
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2562 Session of
2024

INTRODUCED BY FRANKEL, GIRAL, HILL-EVANS, SCHLOSSBERG, SANCHEZ,
PIELLI, KIM, McNEILL, VENKAT, KHAN, FREEMAN, HOWARD, CIRESI,
GREEN AND DALEY, SEPTEMBER 11, 2024

REFERRED TO COMMITTEE ON INSURANCE, SEPTEMBER 11, 2024

AN ACT

1 Providing for health care insurance coverage protections, for
2 duties of the Insurance Department and the Insurance
3 Commissioner, for regulations, for enforcement and for
4 penalties.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Health
9 Insurance Protection Against Limitations Act.

10 Section 2. Definitions.

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

14 "Commissioner." The Insurance Commissioner of the
15 Commonwealth.

16 "Department." The Insurance Department of the Commonwealth.

17 "Enrollee." A policyholder, subscriber, covered person or
18 other individual who is entitled to receive health care services

1 under a health insurance policy.

2 "Group health insurance policy." A policy, subscriber
3 contract, certificate or plan issued by an insurer that provides
4 medical or health care coverage on an annual basis to
5 individuals who obtain health insurance coverage through a
6 group.

7 "Health insurance policy." A policy, subscriber contract,
8 certificate or plan issued by an insurer that provides medical
9 or health care coverage. The term does not include any of the
10 following:

- 11 (1) An accident only policy.
- 12 (2) A credit only policy.
- 13 (3) A long-term care or disability income policy.
- 14 (4) A specified disease policy.
- 15 (5) A Medicare supplement policy.
- 16 (6) A fixed indemnity policy.
- 17 (7) A dental only policy.
- 18 (8) A vision only policy.
- 19 (9) A workers' compensation policy.
- 20 (10) An automobile medical payment policy.
- 21 (11) A policy under which benefits are provided by the
22 Federal Government to active or former military personnel and
23 their dependents.
- 24 (12) A hospital indemnity policy.
- 25 (13) Any other similar policies providing for limited
26 benefits.

27 "Individual health insurance policy." A policy, subscriber
28 contract, certificate or plan issued by an insurer that provides
29 medical or health care coverage on an annual basis to an
30 individual other than in connection with a group.

1 "In-network provider." A provider who contracts with an
2 insurer to provide health care services to an enrollee under a
3 health insurance policy.

4 "Insurer." An entity that offers, issues or renews an
5 individual or group health insurance policy that provides
6 medical or health care coverage by a health care facility or
7 licensed health care provider and that is governed under any of
8 the following:

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

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

14 (3) 40 Pa.C.S. Ch. 61 (relating to hospital plan
15 corporations).

16 (4) 40 Pa.C.S. Ch. 63 (relating to professional health
17 services plan corporations).

18 "Out-of-network provider." A provider who does not contract
19 with an insurer to provide health care services to an enrollee
20 under a health insurance policy.

21 Section 3. Limitation on annual and lifetime limits.

22 (a) Generally.--Except as otherwise provided in this
23 section, an insurer offering, issuing or renewing an individual
24 or group health insurance policy may not establish, on either an
25 annual or lifetime basis, a limit on the dollar value of any
26 core benefit for an enrollee, whether provided by an in-network
27 or out-of-network provider.

28 (b) Core benefit.--For purposes of this section, a core
29 benefit shall include a benefit for which no annual or lifetime
30 per enrollee limit was permitted to be included in an individual

1 or small group policy first offered or issued in this
2 Commonwealth in 2024.

3 (c) No coverage requirement.--This section shall not be
4 construed to require coverage of any specific benefit.

5 Section 4. Regulations.

6 (a) Authority to promulgate.--The department may promulgate
7 regulations as may be necessary and appropriate to carry out the
8 provisions of this act.

9 (b) Temporary regulations.--

10 (1) Notwithstanding any other provision of law, in order
11 to facilitate the prompt implementation of this act, the
12 department may issue temporary regulations which shall expire
13 no later than two years following publication of the
14 temporary regulations in the Pennsylvania Bulletin. The
15 temporary regulations shall be exempt from the following:

16 (i) Section 612 of the act of April 9, 1929
17 (P.L.177, No.175), known as The Administrative Code of
18 1929.

