

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 618 Session of
2025

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CERRATO, PARKER, DONAHUE, D. WILLIAMS, O'MARA, WARREN,
CIRESI, DEASY AND SHUSTERMAN, FEBRUARY 18, 2025

REFERRED TO COMMITTEE ON INSURANCE, FEBRUARY 18, 2025

AN ACT

1 Providing for health insurance access protections; imposing
2 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 Access Protection 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 "Affordable Care Act." Collectively, the Patient Protection
14 and Affordable Care Act (Public Law 111-148, 124 Stat. 119) and
15 the Health Care and Education Reconciliation Act of 2010 (Public
16 Law 111-152, 124 Stat. 1029).

1 "Commissioner." The Insurance Commissioner of the
2 Commonwealth.

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

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

7 "Grandfathered health plan." Individual or group health
8 insurance coverage in which an individual was enrolled prior to
9 the date of enactment of the Affordable Care Act or as otherwise
10 specified in section 1251 of the Affordable Care Act (42 U.S.C.
11 § 18011).

12 "Group health insurance policy." A policy, subscriber
13 contract, certificate or plan issued by an insurer that provides
14 medical or health care coverage on an annual basis to
15 individuals who obtain health insurance coverage through a
16 group.

17 "Health factor." An element related to an individual's
18 physical or mental makeup, including:

- 19 (1) Health status.
- 20 (2) Medical condition.
- 21 (3) Claims experience.
- 22 (4) Receipt of health care.
- 23 (5) Medical history.
- 24 (6) Genetic information.
- 25 (7) Evidence of insurability, including conditions
26 arising out of acts of domestic violence.
- 27 (8) Disability.

28 "Health insurance policy." As follows:

- 29 (1) A policy, subscriber contract, certificate or plan
30 issued by an insurer that provides medical or health care

1 coverage.

2 (2) The term does not include any of the following:

3 (i) An accident only policy.

4 (ii) A credit only policy.

5 (iii) A long-term care or disability income policy.

6 (iv) A specified disease policy.

7 (v) A Medicare supplement policy.

8 (vi) A fixed indemnity policy.

9 (vii) A dental only policy.

10 (viii) A vision only policy.

11 (ix) A workers' compensation policy.

12 (x) An automobile medical payment policy.

13 (xi) A policy under which benefits are provided by
14 the Federal Government to active or former military
15 personnel and their dependents.

16 (xii) A hospital indemnity policy.

17 (xiii) Any other similar policies providing for
18 limited benefits.

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

23 "Individual market." The market for health insurance
24 coverage offered to individuals other than in connection with a
25 group.

26 "Insurer." An entity that offers, issues or renews an
27 individual or group health insurance policy that provides
28 medical or health care coverage by a health care facility or
29 licensed health care provider and that is governed under any of
30 the following:

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

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

6 (3) 40 Pa.C.S. Ch. 61 (relating to hospital plan
7 corporations).

8 (4) 40 Pa.C.S. Ch. 63 (relating to professional health
9 services plan corporations).

10 "Preexisting condition." A health condition present before
11 the date of enrollment for coverage, or if coverage is denied,
12 the date of the denial, whether or not any medical advice,
13 diagnosis, care or treatment was recommended or received before
14 that date.

15 "Small group market." The market for health insurance for
16 coverage offered through a group health insurance policy for a
17 group of 2 to 50 individuals, exclusive of their dependents.

18 "Wellness program." A program offered by an employer that is
19 designed to promote health or prevent disease.

20 Section 3. Prohibitions concerning discrimination based on
21 preexisting conditions or health factors.

22 (a) Prohibition concerning eligibility for and enrollment in
23 health insurance.--An insurer offering, issuing or renewing an
24 individual or group health insurance policy may not impose any
25 rule for initial or continued eligibility of any individual to
26 enroll in or renew a health insurance policy based on any
27 preexisting condition or health factor in relation to an
28 individual or a dependent of the individual.

29 (b) Prohibition concerning premium rates.--

30 (1) An insurer offering, issuing or renewing an

individual or group health insurance policy may not require an individual to pay a premium rate that is greater than the premium rate for a similarly situated individual enrolled in the policy on the basis of any preexisting condition or health factor in relation to an individual or a dependent of the individual.

(2) Nothing in paragraph (1) shall be construed to prevent an insurer offering a group health insurance policy from establishing premium discounts or rebates or modifying otherwise applicable copayments or deductibles in return for adherence to a wellness program. Pending the promulgation of regulations by the department, a wellness program shall be subject to limitations as may be established in Federal law or regulation.

(c) Prohibition concerning benefit coverage.--An insurer offering, issuing or renewing an individual or group health insurance policy may not exclude or deny coverage for any benefit provided for in a policy based on any preexisting condition or health factor in relation to an individual or a dependent of the individual.

