

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 535 Session of
2025

INTRODUCED BY FRANKEL, VENKAT, MERSKI, HOHENSTEIN, PIELLI, HILL-
EVANS, HOWARD, KHAN, BENHAM, SANCHEZ, GIRAL, DEASY, HADDOCK,
MAYES, BOYD, CURRY, CERRATO AND WARREN, FEBRUARY 10, 2025

REFERRED TO COMMITTEE ON INSURANCE, FEBRUARY 10, 2025

AN ACT

1 Providing for health care insurance coverage protections;
2 imposing duties on the Insurance Department and the Insurance
3 Commissioner; and imposing penalties.

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

6 Section 1. Short title.

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

9 Section 2. Definitions.

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

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

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

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

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

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

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

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

30 "In-network provider." A provider who contracts with an

1 insurer to provide health care services to an enrollee under a
2 health insurance policy.

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

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

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

13 (3) 40 Pa.C.S. Ch. 61 (relating to hospital plan
14 corporations).

15 (4) 40 Pa.C.S. Ch. 63 (relating to professional health
16 services plan corporations).

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

20 Section 3. Limitation on annual and lifetime limits.

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

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

1 Commonwealth in plan year 2025.

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

4 Section 4. Regulations.

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

8 (b) (Reserved).

9 Section 5. Enforcement.

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

14 (1) Suspension or revocation of the license of the
15 offending insurer or other person.

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

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

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

22 (b) Limitation.--

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

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

29 (c) Additional remedies.--The enforcement remedies imposed
30 under this section are in addition to any other remedies or

penalties that may be imposed under any other applicable law of this Commonwealth, including:

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

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

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

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

Section 6. Notice.

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

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

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

(3) The executive branch of the United States refuses to

enforce or repeals a regulation implementing 42 U.S.C. §
300gg-11, in whole or in part.

Section 7. Implementation.

The implementation of this act shall be limited to the
provisions necessary to achieve a substitute coverage
requirement for the portion or portions of 42 U.S.C. § 300gg-11
(relating to no lifetime or annual limits) that are impacted by
the occurrence of any of the events described in section 6.

Section 8. Repeals.

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

Section 9. Effective date.

This act shall take effect as follows:

(1) The following shall take effect immediately:

Section 6.

Section 7.

This section.

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