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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1633 Session of  
2015

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INTRODUCED BY PICKETT, DeLUCA, QUINN, V. BROWN, COHEN, DRISCOLL,  
FARRY, GODSHALL, GROVE, HELM, McNEILL, MILLARD, B. MILLER,  
THOMAS, YOUNGBLOOD, PASHINSKI AND WATSON, OCTOBER 15, 2015

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REFERRED TO COMMITTEE ON INSURANCE, OCTOBER 15, 2015

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AN ACT

1 Amending Title 40 (Insurance) of the Pennsylvania Consolidated  
2 Statutes, providing for comprehensive health care for  
3 uninsured children; and making a repeal.

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

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

8 CHAPTER 64

9 CHILDREN'S HEALTH CARE

10 Sec.

11 6401. Definitions.

12 6402. Children's health care.

13 6403. Children's Health Advisory Council.

14 6404. Contracts and coverage packages.

15 6405. Outreach.

16 6406. Payor of last resort and insurance coverage.

17 6407. State plan.

18 6408. Limitation on expenditure of funds.

1 6409. Expiration.

2 § 6401. 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 "Child." An individual under 19 years of age.

7 "Contractor." An insurer awarded a contract under section  
8 6404 (relating to contracts and coverage packages) to provide  
9 health care services under this chapter. The term includes an  
10 entity and an entity's subsidiary which is established under  
11 Chapter 61 (relating to hospital plan corporations) or 63  
12 (relating to professional health services plan corporations),  
13 the act of May 17, 1921 (P.L.682, No.284), known as The  
14 Insurance Company Law of 1921, or the act of December 29, 1972  
15 (P.L.1701, No.364), known as the Health Maintenance Organization  
16 Act.

17 "Council." The Children's Health Advisory Council  
18 established in section 6403 (relating to Children's Health  
19 Advisory Council).

20 "Department." The Department of Human Services of the  
21 Commonwealth.

22 "EPSDT." Early and periodic screening, diagnosis and  
23 treatment.

24 "Fund." The Children's Health Fund.

25 "Group." A group for which a health insurance policy is  
26 written in this Commonwealth.

27 "Health service corporation." A professional health service  
28 corporation as defined in section 6302 (relating to  
29 definitions).

30 "Healthy Beginnings Program." Medical assistance coverage

1 for services to children as required under Title XIX for the  
2 following:

3 (1) Children from birth to one year of age whose family  
4 income is not greater than 185% of the Federal poverty level.

5 (2) Children one through five years of age whose family  
6 income is not greater than 133% of the Federal poverty level.

7 (3) Children 6 through 18 years of age whose family  
8 income is not greater than 133% of the Federal poverty level.

9 "HMO." An entity organized and regulated under the Health  
10 Maintenance Organization Act.

11 "Hospital." An institution having an organized medical staff  
12 which is engaged primarily in providing to inpatients, by or  
13 under the supervision of physicians, diagnostic and therapeutic  
14 services for the care of injured, disabled, pregnant, diseased  
15 or sick or mentally ill individuals. The term includes  
16 facilities for the diagnosis and treatment of disorders within  
17 the scope of specific medical specialties. The term does not  
18 include facilities caring exclusively for the mentally ill.

19 "Hospital plan corporation." A hospital plan corporation as  
20 defined in section 6101 (relating to definitions).

21 "Insurer." A health insurance entity licensed in this  
22 Commonwealth to issue any individual or group health, sickness  
23 or accident policy or subscriber contract or certificate that  
24 provides medical or health care coverage by a health care  
25 facility or licensed health care provider that is offered or  
26 governed under any of the following:

27 (1) The Insurance Company Law of 1921.

28 (2) The Health Maintenance Organization Act.

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

1 Standards Act.

2 (4) Chapter 61 or 63.

3 "Medicaid." The Federal medical assistance program  
4 established under Title XIX.

5 "Medical assistance." The State program of medical  
6 assistance established under the act of June 13, 1967 (P.L.31,  
7 No.21), known as the Public Welfare Code.

