

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 594 Session of 2013

INTRODUCED BY McILHINNEY, WOZNIAK, ROBBINS, ARGALL, BROWNE, ERICKSON, WASHINGTON, SOLOBAY, SCHWANK, RAFFERTY, WAUGH, WHITE, KASUNIC, BOSCOLA, HUGHES, COSTA, LEACH, GORDNER, FARNESE, MENSCH, BREWSTER AND SMITH, MARCH 1, 2013

SENATOR WHITE, BANKING AND INSURANCE, AS AMENDED, APRIL 9, 2014

AN ACT

1 Limiting copayments and coinsurances for insured medical
2 services.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Fairness in
7 Copayment Act.

8 Section 2. Declaration of intent.

9 The general purpose of this act shall be to provide fairness
10 for persons seeking appropriate and necessary medical PHYSICAL <--
11 THERAPY, CHIROPRACTIC AND OCCUPATIONAL THERAPY care who are
12 sharing the cost of the care pursuant to a health insurance
13 policy by limiting the imposition of copayments and coinsurances <--
14 for nonphysician services to not more than the cost of the
15 copayment or coinsurance for an insured's primary care physician
16 office visit.

17 Section 3. Definitions.

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

4 "CHIROPRACTIC." AS DEFINED UNDER SECTION 102 OF THE ACT OF <--
5 DECEMBER 16, 1986 (P.L.1646, NO.188), KNOWN AS THE CHIROPRACTIC
6 PRACTICE ACT.

7 "Coinsurance." A percentage of the contractual fee schedule
8 of the provider that a covered person must pay for covered
9 services and supplies rendered by the provider under a health
10 insurance policy.

11 "Copayment." ~~The specified~~ A SPECIFIC dollar amount a <--
12 covered person must pay for covered services rendered by a
13 provider under a health benefit plan.

14 "COST SHARING." COPAYMENTS, COINSURANCE AND DEDUCTIBLES AS <--
15 APPLICABLE TO LICENSED PHYSICAL THERAPISTS, OCCUPATIONAL
16 THERAPISTS OR CHIROPRACTORS AND THEIR SERVICES.

17 "Health insurance policy." As follows:

18 (1) An individual or group health insurance policy,
19 contract or plan that provides medical or health care
20 coverage by a health care facility or licensed health care
21 provider ~~on an expense incurred service or prepaid basis and~~ <--
22 that is offered by or is governed under any of the following:

23 (i) ~~Section 630 of the~~ THE act of May 17, 1921 <--
24 (P.L.682, No.284), known as The Insurance Company Law of
25 1921.

26 (ii) The act of December 29, 1972 (P.L.1701,
27 No.364), known as the Health Maintenance Organization
28 Act.

29 (iii) 40 Pa.C.S. Ch. 61 (relating to hospital plan
30 corporations).

1 (iv) 40 Pa.C.S. Ch. 63 (relating to professional
2 health services plan corporations).

3 ~~(v) 40 Pa.C.S. Ch. 67 (relating to beneficial~~ <--
4 ~~societies).~~

5 (2) The term does not include accident only, fixed
6 indemnity, limited benefit, credit, dental, vision, specified
7 disease, Medicare supplement, Civilian Health and Medical
8 Program of the Uniformed Services (CHAMPUS) supplement, long-
9 term care or disability income, workers' compensation or
10 automobile medical payment insurance.

11 ~~"Physician." In connection with the application and use in~~ <--
12 ~~this act, the term shall be as defined under section 2 of the~~
13 ~~act of December 20, 1985 (P.L.457, No.112), known as the Medical~~
14 ~~Practice Act of 1985.~~

15 ~~Section 4. Limits on copayments.~~

16 ~~A health insurance policy that is delivered, issued for~~
17 ~~delivery, renewed, extended or modified in this Commonwealth by~~
18 ~~a health care insurer may not impose a copayment or coinsurance~~
19 ~~that exceeds an insured's primary care physician office visit~~
20 ~~copayment or coinsurance amount. An insured may not be subjected~~
21 ~~to more than one copayment or coinsurance amount per visit for~~
22 ~~outpatient medical services provided by one provider or deplete~~
23 ~~more than one visit for outpatient medical services provided by~~
24 ~~one provider.~~

25 "OCCUPATIONAL THERAPY." AS DEFINED UNDER SECTION 3 OF THE <--
26 ACT OF JUNE 15, 1982 (P.L.502, NO.140), KNOWN AS THE
27 OCCUPATIONAL THERAPY PRACTICE ACT.

