

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1050 Session of 2023

INTRODUCED BY BOYLE, MADDEN, VENKAT, KHAN, HOHENSTEIN, WAXMAN, SANCHEZ, BOROWSKI, PARKER, HILL-EVANS, KRAJEWSKI, KINSEY, YOUNG, STURLA, SHUSTERMAN, HOWARD AND WARREN, APRIL 28, 2023

AS REPORTED FROM COMMITTEE ON INSURANCE, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 12, 2023

AN ACT

1 Providing for health care insurance preventive services coverage
2 protections; conferring authority on the Insurance Department
3 and the Insurance Commissioner; and providing for
4 regulations, for enforcement and for penalties.

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

7 Section 1. Short title.

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8 This act shall be known and may be cited as the Health-
9 Insurance Preventive Services Coverage 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 "Cost sharing." The share of health care costs covered by an-
17 insurance policy that an enrollee pays out of pocket. The term-
18 includes deductibles, coinsurance, copayments and similar-

1 ~~charges. The term does not include premium, a balance billed~~
2 ~~amount from an out of network provider or the cost of a~~
3 ~~noncovered service.~~

4 ~~"Department." The Insurance Department of the Commonwealth.~~

5 ~~"Enrollee." A policyholder, subscriber, covered person or~~
6 ~~other individual who is entitled to receive health care services~~
7 ~~under a health insurance policy.~~

8 ~~"Group health insurance policy." A policy, subscriber~~
9 ~~contract, certificate or plan issued by an insurer that provides~~
10 ~~medical or health care coverage on an annual basis to~~
11 ~~individuals who obtain health insurance coverage through a~~
12 ~~group.~~

13 ~~"Health insurance policy." A policy, subscriber contract,~~
14 ~~certificate or plan issued by an insurer that provides medical~~
15 ~~or health care coverage. The term does not include any of the~~
16 ~~following:~~

17 ~~(1) An accident only policy.~~

18 ~~(2) A credit only policy.~~

19 ~~(3) A long term care or disability income policy.~~

20 ~~(4) A specified disease policy.~~

21 ~~(5) A Medicare supplement policy.~~

22 ~~(6) A fixed indemnity policy.~~

23 ~~(7) A dental only policy.~~

24 ~~(8) A vision only policy.~~

25 ~~(9) A workers' compensation policy.~~

26 ~~(10) An automobile medical payment policy.~~

27 ~~(11) A policy under which benefits are provided by the~~
28 ~~Federal Government to active or former military personnel and~~
29 ~~their dependents.~~

30 ~~(12) A hospital indemnity policy.~~

1 ~~(13) Any other similar policy providing for limited~~
2 ~~benefits.~~

3 ~~"Individual health insurance policy." A policy, subscriber~~
4 ~~contract, certificate or plan issued by an insurer that provides~~
5 ~~medical or health care coverage on an annual basis to an~~
6 ~~individual other than in connection with a group.~~

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

12 ~~(1) The act of May 17, 1921 (P.L.682, No.284), known as~~
13 ~~The Insurance Company Law of 1921, including section 630 and~~
14 ~~Article XXIV of The Insurance Company Law of 1921.~~

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

17 ~~(3) 40 Pa.C.S. Ch. 61 (relating to hospital plan~~
18 ~~corporations).~~

19 ~~(4) 40 Pa.C.S. Ch. 63 (relating to professional health~~
20 ~~services plan corporations).~~

21 ~~"Out of network provider." A provider who does not contract~~
22 ~~with an insurer to provide health care services to an enrollee~~
23 ~~under a health insurance policy.~~

24 ~~Section 3. Preventive services coverage.~~

25 ~~(a) Requirements. An insurer offering, issuing or renewing~~
26 ~~an individual health insurance policy or group health insurance~~
27 ~~policy shall, at a minimum, provide coverage and not impose any~~
28 ~~cost sharing requirements for preventive services at least as~~
29 ~~comprehensive in scope as the preventive services required to be~~
30 ~~provided in an individual health insurance policy or group~~