8 "Mid-level health professional." A physician assistant,  
9 certified registered nurse practitioner, nurse practitioner or  
10 certified nurse midwife.

11 "Parent." A parent, stepparent, guardian or custodian of a  
12 child.

13 "Preexisting condition." A disease or physical condition for  
14 which medical advice or treatment has been received prior to the  
15 effective date of coverage.

16 "Premium assistance program." A component of a separate  
17 child health program, approved under the State plan, under which  
18 the Commonwealth pays part or all of the premium for an enrollee  
19 or enrollee's group health insurance coverage or coverage under  
20 a group health plan.

21 "Prescription drug." A controlled substance, other drug or  
22 device for medication dispensed by order of an appropriately  
23 licensed medical professional.

24 "Secretary." The Secretary of Human Services.

25 "Terminate." The term includes cancellation, nonrenewal and  
26 rescission.

27 "Title XIX." Title XIX of the Social Security Act (49 Stat.  
28 620, 42 U.S.C. § 301 et seq.).

29 "Title XXI." Title XXI of the Social Security Act.  
30 § 6402. Children's health care.

1 (a) Federal funds.--Notwithstanding any other provision of  
2 law, the department shall ensure the receipt of Federal  
3 financial participation under Title XXI for services provided  
4 under this chapter.

5 (b) General care.--To ensure that inpatient hospital care is  
6 provided to eligible children, each primary care provider  
7 furnishing primary care services shall make necessary  
8 arrangements for admission to the hospital and for necessary  
9 specialty care.

10 (c) Enrollment.--

11 (1) Subject to the provisions of section 6404 (relating  
12 to contracts and coverage packages), an insurer receiving  
13 funds from the department to provide coverage of health care  
14 services under this section shall enroll, to the extent that  
15 funds are available, any child who meets all of the  
16 following:

17 (i) Is a resident of this Commonwealth.

18 (ii) Is not:

19 (A) Covered by a health insurance plan.

20 (B) Covered by a self-insurance plan.

21 (C) Covered by a self-funded plan.

22 (D) Provided access to health care coverage by  
23 court order.

24 (E) Eligible for or covered by a medical  
25 assistance program administered by the department,  
26 including the Healthy Beginnings Program.

27 (iii) Is qualified based on income under subsections  
28 (d) and (e).

29 (iv) Meets the citizenship requirements of Title  
30 XXI.

1           (2) Enrollment may not be denied on the basis of a  
2           preexisting condition and diagnosis or treatment for the  
3           condition may not be excluded based on the condition's  
4           preexistence.

5           (d) Income levels.--The provision of health care insurance  
6           for eligible children shall be in accordance with the following:

7           (1) Free to a child whose family income is no greater  
8           than 200% of the Federal poverty level.

9           (2) May be subsidized by the fund at a rate not to  
10           exceed 75% of the per member per month premium cost for a  
11           child whose family income is greater than 200% of the Federal  
12           poverty level but not greater than 250% of the Federal  
13           poverty level.

14           (3) May be subsidized by the fund at a rate not to  
15           exceed 65% of the per member per month premium cost for a  
16           child whose family income is greater than 250% of the Federal  
17           poverty level but not greater than 275% of the Federal  
18           poverty level.

19           (4) May be subsidized by the fund at a rate not to  
20           exceed 60% of the per member per month premium for a child  
21           whose family income is greater than 275% of the Federal  
22           poverty level but not greater than 300% of the Federal  
23           poverty level.

24           (e) Income exceeding limits.--The following apply:

25           (1) For an eligible child whose family income is greater  
26           than the maximum level established under section 6404(h), the  
27           family may purchase the minimum coverage package under  
28           6404(e)(9) for that child at the per member per month premium  
29           cost. The cost shall be derived separately from the other  
30           eligibility categories in the program. The family may

1 purchase the minimum coverage package if the family  
2 demonstrates on an annual basis and in a manner determined by  
3 the department that the family is unable to afford individual  
4 or group coverage because of one of the following reasons:

5 (i) The coverage would exceed 10% of the family  
6 income.

