following:

16           (1) The act of May 17, 1921 (P.L.682, No.284), known as  
17      The Insurance Company Law of 1921, including section 630 and  
18      Article XXIV thereof.

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

21           (3) 40 Pa.C.S. Ch. 61 (relating to hospital plan  
22      corporations) or 63 (relating to professional health services  
23      plan corporations).

24      Section 3. Prohibition on discrimination.

25      (a) General rule.--Notwithstanding any other provision of  
26      law and except as provided in subsection (b), an insurer may not  
27      take an adverse action against an applicant or enrollee based on  
28      the applicant's or enrollee's prior or current claim or  
29      obtainment of a prescription for an opioid overdose reversal  
30      agent.

1 (b) Exception.--An insurer may take an adverse action  
2 described in subsection (a) if there is clear and convincing  
3 evidence that the applicant or enrollee is engaged in illicit  
4 drug use that could cause an opioid-related overdose.

5 Section 4. Enforcement.

6 Violations of this act shall constitute:

7 (1) Unfair discrimination under section 353 of the act  
8 of May 17, 1921 (P.L.682, No.284), known as The Insurance  
9 Company Law of 1921.

10 (2) Unfair methods of competition and unfair or  
11 deceptive acts or practices under the act of July 22, 1974  
12 (P.L.589, No.205), known as the Unfair Insurance Practices  
13 Act.

14 Section 5. Effective date.

15 This act shall take effect in 60 days.