1 ~~health insurance policy first offered or issued in this~~
2 ~~Commonwealth in 2022.~~

3 ~~(b) Modification of preventive services. The department may~~
4 ~~promulgate regulations to add or exempt one or more services~~
5 ~~from the services required to be covered without cost sharing~~
6 ~~under this section. In considering an addition or exemption, the~~
7 ~~department will take into account the following:~~

8 ~~(1) The health care needs of diverse segments of the~~
9 ~~population, including women, children, persons with~~
10 ~~disabilities and other groups.~~

11 ~~(2) The accessibility, including cost, of preventive~~
12 ~~services.~~

13 ~~(3) Changes in medical evidence or scientific~~
14 ~~advancement, including those identified as:~~

15 ~~(i) Evidence based items or services that have in~~
16 ~~effect a rating of "A" or "B" by the United States~~
17 ~~Preventive Services Task Force.~~

18 ~~(ii) Recommended immunizations by the Advisory~~
19 ~~Committee on Immunization Practices of the Centers for~~
20 ~~Disease Control and Prevention.~~

21 ~~(iii) Evidence informed preventive care and~~
22 ~~screenings provided for in the comprehensive guidelines~~
23 ~~supported by the Health Resources and Services~~
24 ~~Administration.~~

25 ~~(4) The potential for discrimination against individuals~~
26 ~~because of their age or expected length of life, present or~~
27 ~~predicted disability, degree of medical dependency, quality~~
28 ~~of life or other health conditions.~~

29 ~~(c) Construction. Nothing in this section shall be~~
30 ~~construed:~~

1 ~~(1) To prohibit an insurer from providing coverage for~~
2 ~~preventive services in addition to those designated under~~
3 ~~this act.~~

4 ~~(2) To prohibit an insurer to deny coverage for~~
5 ~~preventive services not designated under this act.~~

6 ~~(3) To prevent an insurer from utilizing value based~~
7 ~~insurance designs.~~

8 ~~(4) To diminish any other law that limits cost sharing~~
9 ~~for a health care service.~~

10 ~~Section 4. Regulations.~~

11 ~~(a) Authority to promulgate. The department may promulgate~~
12 ~~regulations as may be necessary and appropriate to carry out the~~
13 ~~provisions of this act.~~

14 ~~(b) Temporary regulations.~~

15 ~~(1) Notwithstanding any other provision of law, in order~~
16 ~~to facilitate the prompt implementation of this act, the~~
17 ~~department may issue temporary regulations which shall expire~~
18 ~~no later than two years following publication of the~~
19 ~~temporary regulations in the Pennsylvania Bulletin. The~~
20 ~~temporary regulations shall be exempt from the following:~~

21 ~~(i) Section 612 of the act of April 9, 1929~~
22 ~~(P.L.177, No.175), known as The Administrative Code of~~
23 ~~1929.~~

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

27 ~~(iii) Sections 204(b) and 301(10) of the act of~~
28 ~~October 15, 1980 (P.L.950, No.164), known as the~~
29 ~~Commonwealth Attorneys Act.~~

30 ~~(iv) The act of June 25, 1982 (P.L.633, No.181),~~

1 ~~known as the Regulatory Review Act.~~

2 ~~(2) The authority of the department to issue temporary~~
3 ~~regulations under this subsection shall expire two years from~~
4 ~~the effective date of this subsection. Regulations adopted~~
5 ~~after the two year period shall be promulgated as provided by~~
6 ~~statute.~~

7 ~~Section 5. Enforcement.~~

8 ~~(a) General rule. Upon satisfactory evidence of the~~
9 ~~violation of any section of this act by an insurer or any other~~
10 ~~person, one or more of the following penalties may be imposed at~~
11 ~~the commissioner's discretion:~~

12 ~~(1) Suspension or revocation of the license of the~~
13 ~~offending insurer or other person.~~

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

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

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

20 ~~(b) Limitations.~~

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

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

27 ~~(c) Additional remedies. The enforcement remedies imposed~~
28 ~~under this subsection are in addition to any other remedies or~~
29 ~~penalties that may be imposed under any other applicable law of~~
30 ~~this Commonwealth, including:~~

