
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 162 Session of
2021

INTRODUCED BY DAVIDSON, SANCHEZ, ZABEL, HANBIDGE, HILL-EVANS,
O'MARA, A. DAVIS, HOHENSTEIN, KINSEY, CIRESI, WEBSTER,
SCHWEYER, HOWARD AND LEE, JANUARY 14, 2021

REFERRED TO COMMITTEE ON INSURANCE, JANUARY 14, 2021

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
17 which the applicant or enrollee belongs, a rate that is

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

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

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

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

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

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

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

20 (3) 40 Pa.C.S. Ch. 61 (relating to hospital plan
21 corporations) or 63 (relating to professional health services
22 plan corporations).

23 Section 3. Prohibition on discrimination.

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

30 (b) Exception.--An insurer may take an adverse action

1 described in subsection (a) if there is clear and convincing
2 evidence that the applicant or enrollee is engaged in illicit
3 drug use that could result in an opioid-related overdose.

4 Section 4. Enforcement.

5 Violations of this act shall constitute:

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

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

13 Section 5. Effective date.

14 This act shall take effect in 60 days.