

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 404 Session of 2025

INTRODUCED BY PASHINSKI, FRANKEL, KHAN, FREEMAN, KINKEAD, HADDOCK, HANBIDGE, SIEGEL, GIRAL, SHUSTERMAN, BOROWSKI, PROBST, McNEILL, HILL-EVANS, T. DAVIS, HARKINS, CEPEDA-FREYTIZ, D. WILLIAMS, SANCHEZ, VENKAT, MUNROE, BENHAM, OTTEN, ABNEY, BRENNAN, HOWARD, INGLIS, STEELE, GUENST, CARROLL, KENYATTA, HOHENSTEIN, CERRATO, WAXMAN, KAZEEM, DALEY, CIRESI, MERSKI, PIELLI, WARREN, SAMUELSON, BRIGGS, DONAHUE, BOYD, SCHLOSSBERG, CONKLIN, NEILSON, DEASY, GREEN, BURGOS, A. BROWN, ISAACSON AND MAYES, JANUARY 29, 2025

REFERRED TO COMMITTEE ON INSURANCE, JANUARY 29, 2025

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An
2 act relating to insurance; amending, revising, and
3 consolidating the law providing for the incorporation of
4 insurance companies, and the regulation, supervision, and
5 protection of home and foreign insurance companies, Lloyds
6 associations, reciprocal and inter-insurance exchanges, and
7 fire insurance rating bureaus, and the regulation and
8 supervision of insurance carried by such companies,
9 associations, and exchanges, including insurance carried by
10 the State Workmen's Insurance Fund; providing penalties; and
11 repealing existing laws," in casualty insurance, further
12 providing for conditions subject to which policies are to be
13 issued and for health insurance coverage for certain children
14 of insured parents.

15 The General Assembly of the Commonwealth of Pennsylvania
16 hereby enacts as follows:

17 Section 1. Sections 617(A)(3) and (9) and 617.1 of the act
18 of May 17, 1921 (P.L.682, No.284), known as The Insurance
19 Company Law of 1921, are amended to read:

20 Section 617. Conditions Subject to Which Policies Are to Be

1 Issued.--(A) No such policy shall be delivered or issued for
2 delivery to any person in this Commonwealth unless:

3 * * *

4 (3) it purports to insure only one person, except that a
5 policy may insure, originally or by subsequent amendment, upon
6 the application of an adult head of a family who shall be deemed
7 the policyholder, any two or more eligible members of that
8 family, including husband, wife, dependent children or any
9 children under a specified age which[, except as provided under
10 section 617.1, shall not exceed nineteen] shall be at least
11 twenty-six years and any other person dependent upon the
12 policyholder; and

13 * * *

14 (9) A policy delivered or issued for delivery after January
15 1, 1968, under which coverage of a dependent of a policyholder
16 terminates at a specified age shall, with respect to an
17 unmarried child covered by the policy prior to the attainment of
18 the age of [nineteen] twenty-six who is incapable of self-
19 sustaining employment by reason of [mental retardation or
20 physical handicap] an intellectual or physical disability and
21 who became so incapable prior to attainment of age [nineteen]
22 twenty-six and who is chiefly dependent upon such policyholder
23 for support and maintenance, not so terminate while the policy
24 remains in force and the dependent remains in such condition, if
25 the policyholder has within thirty-one days of such dependent's
26 attainment of the limiting age submitted proof of such
27 dependent's incapacity as described herein. The foregoing
28 provisions of this paragraph shall not require an insurer to
29 insure a dependent who [is a mentally retarded or physically
30 handicapped child] has an intellectual or physical disability

1 where the policy is underwritten on evidence of insurability
2 based on health factors set forth in the application or where
3 such dependent does not satisfy the conditions of the policy as
4 to any requirement for evidence of insurability or other
5 provisions of the policy, satisfaction of which is required for
6 coverage thereunder to take effect. In any such case the terms
7 of the policy shall apply with regard to the coverage or
8 exclusion from coverage of such dependent.

9 * * *

10 Section 617.1. Health Insurance Coverage for Certain
11 Children of Insured Parents.--(A) (1) A health insurance
12 policy offered, issued or renewed in this Commonwealth that
13 provides dependent coverage of children shall continue to make
14 such coverage available for an adult child who has not attained
15 the age of twenty-six prior to the date of issuance or renewal.