7 (ii) The total cost of coverage for the child is  
8 150% of the greater of:

9 (A) the premium cost established under this  
10 subsection for that service area; or

11 (B) the premium cost established under the  
12 program for that service area.

13 (2) For purposes of this subsection, the term "coverage"  
14 may not include coverage offered through accident only, fixed  
15 indemnity, limited benefit, credit, dental, vision, specified  
16 disease, Medicare supplement, Civilian Health and Medical  
17 Program of the Uniformed Services (CHAMPUS) supplement, long-  
18 term care or disability income, workers' compensation or  
19 automobile medical payment insurance.

20 (f) Powers and duties.--

21 (1) For enrollees under subsection (d) (2), (3) or (4) or  
22 (e), the following apply:

23 (i) The department may impose copayments for the  
24 following services, except as otherwise prohibited by  
25 law:

26 (A) Outpatient visits.

27 (B) Emergency room visits.

28 (C) Prescription medications.

29 (D) Any other service defined by the department.

30 (ii) The department shall have the authority to

1 establish and adjust the levels of these copayments in  
2 order to impose reasonable cost sharing and to encourage  
3 appropriate utilization of these services. The premiums  
4 and copayments for enrollees under subsection (d) (2), (3)  
5 or (4) may not amount to more than the percent of total  
6 household income which is in accordance with the  
7 requirements of the Centers for Medicare and Medicaid  
8 Services.

9 (2) The department shall:

10 (i) Administer the children's health insurance  
11 program in accordance with this chapter.

12 (ii) Review all bids and approve and execute all  
13 contracts for the purpose of expanding access to health  
14 care services for eligible children as provided for in  
15 this chapter.

16 (iii) Conduct monitoring and oversight of contracts.

17 (iv) Issue an annual report to the Governor, the  
18 General Assembly and the public for each calendar year no  
19 later than March 1 of each year providing for the  
20 following:

21 (A) The primary health services funded for the  
22 year.

23 (B) The outreach and enrollment efforts and the  
24 number of children by county and by percent of the  
25 Federal poverty level who are receiving health care  
26 services.

27 (C) The projected number of eligible children by  
28 county and by percent of the Federal poverty level.

29 (D) The number of eligible children on waiting  
30 lists for enrollment in the children's health



1 insurance program established under this chapter by  
2 county and by percent of the Federal poverty level.

3 (v) In consultation with appropriate Commonwealth  
4 agencies, coordinate the development and supervision of  
5 the outreach plan required under section 6405 (relating  
6 to outreach).

7 (vi) In consultation with appropriate Commonwealth  
8 agencies, monitor, review and evaluate the adequacy,  
9 accessibility and availability of services delivered to  
10 children who are enrolled in the children's health  
11 insurance program established under this chapter.

12 (vii) Enter into arrangements, including memoranda  
13 of understanding, with the Insurance Department and other  
14 appropriate Federal or State agencies, as may be  
15 necessary to carry out the department's duties under this  
16 chapter.

17 (3) The department may promulgate regulations necessary  
18 for the implementation and administration of this chapter.

19 § 6403. Children's Health Advisory Council.

20 The Children's Health Advisory Council is established within  
21 the department as an advisory council. The following apply:

22 (1) The council shall consist of 14 voting members.  
23 Members provided for in subparagraphs (iv), (v), (vi), (vii),  
24 (viii), (xiii) and (xiv) shall be appointed by the secretary.  
25 The council shall be geographically balanced on a Statewide  
26 basis and shall include:

27 (i) The Secretary of Health ex officio or a  
28 designee.

29 (ii) The Insurance Commissioner ex officio or a  
30 designee.

1           (iii) The secretary ex officio or a designee.

2           (iv) A representative with experience in children's  
3 health from a school of public health located in this  
4 Commonwealth.

5           (v) A physician with experience in children's health  
6 appointed from a list of three qualified persons  
7 recommended by the Pennsylvania Medical Society.