1 ~~(1) The act of July 22, 1974 (P.L.589, No.205), known as~~
2 ~~the Unfair Insurance Practices Act. Violations of this act~~
3 ~~shall be deemed to be an unfair method of competition and an~~
4 ~~unfair or deceptive act or practice under the Unfair~~
5 ~~Insurance Practices Act.~~

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

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

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

17 Section 6. Repeals.

18 ~~All acts and parts of acts are repealed insofar as they are~~
19 ~~inconsistent with this act.~~

20 Section 7. Applicability.

21 ~~This act shall apply as follows:~~

22 ~~(1) For health insurance policies for which either rates~~
23 ~~or forms are required to be filed with the department, this~~
24 ~~act shall apply to any policy for which a form or rate is~~
25 ~~first filed on or after the effective date of this section.~~

26 ~~(2) For health insurance policies for which neither~~
27 ~~rates nor forms are required to be filed with the department,~~
28 ~~this act shall apply to any policy issued or renewed on or~~
29 ~~after 180 days after the effective date of this section.~~

30 Section 8. Effective date.

1 ~~This act shall take effect immediately.~~

2 SECTION 1. SHORT TITLE. <--

3 THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE HEALTH
4 INSURANCE PREVENTIVE SERVICES COVERAGE ACT.

5 SECTION 2. DEFINITIONS.

6 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
7 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
8 CONTEXT CLEARLY INDICATES OTHERWISE:

9 "COMMISSIONER." THE INSURANCE COMMISSIONER OF THE
10 COMMONWEALTH.

11 "COST SHARING." THE SHARE OF HEALTH CARE COSTS COVERED BY AN
12 INSURANCE POLICY THAT AN ENROLLEE PAYS OUT-OF-POCKET. THE TERM
13 INCLUDES DEDUCTIBLES, COINSURANCE, COPAYMENTS AND SIMILAR
14 CHARGES. THE TERM DOES NOT INCLUDE PREMIUM, A BALANCE BILLED
15 AMOUNT FROM AN OUT-OF-NETWORK PROVIDER OR THE COST OF A
16 NONCOVERED SERVICE.

17 "DEPARTMENT." THE INSURANCE DEPARTMENT OF THE COMMONWEALTH.

18 "ENROLLEE." A POLICYHOLDER, SUBSCRIBER, COVERED PERSON OR
19 OTHER INDIVIDUAL WHO IS ENTITLED TO RECEIVE HEALTH CARE SERVICES
20 UNDER A HEALTH INSURANCE POLICY.

21 "GRANDFATHERED HEALTH CARE PLAN." INDIVIDUAL OR GROUP HEALTH
22 INSURANCE COVERAGE IN WHICH AN INDIVIDUAL WAS ENROLLED PRIOR TO
23 THE DATE OF ENACTMENT OF THE PATIENT PROTECTION AND AFFORDABLE
24 CARE ACT (PUBLIC LAW 111-148, 124 STAT. 119), OR AS OTHERWISE
25 SPECIFIED IN 42 U.S.C. § 18011 (RELATING TO PRESERVATION OF
26 RIGHT TO MAINTAIN EXISTING COVERAGE).

27 "HEALTH INSURANCE POLICY." A POLICY, SUBSCRIBER CONTRACT,
28 CERTIFICATE OR PLAN ISSUED BY AN INSURER THAT PROVIDES MEDICAL
29 OR HEALTH CARE COVERAGE. THE TERM DOES NOT INCLUDE ANY OF THE
30 FOLLOWING:

- 1 (1) AN ACCIDENT ONLY POLICY.
- 2 (2) A CREDIT ONLY POLICY.
- 3 (3) A LONG-TERM CARE OR DISABILITY INCOME POLICY.
- 4 (4) A SPECIFIED DISEASE POLICY.
- 5 (5) A MEDICARE SUPPLEMENT POLICY.
- 6 (6) A FIXED INDEMNITY POLICY.
- 7 (7) A DENTAL ONLY POLICY.
- 8 (8) A VISION ONLY POLICY.
- 9 (9) A WORKERS' COMPENSATION POLICY.
- 10 (10) AN AUTOMOBILE MEDICAL PAYMENT POLICY.
- 11 (11) A POLICY UNDER WHICH BENEFITS ARE PROVIDED BY THE
- 12 FEDERAL GOVERNMENT TO ACTIVE OR FORMER MILITARY PERSONNEL AND
- 13 THEIR DEPENDENTS.