Section 4. Limitations on premium rating factors.

(a) Premium rate.--With respect to the premium rate charged by an insurer for health insurance coverage offered in the individual or small group market, the premium rate may only vary for a particular plan or coverage based on the following:

(1) Family size.

(2) Geographic rating area.

(3) Age, except that the rate shall not vary by more than 3 to 1 for adults except as provided under subsection

(d).

(4) Tobacco use, except that the rate shall not vary by more than 1.5 to 1 except as provided under subsection (d).

(b) Geographic rating areas.--The department may specify the geographic rating areas by publication on the department's publicly accessible Internet website and shall transmit notice to the Legislative Reference Bureau for publication in the next available issue of the Pennsylvania Bulletin. Prior to publication, the department shall provide a 30-day comment period and shall consult with insurers offering health insurance policies in this Commonwealth.

(c) Age bands.--The department may define the permissible age bands for rating purposes by publication on the department's publicly accessible Internet website and shall transmit notice to the Legislative Reference Bureau for publication in the next available issue of the Pennsylvania Bulletin. Prior to publication, the department shall provide a 30-day comment period and shall consult with insurers offering health insurance policies in this Commonwealth.

(d) Adjustment of age and tobacco rating variations.--The department may, by regulation, adjust the rating bands for age and tobacco use.

Section 5. Single risk pools.

(a) Individual market.--Except as permitted in accordance with an innovation waiver under 40 Pa.C.S. Ch. 95 (relating to reinsurance program), an insurer shall consider all enrollees in all health insurance policies offered by the insurer in the individual market, other than grandfathered health plans, to be members of a single risk pool.

(b) Small group market.--An insurer shall consider all enrollees in all health insurance policies offered by the

1 insurer in the small group market, other than grandfathered
2 health plans, to be members of a single risk pool.

3 Section 6. Regulations.

4 The department may promulgate regulations as may be necessary
5 and appropriate to carry out the provisions of this act.

6 Section 7. Enforcement.

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

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

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

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

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

19 (b) Limitations.--

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

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

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

30 (1) The act of July 22, 1974 (P.L.589, No.205), known as

1 the Unfair Insurance Practices Act. Violations of this act
2 shall be deemed to be an unfair method of competition and an
3 unfair or deceptive act or practice under the Unfair
4 Insurance Practices Act.

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

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

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

16 Section 8. Notice.

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

20 (1) The Congress of the United States repeals, in whole
21 or in part, any of the following:

22 (i) 42 U.S.C. § 300gg (relating to fair health
23 insurance premiums).

24 (ii) 42 U.S.C. § 300gg-3 (relating to prohibition of
25 preexisting condition exclusions or other discrimination
26 based on health status).

27 (iii) 42 U.S.C. § 300gg-4 (relating to prohibiting
28 discrimination against individual participants and
29 beneficiaries based on health status).

30 (iv) 42 U.S.C. § 18032(c) (relating to consumer

1 choice).

2 (2) A court of the United States abrogates, vacates or
3 invalidates any of the following, in whole or in part, or a
4 regulation implementing any of the following, in whole or in
5 part:

6 (i) 42 U.S.C. § 300gg.

7 (ii) 42 U.S.C. § 300gg-3.

8 (iii) 42 U.S.C. § 300gg-4.

9 (iv) 42 U.S.C. § 18032(c).

10 (3) The executive branch of the United States refuses to
11 enforce or repeals a regulation implementing, in whole or in
12 part, any of the following:

13 (i) 42 U.S.C. § 300gg.

14 (ii) 42 U.S.C. § 300gg-3.

15 (iii) 42 U.S.C. § 300gg-4.

16 (iv) 42 U.S.C. § 18032(c).

17 Section 9. Implementation.

18 The implementation of this act shall be limited to the
19 provisions necessary to achieve a substitute coverage
20 requirement for the portion or portions of 42 U.S.C. § 300gg
21 (relating to fair health insurance premiums), 42 U.S.C. § 300gg-
22 3 (relating to prohibition of preexisting condition exclusions
23 or other discrimination based on health status), 42 U.S.C. §
24 300gg-4 (relating to prohibiting discrimination against
25 individual participants and beneficiaries based on health
26 status) or 42 U.S.C. § 18032(c) (relating to consumer choice)
27 that are impacted by the occurrence of any of the events
28 described in section 8.

29 Section 10. Repeals.

30 All acts and parts of acts are repealed insofar as they are

1 inconsistent with this act.

2 Section 11. Effective date.

3 This act shall take effect as follows:

4 (1) The following shall take effect immediately:

5 Section 8.

6 Section 9.

7 This section.

8 (2) The remainder of this act shall take effect upon
9 publication of the notice in section 8.