8           (vi) A representative of a children's hospital or a  
9 hospital with a pediatric outpatient clinic appointed  
10 from a list of three persons submitted by the Hospital  
11 Association of Pennsylvania.

12           (vii) A parent of a child who receives primary  
13 health care coverage from the fund.

14           (viii) A mid-level professional appointed from lists  
15 of names recommended by Statewide associations  
16 representing mid-level health professionals.

17           (ix) A senator appointed by the President pro  
18 tempore of the Senate.

19           (x) A senator appointed by the Minority Leader of  
20 the Senate.

21           (xi) A representative appointed by the Speaker of  
22 the House of Representatives.

23           (xii) A representative appointed by the Minority  
24 Leader of the House of Representatives.

25           (xiii) A representative from a private nonprofit  
26 foundation.

27           (xiv) A representative of business who is not a  
28 contractor or provider of primary health care insurance  
29 under this chapter.

30           (2) If a specified organization ceases to exist or fails

1 to make a recommendation within 90 days of a request, the  
2 council shall specify a new equivalent organization to  
3 fulfill the responsibilities of this section.

4 (3) The secretary shall serve as chairperson of the  
5 council. The members of the council shall annually elect, by  
6 a majority vote of the members, a vice chairperson from among  
7 the members of the council.

8 (4) The presence of eight members shall constitute a  
9 quorum for the transacting of any business. An act by a  
10 majority of the members present at a meeting at which there  
11 is a quorum shall be deemed to be that of the council.

12 (5) All meetings of the council shall be conducted in  
13 accordance with 65 Pa.C.S. Ch. 7 (relating to open meetings),  
14 except as provided in this section. Meetings must be in  
15 accordance with the following:

16 (i) The council shall meet at least twice per year  
17 and may provide for special meetings as the council deems  
18 necessary.

19 (ii) Meeting dates shall be set by a majority vote  
20 of members of the council or by call of the chairperson  
21 upon seven days' notice to all members.

22 (iii) The council shall publish notice of the  
23 council's meetings in the Pennsylvania Bulletin. The  
24 notice must specify the date, time and place of the  
25 meeting and shall state that the council's meetings are  
26 open to the general public.

27 (iv) All action taken by the council shall be taken  
28 in open public session and may not be taken except upon a  
29 majority vote of the members present at a meeting at  
30 which a quorum is present.

1       (6) The members of the council may not receive a salary  
2 or per diem allowance for serving as members of the council  
3 but shall be reimbursed for actual and necessary expenses  
4 incurred in the performance of the members' duties.

5       (7) Terms of council members shall be as follows:

6           (i) The appointed members shall serve for a term of  
7 three years and shall continue to serve until a successor  
8 is appointed.

9           (ii) An appointed member may not be eligible to  
10 serve more than two full consecutive terms of three  
11 years. Vacancies shall be filled in the same manner as  
12 the original appointment within 60 days of the vacancy.

13           (iii) An appointed member may be removed by the  
14 appointing authority for just cause and by a vote of at  
15 least seven members of the council.

16       (8) The council shall review outreach activities and may  
17 make recommendations to the department.

18       (9) The council shall review and evaluate the  
19 accessibility and availability of services delivered to  
20 children enrolled in the program.

21 § 6404. Contracts and coverage packages.

22       (a) Paid from fund.--In addition to any other requirements  
23 provided by law, the fund shall be operated in accordance with  
24 the following:

25           (1) The fund must be dedicated exclusively for  
26 distribution by the department through contracts in order to  
27 provide free and subsidized health care services under this  
28 chapter, based on an actuarially sound and adequate review,  
29 and to develop and implement outreach activities required  
30 under section 6405 (relating to outreach).

1       (2) The fund, along with Federal, State and other funds  
2 available for the program, must be used for health care  
3 coverage for children as specified in this chapter. The  
4 department shall ensure that the program is implemented  
5 Statewide.

