
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2234 Session of
2024

INTRODUCED BY KIM, SCHLOSSBERG, HILL-EVANS, SANCHEZ,
KOSIEROWSKI, HANBIDGE, HOWARD, MALAGARI, HADDOCK, CEPEDA-
FREYTIZ, McANDREW, ABNEY, GIRAL, WARREN, VENKAT, T. DAVIS,
KHAN, GUENST, SHUSTERMAN, MAYES, SIEGEL AND CERRATO,
APRIL 24, 2024

REFERRED TO COMMITTEE ON INSURANCE, APRIL 24, 2024

AN ACT

1 Amending Title 40 (Insurance) of the Pennsylvania Consolidated
2 Statutes, in preliminary provisions relating to health
3 insurance markets oversight, further providing for
4 definitions; and, in State-based exchange, further providing
5 for powers and duties of exchange authority.

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

8 Section 1. Section 9103 of Title 40 of the Pennsylvania
9 Consolidated Statutes is amended by adding a definition to read:

10 § 9103. Definitions.

11 Subject to additional definitions contained in subsequent
12 provisions of this part which are applicable to specific
13 provisions of this part, the following words and phrases when
14 used in this part shall have the meanings given to them in this
15 section unless the context clearly indicates otherwise:

16 "Affordability assistance program." The affordability
17 assistance program implemented by the exchange authority under
18 section 9305(b)(6) (relating to powers and duties of exchange

1 authority).

2 * * *

3 Section 2. Section 9305(b)(4) and (5) of Title 40 are
4 amended and the subsection is amended by adding a paragraph to
5 read:

6 § 9305. Powers and duties of exchange authority.

7 * * *

8 (b) Programmatic duties.--The exchange authority shall
9 perform all duties necessary or appropriate to advance its
10 purpose, including the following:

11 * * *

12 (4) Assess and collect fees from on-exchange insurers to
13 support the operation of the exchange under this chapter and
14 either the reinsurance program established under section
15 9502(b) (relating to implementation of waiver and
16 establishment of reinsurance program) or an affordability
17 assistance program as described in paragraph (6), or both,
18 except that the exchange authority may not assess or collect
19 any form of obligation other than an exchange user fee on
20 total monthly premiums for on-exchange policies and unless
21 approved by unanimous consent of the board, the fee may not
22 exceed 3% of total monthly premiums for on-exchange policies.
23 In no case may the fee exceed 3.5%.

24 (5) Disburse receipted fees, including to benefit [the
25 reinsurance program established under section 9502(b).]:

26 (i) the reinsurance program established under
27 section 9502(b);

28 (ii) an affordability assistance program in plan
29 year 2025 as described in paragraph (6), provided that
30 the commissioner determines that alternative funds are

1 available to fund the reinsurance program in a manner
2 that satisfies the requirements of the Commonwealth's
3 innovation waiver in accordance with section 1332 of the
4 Affordable Care Act and transmits notice of the
5 determination to the Legislative Reference Bureau for
6 publication in the next available issue of the
7 Pennsylvania Bulletin; or

8 (iii) both the reinsurance program under
9 subparagraph (i) and an affordability assistance program
10 under subparagraph (ii).

11 (6) Implement an affordability assistance program in
12 plan year 2025 to provide a net positive financial impact to
13 consumers of on-exchange qualified plans in this
14 Commonwealth. The following apply:

15 (i) The affordability assistance program shall be
16 designed to incentivize enrollment in on-exchange
17 policies based on income or other eligibility criteria.

18 (ii) The provision of money or benefits accrued
19 through the affordability assistance program may not
20 constitute an entitlement derived from the Commonwealth
21 or a claim on any other money of the Commonwealth.

22 (iii) The affordability assistance program shall be
23 subject to all provisions of this chapter pertaining to
24 the operations of the exchange authority and the exchange
25 fund, including sections 9310 (relating to audits) and
26 9311 (relating to reports).

27 * * *

28 Section 3. This act shall take effect immediately.