14 (12) A HOSPITAL INDEMNITY POLICY.

15 (13) ANY OTHER SIMILAR POLICY PROVIDING FOR LIMITED

16 BENEFITS.

17 "INSURER." AN ENTITY THAT OFFERS, ISSUES OR RENEWS A HEALTH

18 INSURANCE POLICY THAT PROVIDES MEDICAL OR HEALTH CARE COVERAGE

19 BY A HEALTH CARE FACILITY OR LICENSED HEALTH CARE PROVIDER AND

20 THAT IS GOVERNED UNDER ANY OF THE FOLLOWING:

21 (1) THE ACT OF MAY 17, 1921 (P.L.682, NO.284), KNOWN AS

22 THE INSURANCE COMPANY LAW OF 1921, INCLUDING SECTION 630 AND

23 ARTICLE XXIV OF THE INSURANCE COMPANY LAW OF 1921.

24 (2) THE ACT OF DECEMBER 29, 1972 (P.L.1701, NO.364),

25 KNOWN AS THE HEALTH MAINTENANCE ORGANIZATION ACT.

26 (3) 40 PA.C.S. CH. 61 (RELATING TO HOSPITAL PLAN

27 CORPORATIONS).

28 (4) 40 PA.C.S. CH. 63 (RELATING TO PROFESSIONAL HEALTH

29 SERVICES PLAN CORPORATIONS).

30 "OUT-OF-NETWORK PROVIDER." A PROVIDER WHO DOES NOT CONTRACT

1 WITH AN INSURER TO PROVIDE HEALTH CARE SERVICES TO AN ENROLLEE
2 UNDER A HEALTH INSURANCE POLICY.

3 SECTION 3. PREVENTIVE SERVICES COVERAGE.

4 (A) REQUIREMENTS.--

5 (1) AN INSURER OFFERING, ISSUING OR RENEWING A HEALTH
6 INSURANCE POLICY OTHER THAN A GRANDFATHERED HEALTH CARE PLAN
7 SHALL, AT A MINIMUM, PROVIDE COVERAGE AND MAY NOT IMPOSE ANY
8 COST-SHARING REQUIREMENTS FOR PREVENTIVE SERVICES IDENTIFIED
9 IN PARAGRAPH (2), SUBJECT TO MODIFICATION OF THE PREVENTIVE
10 SERVICES REQUIRED TO BE COVERED WITH NO COST-SHARING
11 REQUIREMENT IN ACCORDANCE WITH SUBSECTION (B).

12 (2) PREVENTIVE SERVICES REQUIRED TO BE COVERED UNDER
13 THIS SUBSECTION INCLUDE ALL OF THE FOLLOWING:

14 (I) EVIDENCE-BASED ITEMS OR SERVICES THAT HAVE IN
15 EFFECT A RATING OF "A" OR "B" IN THE CURRENT
16 RECOMMENDATIONS OF THE UNITED STATES PREVENTIVE SERVICES
17 TASK FORCE AS OF THE DATE OF PUBLICATION OF THE NOTICE
18 UNDER SECTION 8.

19 (II) IMMUNIZATIONS THAT HAVE IN EFFECT A
20 RECOMMENDATION FROM THE ADVISORY COMMITTEE ON
21 IMMUNIZATION PRACTICES OF THE CENTERS FOR DISEASE CONTROL
22 AND PREVENTION WITH RESPECT TO THE INDIVIDUAL INVOLVED AS
23 OF THE DATE OF PUBLICATION OF THE NOTICE UNDER SECTION 8.