6       (3) The department must award contracts paid from the  
7 fund in accordance with the following:

8           (i) All contracts awarded under this subsection must  
9 be awarded through a competitive procurement process. The  
10 department and the Insurance Department must use their  
11 best efforts to ensure that eligible children across this  
12 Commonwealth have access to health care services to be  
13 provided under this chapter.

14           (ii) No more than 10% of the amount of the contract  
15 may be used for administrative expenses of the  
16 contractor. If a contractor presents documented evidence  
17 that administrative expenses for purposes of expanded  
18 outreach and systems and operational changes are in  
19 excess of 10% of the amount of the contract, the  
20 department shall make an additional allotment of funds,  
21 not to exceed 2% of the amount of the contract, to the  
22 contractor to the extent that the department finds the  
23 expenses reasonable and necessary.

24           (iii) At least 84% of the amount of the contract  
25 shall be used to provide health care services for  
26 children eligible for care under this chapter.

27       (b) Solicitation of contracts.--The department must solicit  
28 bids and award contracts through a competitive procurement  
29 process in accordance with the following:

30           (1) To the fullest extent practicable, contracts shall

1 be awarded to insurers that contract with providers to  
2 provide primary care services for enrollees on a cost-  
3 effective basis. The department shall require contractors to  
4 use appropriate cost-management methods so that basic primary  
5 coverage services can be provided to the maximum number of  
6 eligible children and, if possible, to pursue and utilize  
7 available public and private funds.

8 (2) To the fullest extent practicable, the department  
9 must require that a contractor comply with all procedures  
10 relating to coordination of health care services as required  
11 by the department or the Insurance Department.

12 (3) Contracts may be for a term of up to three years,  
13 with the option to extend for two one-year periods.

14 (c) Bidding.--Upon receipt of a solicitation from the  
15 department, each health service corporation and hospital plan  
16 corporation or their entities doing business in this  
17 Commonwealth shall submit a bid or proposal to the department to  
18 carry out the purposes of this chapter in the area serviced by  
19 the corporation.

20 (d) Bidding by other insurers.--All other insurers may  
21 submit a bid or proposal to the department to carry out the  
22 purposes of this chapter.

23 (e) Duties of contractor.--A contractor with whom the  
24 department enters into a contract shall do the following:

25 (1) Ensure to the maximum extent possible that eligible  
26 children have access to primary health care physicians and  
27 nurse practitioners within the contractor's service area.

28 (2) Contract with qualified, cost-effective providers,  
29 which may include primary health care physicians, nurse  
30 practitioners, clinics and HMOs, to provide primary and

1 preventive health care for enrollees on a basis best  
2 calculated to manage the costs of the services, including,  
3 but not limited to, using managed health care techniques and  
4 other appropriate medical cost-management methods.

5 (3) Ensure that the family of a child who may be  
6 eligible for medical assistance receives assistance in  
7 applying for medical assistance.

8 (4) Maintain waiting lists of children financially  
9 eligible for coverage who have applied for coverage but who  
10 were not enrolled due to lack of funds.

11 (5) Notify families of children who are paying a premium  
12 of any changes in such premium or copayment requirements.

13 (6) Collect premiums or copayments from the family of a  
14 child receiving coverage as may be required.

15 (7) Cancel coverage for nonpayment of premium, in  
16 accordance with all applicable insurance laws.

17 (8) Strongly encourage all providers who provide primary  
18 care to eligible children to participate in medical  
19 assistance as qualified EPSDT providers and to continue to  
20 provide care to children who become ineligible for coverage  
21 under the provisions of this chapter but who qualify for  
22 medical assistance.

23 (9) Subject to any necessary Federal approval, provide  
24 the following minimum coverage package for eligible children:

25 (i) Preventive care. This subparagraph shall  
26 include:

27 (A) Well-child care visits in accordance with  
28 the schedule established by the American Academy of  
29 Pediatrics and the services related to the visits,  
30 including immunizations, health education,

1 tuberculosis testing and developmental screening in  
2 accordance with the routine schedule of well-child  
3 care visits.

4 (B) A comprehensive physical examination,  
5 including X-rays if necessary, for any child  
6 exhibiting symptoms of possible child abuse.