19 (ii) Sections 201, 202, 203, 204 and 205 of the act
20 of July 31, 1968 (P.L.769, No.240), referred to as the
21 Commonwealth Documents Law.

22 (iii) Section 204(b) of the act of October 15, 1980
23 (P.L.950, No.164), known as the Commonwealth Attorneys
24 Act.

25 (iv) The act of June 25, 1982 (P.L.633, No.181),
26 known as the Regulatory Review Act.

27 (2) The authority of the department to issue temporary
28 regulations under this subsection shall expire two years from
29 the effective date of this section. Regulations adopted after
30 the two-year period shall be promulgated as provided by

1 statute.

2 Section 5. Enforcement.

3 (a) General rule.--Upon satisfactory evidence of the
4 violation of any section of this act by an insurer or any other
5 person, one or more of the following penalties may be imposed at
6 the commissioner's discretion:

7 (1) Suspension or revocation of the license of the
8 offending insurer or other person.

9 (2) Refusal, for a period not to exceed one year, to
10 issue a new license to the offending insurer or other person.

11 (3) A fine of not more than \$5,000 for each violation of
12 this act.

13 (4) A fine of not more than \$10,000 for each willful
14 violation of this act.

15 (b) Limitation.--

16 (1) Fines imposed against an individual insurer under
17 this act may not exceed \$500,000 in the aggregate during a
18 single calendar year.

19 (2) Fines imposed against any other person under this
20 act may not exceed \$100,000 in the aggregate during a single
21 calendar year.

22 (c) Additional remedies.--The enforcement remedies imposed
23 under this section are in addition to any other remedies or
24 penalties that may be imposed under any other applicable law of
25 this Commonwealth, including:

26 (1) The act of July 22, 1974 (P.L.589, No.205), known as
27 the Unfair Insurance Practices Act. Violations of this act
28 shall be deemed to be an unfair method of competition and an
29 unfair or deceptive act or practice under the Unfair
30 Insurance Practices Act.

1 (2) The act of December 18, 1996 (P.L.1066, No.159),
2 known as the Accident and Health Filing Reform Act.

3 (3) The act of June 25, 1997 (P.L.295, No.29), known as
4 the Pennsylvania Health Care Insurance Portability Act.

5 (d) Administrative procedure.--The administrative provisions
6 of this section shall be subject to 2 Pa.C.S. Ch. 5 Subch. A
7 (relating to practice and procedure of Commonwealth agencies).
8 A party against whom penalties are assessed in an administrative
9 action may appeal to Commonwealth Court as provided in 2 Pa.C.S.
10 Ch. 7 Subch. A (relating to judicial review of Commonwealth
11 agency action).

12 Section 6. Notice.

13 The commissioner shall transmit notice to the Legislative
14 Reference Bureau for publication in the next available issue of
15 the Pennsylvania Bulletin if any of the following occurs:

16 (1) The Congress of the United States repeals 42 U.S.C.
17 § 300gg-11 (relating to no lifetime or annual limits), in
18 whole or in part.

19 (2) A court of the United States abrogates, vacates or
20 invalidates 42 U.S.C. § 300gg-11, in whole or in part, or a
21 regulation implementing 42 U.S.C. § 300gg-11, in whole or in
22 part.

23 (3) The executive branch of the United States refuses to
24 enforce or repeals a regulation implementing 42 U.S.C. §
25 300gg-11, in whole or in part.

26 Section 7. Implementation.

27 The implementation of this act shall be limited to the
28 provisions necessary to achieve a substitute coverage
29 requirement for the portion or portions of 42 U.S.C. § 300gg-11
30 (relating to no lifetime or annual limits) that are impacted by

1 the occurrence of any of the events described in section 6.

2 Section 8. Repeals.

3 All acts and parts of acts are repealed insofar as they are
4 inconsistent with this act.

5 Section 9. Effective date.

6 This act shall take effect as follows:

7 (1) The following shall take effect immediately:

8 (i) Section 6.

9 (ii) Section 7.

10 (iii) This section.

11 (2) The remainder of this act shall take effect upon
12 publication of the notice in section 6.