24 (III) WITH RESPECT TO INFANTS, CHILDREN AND
25 ADOLESCENTS, EVIDENCE-INFORMED PREVENTIVE CARE AND
26 SCREENINGS PROVIDED FOR IN THE COMPREHENSIVE GUIDELINES
27 SUPPORTED BY THE UNITED STATES HEALTH RESOURCES AND
28 SERVICES ADMINISTRATION AS OF THE DATE OF PUBLICATION OF
29 THE NOTICE UNDER SECTION 8.

30 (IV) WITH RESPECT TO WOMEN, ADDITIONAL PREVENTIVE

1 CARE AND SCREENINGS NOT DESCRIBED IN SUBPARAGRAPH (I) AS
2 PROVIDED FOR IN COMPREHENSIVE GUIDELINES SUPPORTED BY THE
3 UNITED STATES HEALTH RESOURCES AND SERVICES
4 ADMINISTRATION FOR PURPOSES OF THIS PARAGRAPH AS OF THE
5 DATE OF PUBLICATION OF THE NOTICE UNDER SECTION 8.

6 (B) MODIFICATION OF PREVENTIVE SERVICES.--

7 (1) THE DEPARTMENT MAY ADD OR EXEMPT ONE OR MORE
8 PREVENTIVE SERVICES FROM THE PREVENTIVE SERVICES REQUIRED TO
9 BE COVERED WITHOUT COST-SHARING UNDER THIS SECTION BY
10 TRANSMITTING NOTICE OF AN ADDITION OR EXEMPTION TO THE
11 LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION IN THE NEXT
12 AVAILABLE ISSUE OF THE PENNSYLVANIA BULLETIN AND SHALL:

13 (I) POST NOTICE ON THE PUBLICLY ACCESSIBLE INTERNET
14 WEBSITE OF THE DEPARTMENT.

15 (II) ELECTRONICALLY SEND NOTICE TO THE CHAIRPERSON
16 AND MINORITY CHAIRPERSON OF THE BANKING AND INSURANCE
17 COMMITTEE OF THE SENATE AND THE CHAIRPERSON AND MINORITY
18 CHAIRPERSON OF THE INSURANCE COMMITTEE OF THE HOUSE OF
19 REPRESENTATIVES.

20 (2) THE DEPARTMENT MAY NOT ADD A SERVICE UNLESS THE
21 SERVICE IS:

22 (I) AN EVIDENCE-BASED ITEM OR SERVICE THAT HAS IN
23 EFFECT A RATING OF "A" OR "B" BY THE UNITED STATES
24 PREVENTIVE SERVICES TASK FORCE.

25 (II) A RECOMMENDED IMMUNIZATION BY THE ADVISORY
26 COMMITTEE ON IMMUNIZATION PRACTICES OF THE CENTERS FOR
27 DISEASE CONTROL AND PREVENTION.

28 (III) PREVENTIVE CARE OR SCREENINGS FOR WOMEN,
29 INFANTS, CHILDREN OR ADOLESCENTS PROVIDED FOR IN THE
30 COMPREHENSIVE GUIDELINES SUPPORTED BY THE UNITED STATES

1 HEALTH RESOURCES AND SERVICES ADMINISTRATION.

2 (3) THE DEPARTMENT MAY EXEMPT A SERVICE IF THE SERVICE
3 IS NO LONGER:

4 (I) AN EVIDENCE-BASED ITEM OR SERVICE THAT HAS IN
5 EFFECT A RATING OF "A" OR "B" BY THE UNITED STATES
6 PREVENTIVE SERVICES TASK FORCE.

7 (II) A RECOMMENDED IMMUNIZATION BY THE ADVISORY
8 COMMITTEE ON IMMUNIZATION PRACTICES OF THE CENTERS FOR
9 DISEASE CONTROL AND PREVENTION.

10 (III) PREVENTIVE CARE OR SCREENINGS FOR WOMEN,
11 INFANTS, CHILDREN OR ADOLESCENTS PROVIDED FOR IN THE
12 COMPREHENSIVE GUIDELINES SUPPORTED BY THE UNITED STATES
13 HEALTH RESOURCES AND SERVICES ADMINISTRATION.

