
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 348 Session of
2023

INTRODUCED BY J. WARD, BREWSTER AND COLLETT, FEBRUARY 10, 2023

REFERRED TO BANKING AND INSURANCE, FEBRUARY 10, 2023

AN ACT

1 Amending the act of July 22, 1974 (P.L.589, No.205), entitled
2 "An act relating to unfair insurance practices; prohibiting
3 unfair methods of competition and unfair or deceptive acts
4 and practices; and prescribing remedies and penalties,"
5 further providing for unfair methods of competition and
6 unfair or deceptive acts or practices defined.

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

9 Section 1. Section 5(a) of the act of July 22, 1974
10 (P.L.589, No.205), known as the Unfair Insurance Practices Act,
11 is amended by adding a paragraph to read:

12 Section 5. Unfair Methods of Competition and Unfair or
13 Deceptive Acts or Practices Defined.--(a) "Unfair methods of
14 competition" and "unfair or deceptive acts or practices" in the
15 business of insurance means:

16 * * *

17 (15) Altering the coverage provided by a health insurance
18 policy, including raising the premium, copayment, coinsurance or
19 deductible or denying or otherwise failing to provide continued
20 coverage for a health care benefit that was included in the

1 insured's health insurance policy and when the insured has
2 already received the health care benefit. The following shall
3 apply:

4 (i) This paragraph shall not apply to health care benefits
5 obtained by an insured through fraudulent or criminal activity
6 or subject to:

7 (A) a statement issued by the United States Food and Drug
8 Administration (FDA) calling into question the clinical safety
9 of the benefit; or

10 (B) a notice provided by the manufacturer of a prescription
11 drug to the FDA related to a manufacturing discontinuance or
12 potential discontinuance of the drug.

13 (ii) In addition to any other penalties authorized by this
14 act, a violation of this paragraph shall be deemed a violation
15 of the act of December 17, 1968 (P.L.1224, No.387), known as the
16 "Unfair Trade Practices and Consumer Protection Law." Nothing in
17 this act shall preclude an insured from exercising any right
18 provided under the "Unfair Trade Practices and Consumer
19 Protection Law." A civil penalty of up to one thousand dollars
20 (\$1,000) shall be imposed on a health insurer who violates this
21 paragraph.

22 (iii) As used in this paragraph:

23 (A) "Biological product" shall have the same meaning as
24 "biological product" in 42 U.S.C. § 201 et seq. (Public Health
25 Service Act).

26 (B) "Health care benefits" means all products, services,
27 procedures, treatments and prescription drugs for which coverage
28 is provided under a health insurance policy offered by a health
29 insurer.

30 (C) (I) "Health insurance policy" means a group or

1 individual health or sickness or accident insurance policy,
2 subscriber contract or certificate issued by an entity subject
3 to any one of the following:

4 (a) The act of May 17, 1921 (P.L.682, No.284), known as "The
5 Insurance Company Law of 1921," including section 630 and
6 Article XXIV of that act.

7 (b) The act of December 29, 1972 (P.L.1701, No.364), known
8 as the "Health Maintenance Organization Act."

9 (c) 40 Pa.C.S. Ch. 61 (relating to hospital plan
10 corporations) or 63 (relating to professional health services
11 plan corporations).

12 (II) The term does not include accident only, fixed
13 indemnity, hospital indemnity, limited benefit, credit, dental,
14 vision, specified disease, Medicare supplement, Civilian Health
15 and Medical Program of the Uniformed Services (CHAMPUS)
16 supplement, long-term care or disability income, workers'
17 compensation or automobile medical payment insurance.

18 (D) "Health insurer" means an entity licensed by the
19 Insurance Department with accident and health authority to issue
20 a policy, subscriber contract, certificate or plan that provides
21 medical or health care coverage that is offered or governed
22 under any of the following:

23 (I) "The Insurance Company Law of 1921," including section
24 630 and Article XXIV of that act.

25 (II) The "Health Maintenance Organization Act."

26 (III) 40 Pa.C.S. Ch. 61 or 63.

27 (E) "Insured" means a person who receives coverage under a
28 health insurance policy and has paid all premiums due under the
29 contract or policy. As used in this paragraph, the term shall
30 include all individuals named in a health insurance policy

1 issued by a health insurer.

2 (F) "Prescription drug" means a controlled substance, other
3 drug, including a biological product, or device for medication
4 dispensed by order of an appropriately licensed medical
5 professional.

6 (iv) This paragraph shall not be interpreted to impact or
7 inhibit the applicability of any provision of the act of
8 November 24, 1976 (P.L.1163, No.259), referred to as the Generic
9 Equivalent Drug Law.

10 (v) Nothing in this paragraph shall be construed to prohibit
11 a health insurer from adding health care benefits during the
12 term of a health insurance policy.

13 * * *

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