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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1368 Session of  
2021

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INTRODUCED BY THOMAS, CIRESI, HILL-EVANS, HOHENSTEIN, NEILSON,  
POLINCHOCK, STEPHENS, WARREN AND ZIMMERMAN, MAY 10, 2021

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REFERRED TO COMMITTEE ON INSURANCE, MAY 10, 2021

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AN ACT

1 Amending Title 40 (Insurance) of the Pennsylvania Consolidated  
2 Statutes, providing for on-exchange insurers.

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

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

7 CHAPTER 96

8 ON-EXCHANGE INSURERS

9 Sec.

10 9601. Definitions.

11 9602. Essential health benefits.

12 9603. Preexisting conditions.

13 9604. Limits on coverage.

14 9605. Dependent coverage.

15 9606. Premiums.

16 9607. Comparative purchasing options.

17 § 9601. Definitions.

18 The following words and phrases when used in this chapter

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

3 "Preexisting condition exclusion." As defined in section  
4 2704 of the Public Health Service Act (58 Stat. 682, 42 U.S.C. §  
5 300gg-3).

6 § 9602. Essential health benefits.

7 An insurer that offers a health insurance policy through the  
8 exchange must include coverage for the following health care  
9 services and benefits in the following categories:

10 (1) Ambulatory patient services.

11 (2) Emergency services.

12 (3) Hospitalization.

13 (4) Maternity and newborn health care.

14 (5) Mental health and substance use disorder services,  
15 including behavioral health treatment.

16 (6) Prescription drugs.

17 (7) Rehabilitative and habilitative services and  
18 devices.

19 (8) Laboratory services.

20 (9) Preventive and wellness services and chronic disease  
21 management.

22 (10) Pediatric services, including oral and vision care.

23 § 9603. Preexisting conditions.

24 An insurer that offers a health insurance policy through the  
25 exchange may not impose a preexisting condition exclusion.

26 § 9604. Limits on coverage.

27 An insurer that offers a health insurance policy through the  
28 exchange may not establish any the following:

29 (1) A lifetime limit on the dollar value of benefits for  
30 any enrollee.

1           (2) Annual limits on the dollar value of benefits for  
2           any participant or beneficiary.

3   § 9605. Dependent coverage.

4           An insurer that offers a health insurance policy through the  
5           exchange that provides dependent coverage of children shall  
6           continue to make the coverage available for an adult child until  
7           the child turns 26 years of age. Nothing in this section shall  
8           require an insurer to make coverage available for a child of a  
9           child receiving dependent coverage.

10 § 9606. Premiums.

11           (a) Premium revenue.--The ratio of the amount of premium  
12           revenue expended by the insurer on reimbursement for clinical  
13           services provided to enrollees under a health care plan and for  
14           activities that improve health care quality to the total amount  
15           of premium revenue for the plan year may not be less than 80%.

16           (b) Duties of department.--The department shall:

17                   (1) Establish a process for the annual review of  
18                   unreasonable increases in premiums for health insurance  
19                   coverage. The process shall require an insurer to submit to  
20                   the department a justification for an unreasonable premium  
21                   increase prior to the implementation of the increase. The  
22                   insurer shall prominently post the premium increase  
23                   information on the insurer's publicly accessible Internet  
24                   website.

25                   (2) Ensure the public disclosure of information on  
26                   premium increases and justifications for all insurers.

27                   (3) Consider whether particular insurers should be  
28                   excluded from participation in the exchange based on a  
29                   pattern or practice of excessive or unjustified premium  
30                   increases.

1           (4) Monitor premium increases of health insurance  
2 coverage offered through the exchange and outside of an  
3 exchange.

4           (5) Require insurers seeking certification as qualified  
5 health plans to submit a justification for any premium  
6 increase prior to implementation of the increase. An insurer  
7 shall prominently post premium increase information on the  
8 insurer's publicly accessible Internet website. The  
9 department shall take this information into consideration  
10 when determining whether to make these health plans available  
11 through the exchange.

12 § 9607. Comparative purchasing options.

13           The exchange authority shall establish a standardized format  
14 to be used for the presentation of information for use by  
15 consumers to identify affordable health insurance coverage  
16 options in this Commonwealth. The format shall, at a minimum,  
17 require the inclusion of information on the percentage of total  
18 premium revenue expended on nonclinical costs, eligibility,  
19 availability, premium rates and cost sharing with respect to  
20 health insurance coverage options and be consistent with the  
21 standards adopted for the uniform explanation of coverage as  
22 provided for in section 2715 of the Public Health Service Act  
23 (58 Stat. 682, 42 U.S.C. § 300gg-15).

24           Section 2. This act shall take effect in 60 days.