
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1440 Session of
2019

INTRODUCED BY KAUFER, MILLARD, DiGIROLAMO, SCHLOSSBERG, DeLUCA,
MURT, MOUL AND OTTEN, MAY 8, 2019

REFERRED TO COMMITTEE ON INSURANCE, MAY 8, 2019

AN ACT

1 Amending Title 40 (Insurance) of the Pennsylvania Consolidated
2 Statutes, in regulation of insurers and related persons
3 generally, providing for disclosure of addiction treatment
4 coverage and for administrative penalties.

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

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

9 CHAPTER 41

10 DISCLOSURE OF ADDICTION TREATMENT COVERAGE

11 Sec.

12 4101. Purpose of chapter.

13 4102. Definitions.

14 4103. Emergency addendum.

15 4104. Administrative penalties.

16 4105. Applicability.

17 § 4101. Purpose of chapter.

18 The purpose of this chapter is to require the complete and
19 proper disclosure and transparency of addiction services covered

1 by policies issued to policy holders.

2 § 4102. Definitions.

3 The following words and phrases when used in this chapter
4 shall have the meanings given to them in this section unless the
5 context clearly indicates otherwise:

6 "Insurer." As follows:

7 (1) An entity that issues or administers health
8 insurance policies or health plans and is subject to the
9 jurisdiction of the department.

10 (2) The term includes an entity organized or existing
11 under, or subject to, any of the following:

12 (i) The act of May 17, 1921 (P.L.682, No.284), known
13 as The Insurance Company Law of 1921.

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

17 (iii) The act of May 18, 1976 (P.L.123, No.54),
18 known as the Individual Accident and Sickness Insurance
19 Minimum Standards Act.

20 (iv) Chapter 61 (relating to hospital plan
21 corporations) or 63 (relating to professional health
22 services plan corporations).

23 § 4103. Emergency addendum.

24 (a) Explanation of coverage.--The department shall direct
25 each insurer to provide members and insureds with an emergency
26 addendum explaining the coverage for addiction treatment
27 services covered under the policy or plan.

28 (b) Requirement for emergency addendum.--An emergency
29 addendum issued under this chapter shall:

30 (1) Be no more than two pages.

1 (2) Contain language that is nontechnical and readily
2 understandable.

3 (3) Explain the following:

4 (i) How to access covered services.

5 (ii) The process to file an appeal or a grievance.

6 (iii) Avenues for accessing available public funding
7 if necessary.

8 (c) Review of emergency addendum.--Before an insurer
9 provides an emergency addendum under this chapter, the insurer
10 shall submit the emergency addendum to the department and the
11 Department of Drug and Alcohol Programs for review for clarity
12 and accuracy.

13 (d) Approval of emergency addendum.--An emergency addendum
14 may not be issued until the department and the Department of
15 Drug and Alcohol Programs approve the emergency addendum.
16 § 4104. Administrative penalties.

17 The failure of an insurer to comply with section 4103
18 (relating to emergency addendum) shall result in a fine or other
19 penalty as the department determines.

20 § 4105. Applicability.

21 Section 303 of the act of December 18, 1996 (P.L.1066,
22 No.159), known as the Accident and Health Filing Reform Act,
23 shall not apply to an emergency addendum under this chapter.

24 Section 2. This act shall take effect immediately.