28 "PHYSICAL THERAPY." AS DEFINED UNDER SECTION 2 OF THE ACT OF
29 OCTOBER 10, 1975 (P.L.383, NO.110), KNOWN AS THE PHYSICAL
30 THERAPY PRACTICE ACT.

1 "REASONABLE COST SHARING." COST SHARING FOR COPAYMENTS,
2 COINSURANCE OR DEDUCTIBLES WHICH ARE NOT UNREASONABLY
3 DISPROPORTIONATE IN RELATIONSHIP TO THE PROVIDER'S SERVICES AND
4 THE INSURER'S REIMBURSEMENT FOR THOSE SERVICES IN DENIGRATION OF
5 THE INSURANCE BENEFIT OF THE CONSUMER PATIENT.

6 SECTION 4. COST-SHARING MEASURES.

7 A HEALTH INSURANCE POLICY THAT IS DELIVERED, ISSUED FOR
8 DELIVERY OR RENEWED IN THIS COMMONWEALTH BY A HEALTH CARE
9 INSURER AND THAT PROVIDES COVERAGE FOR SERVICES RENDERED BY A
10 LICENSED PHYSICAL THERAPIST, OCCUPATIONAL THERAPIST OR
11 CHIROPRACTOR SHALL PROVIDE FOR REASONABLE COST SHARING THAT DOES
12 NOT CREATE A BARRIER TO ACCESS FOR CARE, IS REASONABLE IN
13 RELATION TO THE COVERED BENEFIT FOR WHICH IT APPLIES, AND
14 ENCOURAGES APPROPRIATE AND NECESSARY UTILIZATION OF THESE
15 SERVICES. THE INSURANCE DEPARTMENT SHALL, BY REGULATION,
16 ESTABLISH A METHOD TO DETERMINE WHETHER ANY COST-SHARING
17 ARRANGEMENT VIOLATES THIS SECTION.

18 Section 5. Applicability.

19 ~~This act shall apply to:~~ <--

20 ~~(1) Insurance policies.~~

21 ~~(2) Subscriber contracts and group certificates issued~~
22 ~~under a group master policy delivered or issued for delivery~~
23 ~~on or after the effective date of this act.~~

24 ~~(3) Renewals of contracts on a renewal date that is on~~
25 ~~or after the effective date of this act.~~

26 THIS ACT SHALL APPLY AS FOLLOWS: <--

27 (1) FOR HEALTH INSURANCE POLICIES FOR WHICH EITHER RATES
28 OR FORMS ARE REQUIRED TO BE FILED WITH THE INSURANCE
29 DEPARTMENT OR THE FEDERAL GOVERNMENT, THIS ACT SHALL APPLY TO
30 ANY SUCH POLICY FOR WHICH A FORM OR RATE IS FIRST FILED ON OR

1 AFTER THE EFFECTIVE DATE OF THIS SECTION.

2 (2) FOR HEALTH INSURANCE POLICIES FOR WHICH NEITHER
3 RATES NOR FORMS ARE REQUIRED TO BE FILED WITH THE INSURANCE
4 DEPARTMENT OR THE FEDERAL GOVERNMENT, THIS ACT SHALL APPLY TO
5 ANY SUCH POLICY ISSUED OR RENEWED ON OR AFTER 180 DAYS AFTER
6 THE EFFECTIVE DATE OF THIS SECTION.

7 Section 6. Effective date.

8 This act shall take effect in 60 days.