14 (4) PRIOR TO ADDING OR EXEMPTING A SERVICE AS PROVIDED
15 IN PARAGRAPH (1), THE DEPARTMENT SHALL:

16 (I) MAKE AVAILABLE FOR A 15-DAY PUBLIC REVIEW AND
17 COMMENT PERIOD THE PROPOSED ADDITION OR EXEMPTION BY
18 POSTING AN ANNOUNCEMENT ON THE PUBLICLY ACCESSIBLE
19 INTERNET WEBSITE OF THE DEPARTMENT.

20 (II) CONSIDER ALL OF THE FOLLOWING:

21 (A) EACH PUBLIC COMMENT RECEIVED UNDER
22 SUBPARAGRAPH (I).

23 (B) THE POTENTIAL ESCALATION OF THE COST OF
24 HEALTH CARE SERVICES.

25 (C) CHANGES IN MEDICAL EVIDENCE OR SCIENTIFIC
26 ADVANCEMENT.

27 (D) THE POTENTIAL FOR DISCRIMINATION AGAINST
28 INDIVIDUALS BY REASON OF HEALTH STATUS OR HEALTH
29 STATUS-RELATED FACTORS, RACE, RELIGION, NATIONALITY
30 OR ETHNIC GROUP, AGE, SEX, OCCUPATION, PLACE OF

1 RESIDENCE OR MARITAL STATUS.

2 (5) AN ADDITION OR EXEMPTION UNDER PARAGRAPH (1) SHALL
3 APPLY AS FOLLOWS:

4 (I) FOR A HEALTH INSURANCE POLICY FOR WHICH EITHER
5 RATES OR FORMS ARE REQUIRED TO BE FILED WITH THE
6 DEPARTMENT, TO A POLICY FOR WHICH A FORM OR RATE IS FIRST
7 FILED ON OR AFTER THE NOTICE.

8 (II) FOR A HEALTH INSURANCE POLICY FOR WHICH NEITHER
9 RATES NOR FORMS ARE REQUIRED TO BE FILED WITH THE
10 DEPARTMENT, TO A POLICY ISSUED OR RENEWED 180 DAYS AFTER
11 THE PUBLICATION OF THE NOTICE.

12 (III) FOR AN EXEMPTION OF A SERVICE ON THE GROUNDS
13 OF A POTENTIAL DANGER TO PATIENTS, AT A TIME ESTABLISHED
14 BY THE COMMISSIONER SOONER THAN THE TIME PROVIDED IN
15 SUBPARAGRAPHS (I) AND (II).

16 (C) CONSTRUCTION REGARDING PREVENTIVE SERVICES COVERAGE.--
17 NOTHING IN THIS SECTION SHALL BE CONSTRUED TO:

18 (1) PROHIBIT AN INSURER FROM PROVIDING COVERAGE FOR
19 PREVENTIVE SERVICES IN ADDITION TO THOSE DESIGNATED UNDER
20 THIS ACT.

21 (2) PROHIBIT AN INSURER FROM DENYING COVERAGE FOR
22 PREVENTIVE SERVICES NOT DESIGNATED UNDER THIS ACT.

23 (3) PREVENT AN INSURER FROM UTILIZING VALUE-BASED
24 INSURANCE DESIGNS.

25 (4) DIMINISH ANY OTHER LAW THAT LIMITS COST SHARING FOR
26 A HEALTH CARE SERVICE.

27 SECTION 4. CONSTRUCTION.

28 (A) ACTIONS OF INSURER.--SUBJECT TO SUBSECTION (B), NOTHING
29 IN THIS ACT SHALL:

30 (1) REQUIRE AN INSURER THAT HAS A NETWORK OF PROVIDERS

1 TO PROVIDE BENEFITS FOR ITEMS OR SERVICES DESCRIBED IN
2 SECTION 3 THAT ARE DELIVERED BY AN OUT-OF-NETWORK PROVIDER.

3 (2) PRECLUDE AN INSURER THAT HAS A NETWORK OF PROVIDERS
4 FROM IMPOSING COST-SHARING REQUIREMENTS FOR ITEMS OR SERVICES
5 DESCRIBED IN SECTION 3 THAT ARE DELIVERED BY AN OUT-OF-
6 NETWORK PROVIDER.