7 (ii) Diagnosis and treatment of illness or injury,  
8 including all medically necessary services related to the  
9 diagnosis and treatment of sickness and injury and other  
10 conditions provided on an ambulatory basis, such as  
11 laboratory tests, wound dressing and casting to  
12 immobilize fractures.

13 (iii) Injections and medications provided at the  
14 time of the office visit or therapy and outpatient  
15 surgery performed in the office, a hospital or  
16 freestanding ambulatory service center, including  
17 anesthesia provided in conjunction with such service or  
18 during emergency medical service.

19 (iv) Emergency accident and emergency medical care.

20 (v) Prescription drugs.

21 (vi) Emergency, preventive and routine dental care.

22 This subparagraph does not include orthodontia or  
23 cosmetic surgery.

24 (vii) Emergency, preventive and routine vision care,  
25 including the cost of corrective lenses and frames, not  
26 to exceed two prescriptions per year.

27 (viii) Emergency, preventive and routine hearing  
28 care.

29 (ix) Inpatient hospitalization up to 90 days per  
30 year for eligible children.



1           (10) The department may implement a premium assistance  
2 program permitted under Federal regulations and as permitted  
3 through Federal waiver or State plan amendment made pursuant  
4 to this chapter. Notwithstanding any other law to the  
5 contrary, if it is more cost effective to purchase health  
6 care from a parent's employer-based program and the employer-  
7 based program meets the minimum coverage requirements,  
8 employer-based coverage may be purchased in place of  
9 enrollment in the children's health insurance program  
10 established under this chapter. An insurer must honor a  
11 request for enrollment and purchase of employee group health  
12 insurance requested on behalf of an individual applying for  
13 coverage under this chapter if the individual:

14           (i) is a resident of this Commonwealth;

15           (ii) is qualified based on income under section  
16 6402(d) (relating to children's health care); and

17           (iii) meets the citizenship requirements of section  
18 6402(c) (1) (iv).

19           (11) The department shall have the authority to review,  
20 audit and approve annual administrative expenses incurred by  
21 contractors under this section.

22           (12) Except for children covered under paragraph (10),  
23 each contractor shall provide a coverage identification card  
24 to each eligible child covered under contracts executed under  
25 this chapter. The card must not specifically identify the  
26 holder as low income.

27           (f) Waiver of minimum.--The department may grant a waiver of  
28 the minimum coverage package of subsection (e) (9) upon  
29 demonstration by the applicant that the applicant is providing  
30 health care services for eligible children that meet the

1 purposes and intent of this chapter.

2 (g) Review.--The department, in consultation with  
3 appropriate Commonwealth agencies, must review enrollment  
4 patterns for both the free coverage program and the subsidized  
5 coverage program. The department shall consider the  
6 relationship, if any, among enrollment, enrollment fees, income  
7 levels and family composition. Based on the results of this  
8 study and the availability of funds, the department is  
9 authorized to adjust the maximum income ceiling for free  
10 coverage and the maximum income ceiling for subsidized coverage  
11 by regulation. The maximum income ceiling for free coverage may  
12 not be raised above 200% of the Federal poverty level.

13 (h) Limit.--Notwithstanding subsection (g) and subject to  
14 section 6407 (relating to State plan), the maximum income  
15 ceiling for subsidized coverage under section 6402(d)(2), (3) or  
16 (4) may not be raised above 300% of the Federal poverty level.  
17 § 6405. Outreach.

18 (a) Plan.--The department, in consultation with appropriate  
19 Commonwealth agencies, must coordinate the development of an  
20 outreach plan to inform potential contractors, providers and  
21 enrollees regarding eligibility and available coverage. The plan  
22 must include provisions for all of the following:

23 (1) Reaching special populations, including nonwhite and  
24 non-English-speaking children and children with disabilities.

25 (2) Reaching different geographic areas, including rural  
26 and inner-city areas.

27 (3) Ensuring that special efforts are coordinated within  
28 the overall outreach activities throughout this Commonwealth.