16 (2) With respect to a child who has not attained the age of
17 twenty-six, a health insurance policy:

18 (i) May define dependent for purposes of eligibility for
19 dependent coverage of children in terms of a relationship
20 between the child and the policyholder or certificate holder,
21 including as described in 26 U.S.C. § 152(f)(1) (relating to
22 dependent defined).

23 (ii) May not deny or restrict dependent coverage based on
24 any of the following or any combination of the following:

25 (a) The presence or absence of the child's financial
26 dependency on any other person.

27 (b) The residency of the child, whether by location,
28 including service area, or by residency with any other person.

29 (c) The marital status of the child.

30 (d) The child's enrollment in an academic or vocational

1 educational institution.

2 (e) The child's employment status.

3 (3) A health insurance policy providing dependent coverage
4 of children may deny or limit coverage, or impose additional
5 conditions for coverage, for individuals not described in 26
6 U.S.C. § 152(f)(1).

7 (4) The terms of a health insurance policy providing
8 dependent coverage of children pursuant to this subsection may
9 not vary based on age.

10 (B) (1) An insurer that issues, delivers, executes or
11 renews a group health [care] insurance policy in this
12 Commonwealth under which coverage of a child would otherwise
13 terminate at a specified age shall, at the option of the
14 policyholder, provide coverage to a child of an insured employe
15 beyond that specified age, up through and including the age of
16 [29] twenty-nine, at the insured employe's expense, and provided
17 that the child meet all of the following requirements:

18 [(1)] (i) Is not married.

19 [(2)] (ii) Has no dependents.

20 [(3)] (iii) Is a resident of this Commonwealth or is
21 enrolled as a full-time student at an institution of higher
22 education.

23 [(4)] (iv) Is not provided coverage as a named subscriber,
24 insured, enrollee or covered person under any other group or
25 individual health insurance policy or enrolled in or entitled to
26 benefits under any government health care benefits program,
27 including benefits under [Title XVIII of the Social Security Act
28 (49 Stat. 620, 42 U.S.C. § 1395 et seq.).] 42 U.S.C. Ch. 7
29 Subch. XVIII (relating to health insurance for aged and
30 disabled).

1 [(B)] (2) Insurers may determine increases in premiums
2 related to continuation of coverage for the adult dependent
3 ~~[past the limiting age of nineteen]~~ twenty-six years of age or
4 older.

5 [(C)] (3) This section shall not include the following types
6 of insurance or any combination thereof:

7 [(1)] (i) Hospital indemnity.

8 [(2)] (ii) Accident.

9 [(3)] (iii) Specified disease.

10 [(4)] (iv) Disability income.

11 [(5)] (v) Dental.

12 [(6)] (vi) Vision.

13 [(7) Civilian Health and Medical Program of the Uniformed
14 Services (CHAMPUS) supplement.] (vii) A policy under which
15 benefits are provided by the Federal Government to active or
16 former military personnel and their dependents.

17 [(8)] (viii) Medicare supplement.

18 [(9)] (ix) Long-term care.

19 (x) Credit only.

20 (xi) Fixed indemnity.

21 (xii) An automobile medical payment policy under 75 Pa.C.S.
22 (relating to vehicles).

23 (xiii) Worker's compensation.

24 [(10)] (xiv) Other limited benefit plans.

25 [(11) Individual health insurance policies.]

26 (D)] (C) For the purpose of this section:

27 "Health ~~[care]~~ insurance policy" means a ~~[group]~~ health,
28 sickness or accident policy or subscriber contract or
29 certificate issued by an entity subject to any one of the
30 following:

(1) This act, including section 630 and Article XXIV.

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

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

(4) 40 Pa.C.S. Ch. 61 (relating to hospital plan corporations) or 63 (relating to professional health services plan corporations).

[(5) Article XXIV.]

Section 2. The Insurance 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-14, in whole or in part.

(2) A court of the United States abrogates, vacates or invalidates 42 U.S.C. § 300gg-14, in whole or in part, or a regulation implementing 42 U.S.C. § 300gg-14, 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-14, in whole or in part.

Section 3. 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-14 that are impacted by the occurrence of any of the events described in section 2 of this act.

Section 4. All acts and parts of acts are repealed insofar as they are inconsistent with this act.

1 Section 5. This act shall take effect as follows:

2 (1) The following provisions of this act shall take
3 effect immediately:

4 Section 2.

5 Section 3.

6 This section.

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