7 (B) COVERAGE AND COST-SHARING.--IF AN INSURER DOES NOT HAVE
8 IN ITS NETWORK A PROVIDER WHO CAN PROVIDE AN ITEM OR SERVICE
9 DESCRIBED IN SECTION 3, THE INSURER SHALL COVER THE ITEM OR
10 SERVICE WHEN PERFORMED BY AN OUT-OF-NETWORK PROVIDER AND MAY NOT
11 IMPOSE COST-SHARING WITH RESPECT TO THE ITEM OR SERVICE.

12 (C) REASONABLE MEDICAL MANAGEMENT TECHNIQUES.--NOTHING IN
13 THIS ACT SHALL PREVENT AN INSURER FROM USING REASONABLE MEDICAL
14 MANAGEMENT TECHNIQUES TO DETERMINE THE FREQUENCY, METHOD,
15 TREATMENT OR SETTING FOR AN ITEM OR SERVICE DESCRIBED IN SECTION
16 3 TO THE EXTENT NOT SPECIFIED IN THE RELEVANT RECOMMENDATION OR
17 GUIDELINE. TO THE EXTENT NOT SPECIFIED IN A RECOMMENDATION OR
18 GUIDELINE, AN INSURER MAY RELY ON THE RELEVANT CLINICAL EVIDENCE
19 BASE AND ESTABLISHED REASONABLE MEDICAL MANAGEMENT TECHNIQUES TO
20 DETERMINE THE FREQUENCY, METHOD, TREATMENT OR SETTING FOR
21 COVERAGE OF A RECOMMENDED PREVENTIVE HEALTH SERVICE.

22 SECTION 5. REGULATIONS.

23 THE DEPARTMENT MAY PROMULGATE REGULATIONS AS MAY BE NECESSARY
24 AND APPROPRIATE TO CARRY OUT THE PROVISIONS OF THIS ACT.

25 SECTION 6. ENFORCEMENT.

26 (A) PENALTIES.--UPON SATISFACTORY EVIDENCE OF THE VIOLATION
27 OF ANY SECTION OF THIS ACT BY AN INSURER OR ANY OTHER PERSON,
28 ONE OR MORE OF THE FOLLOWING PENALTIES MAY BE IMPOSED AT THE
29 COMMISSIONER'S DISCRETION:

30 (1) SUSPENSION OR REVOCATION OF THE LICENSE OF THE

1 OFFENDING INSURER OR OTHER PERSON.

2 (2) REFUSAL, FOR A PERIOD NOT TO EXCEED ONE YEAR, TO
3 ISSUE A NEW LICENSE TO THE OFFENDING INSURER OR OTHER PERSON.

4 (3) A FINE OF NOT MORE THAN \$5,000 FOR EACH VIOLATION OF
5 THIS ACT.

6 (4) A FINE OF NOT MORE THAN \$10,000 FOR EACH WILLFUL
7 VIOLATION OF THIS ACT.

8 (B) LIMITATIONS.--

9 (1) FINES IMPOSED AGAINST AN INDIVIDUAL INSURER UNDER
10 THIS ACT MAY NOT EXCEED \$500,000 IN THE AGGREGATE DURING A
11 SINGLE CALENDAR YEAR.

12 (2) FINES IMPOSED AGAINST ANY OTHER PERSON UNDER THIS
13 ACT MAY NOT EXCEED \$100,000 IN THE AGGREGATE DURING A SINGLE
14 CALENDAR YEAR.