29 (b) Review.--The council shall review the outreach  
30 activities and recommend changes as the council deems to be in

1 the best interests of the children to be served.

2 § 6406. Payor of last resort and insurance coverage.

3 The contractor may not pay a claim on behalf of an enrolled  
4 child unless all other Federal, State, local or private  
5 resources available to the child or the child's family are  
6 utilized first. The department, in cooperation with the  
7 Insurance Department, must determine if insurance coverage is  
8 available to the child through a custodial or noncustodial  
9 parent on an employment-related or other group basis. If  
10 insurance coverage is available, the child's eligibility under  
11 section 6402 (relating to children's health care) and the most  
12 cost-effective means of providing coverage for that child must  
13 be reevaluated.

14 § 6407. State plan.

15 The department may amend the State plan as necessary to carry  
16 out the provisions of this chapter.

17 § 6408. Limitation on expenditure of funds.

18 The total amount of annual contract awards authorized under  
19 this chapter may not exceed the amount of cigarette tax receipts  
20 annually deposited into the fund under section 1296 of the act  
21 of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of  
22 1971, and any other Federal or State funds received through the  
23 fund. The provision of children's health care through the fund  
24 may not constitute an entitlement derived from the Commonwealth  
25 or a claim on any other funds of the Commonwealth.

26 § 6409. Expiration.

27 (a) General rule.--This chapter shall expire on the earlier  
28 of:

29 (1) December 31, 2017.

30 (2) Ninety days after the date on which Federal funding

1 for the program ceases to be available.

2 (b) Notice.--If the chapter expires under subsection (a) (2),  
3 as determined by the department, the department shall transmit  
4 notice to the Legislative Reference Bureau for publication in  
5 the Pennsylvania Bulletin.

6 Section 2. Repeals are as follows:

7 (1) The General Assembly declares that the repeal under  
8 paragraph (2) is necessary to effectuate the addition of 40  
9 Pa.C.S. Ch. 64.

10 (2) Article XXIII of the act of May 17, 1921 (P.L.682,  
11 No.284), known as The Insurance Company Law of 1921, is  
12 repealed.

13 Section 3. The addition of 40 Pa.C.S. Ch. 64 is a  
14 continuation of Article XXIII of the act of May 17, 1921  
15 (P.L.682, No.284), known as The Insurance Company Law of 1921.

16 The following apply:

17 (1) Except as otherwise provided in 40 Pa.C.S. Ch. 64,  
18 all activities initiated under Article XXIII shall continue  
19 and remain in full force and effect and may be completed  
20 under 40 Pa.C.S. Ch. 64. Orders, regulations, rules and  
21 decisions which were made under Article XXIII and which are  
22 in effect on the effective date of section 2(2) of this act  
23 shall remain in full force and effect until revoked, vacated  
24 or modified under 40 Pa.C.S. Ch. 64. Contracts and  
25 obligations entered into under Article XXIII are not affected  
26 nor impaired by the repeal of Article XXIII.

27 (2) Except as set forth in paragraph (3), any difference  
28 in language between 40 Pa.C.S. Ch. 64 and Article XXIII is  
29 intended only to conform to the style of the Pennsylvania  
30 Consolidated Statutes and is not intended to change or affect

1 the legislative intent, judicial construction or  
2 administration and implementation of Article XXIII.

3 (3) Paragraph (2) does not apply to the addition of the  
4 following provisions:

5 (i) The change in the definition of "department" in  
6 40 Pa.C.S. § 6401.

7 (ii) The provisions for arrangements with other  
8 agencies under 40 Pa.C.S. § 6402(f)(2)(vii).

9 (iii) The expiration provision under 40 Pa.C.S. §  
10 6409.

11 (4) All entities receiving grants under Article XXIII on  
12 the effective date of this section shall continue to receive  
13 funds and provide services as required under Article XXIII  
14 until notice from the Department of Human Services is  
15 published in the Pennsylvania Bulletin.

16 Section 4. This act shall take effect immediately.