15 (C) ADDITIONAL REMEDIES.--THE ENFORCEMENT REMEDIES IMPOSED
16 UNDER THIS SUBSECTION ARE IN ADDITION TO ANY OTHER REMEDIES OR
17 PENALTIES THAT MAY BE IMPOSED UNDER ANY OTHER APPLICABLE LAW OF
18 THIS COMMONWEALTH, INCLUDING:

19 (1) THE ACT OF JULY 22, 1974 (P.L.589, NO.205), KNOWN AS
20 THE UNFAIR INSURANCE PRACTICES ACT. VIOLATIONS OF THIS ACT
21 SHALL BE DEEMED TO BE AN UNFAIR METHOD OF COMPETITION AND AN
22 UNFAIR OR DECEPTIVE ACT OR PRACTICE UNDER THE UNFAIR
23 INSURANCE PRACTICES ACT.

24 (2) THE ACT OF DECEMBER 18, 1996 (P.L.1066, NO.159),
25 KNOWN AS THE ACCIDENT AND HEALTH FILING REFORM ACT.

26 (3) THE ACT OF JUNE 25, 1997 (P.L.295, NO.29), KNOWN AS
27 THE PENNSYLVANIA HEALTH CARE INSURANCE PORTABILITY ACT.

28 (D) ADMINISTRATIVE PROCEDURE.--THE ADMINISTRATIVE PROVISIONS
29 OF THIS SECTION SHALL BE SUBJECT TO 2 PA.C.S. CH. 5 SUBCH. A
30 (RELATING TO PRACTICE AND PROCEDURE OF COMMONWEALTH AGENCIES). A

1 PARTY AGAINST WHOM PENALTIES ARE ASSESSED IN AN ADMINISTRATIVE
2 ACTION MAY APPEAL TO COMMONWEALTH COURT AS PROVIDED IN 2 PA.C.S.
3 CH. 7 SUBCH. A (RELATING TO JUDICIAL REVIEW OF COMMONWEALTH
4 AGENCY ACTION).

5 SECTION 7. REPEALS.

6 ALL ACTS AND PARTS OF ACTS ARE REPEALED INSOFAR AS THEY ARE
7 INCONSISTENT WITH THIS ACT.

8 SECTION 8. NOTICE.

9 THE COMMISSIONER SHALL TRANSMIT NOTICE TO THE LEGISLATIVE
10 REFERENCE BUREAU FOR PUBLICATION IN THE NEXT AVAILABLE ISSUE OF
11 THE PENNSYLVANIA BULLETIN IF ANY OF THE FOLLOWING OCCUR:

12 (1) THE CONGRESS OF THE UNITED STATES REPEALS, IN WHOLE
13 OR IN PART, 42 U.S.C. § 300GG-13 (RELATING TO COVERAGE OF
14 PREVENTIVE HEALTH SERVICES).

15 (2) A COURT OF THE UNITED STATES WITH COMPETENT
16 JURISDICTION ABROGATES, VACATES OR INVALIDATES, IN WHOLE OR
17 IN PART, 42 U.S.C. § 300GG-13.

18 (3) THE EXECUTIVE BRANCH OF THE UNITED STATES REFUSES TO
19 ENFORCE, OR REPEALS A REGULATION IMPLEMENTING, IN WHOLE OR IN
20 PART, 42 U.S.C. § 300GG-13.

21 SECTION 9. IMPLEMENTATION.

22 THE IMPLEMENTATION OF THIS ACT SHALL BE LIMITED TO THE
23 PROVISIONS NECESSARY TO ACHIEVE A SUBSTITUTE COVERAGE
24 REQUIREMENT FOR THE PORTION OR PORTIONS OF 42 U.S.C. § 300GG-13
25 (RELATING TO COVERAGE OF PREVENTIVE HEALTH SERVICES) THAT ARE
26 IMPACTED BY THE OCCURRENCE OF ANY OF THE EVENTS DESCRIBED IN
27 SECTION 8.

28 SECTION 10. EFFECTIVE DATE.

29 THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

30 (1) THE FOLLOWING SHALL TAKE EFFECT IMMEDIATELY:

1 (I) SECTION 8.

2 (II) SECTION 9.

3 (III) THIS SECTION.

4 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT UPON
5 PUBLICATION OF THE NOTICE IN SECTION 8.