

LEG REG REVIEW

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LEG REG REVIEW is a periodic newsletter produced by Vince Phillips who retired from active lobbying after 31 years of advocacy in Harrisburg. It contains news on the legislative and regulatory scene in Pennsylvania that may be of interest to the Insurance and Business Communities. Annual subscriptions are \$100 and information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 or e-mail to xenobun@aol.com.

HOUSE PASSES TELEMEDICINE BILL

By a vote of 197-3 on April 10, the House passed **House Bill 1512** (Sappey-D-Chester). This legislation requires health insurance coverage for Telemedicine health care treatment. The health care provided through Telemedicine must meet the same standard of care that would apply if the individual would have received it in person. HB 512 specifically requires that:

“ (i) A health insurer may not refuse to pay or to reimburse a participating health care provider or a covered person for a medically necessary and appropriate covered health care service APPROPRIATELY provided through telemedicine to a covered person.

(ii) The payment or reimbursement under this paragraph shall be in accordance with the terms and conditions of the health insurance policy and, if applicable, the A network participation agreement as negotiated between the insurer and the participating health care provider.”

HB 1512 also requires that a health insurance policy must not include a provision that prevents payment for an appropriate Telemedicine claim. In addition, network participation agreements between health insurers and health care providers may not include language prohibiting coverage for Telemedicine claims nor condition payment or reimbursement upon the use of an exclusive or proprietary Telemedicine technology or vendor. Companion legislation, **Senate Bill 739** (Vogel-R-Beaver), is currently in the Senate Appropriations Committee.

TWO INSURANCE BILLS PASS UNANIMOUSLY

On April 8, two insurance bills passed the House by votes of 201-0.

House Bill 660 (Schlossberg-D-Lehigh) adopts model National Association of Insurance Commissioners (NAIC) language to regulate Pet Insurance. In part, the bill says that Pet Insurance policies must disclose exclusions such as for animals with preexisting conditions. They also are required to disclose coverage waiting periods, deductibles and coinsurance, lifetime policy limits, and impact on premiums from previous claims history, the pet's age, or change in pet's location.

House Bill 1664 (Scott-D-Montgomery) requires that health insurers provide to dentists a claims submission option instead of virtual credit card payments.

DISTRACTED DRIVING BILL PASSES HOUSE

Senate Bill 37 (Brown-R-Monroe/Lackawanna/Wayne) passed the House on April 9 by a 124-77 vote. It has been a long-term goal for Senator Brown since she was originally elected to the House in 2010 to address the issue of distracted driving. PennDOT's [2022 PA Crash Facts & Statistics](#) annual report said that crashes involving driver error included 11,484 where distracting was the determining reason. These crashes resulted in 62 deaths. Other accident causes such as proceeding without clearance, improper turning, and careless/illegal passing may also have involved distracted driving. Source:

https://www.penndot.pa.gov/TravelInPA/Safety/Documents/2022_CFB_linked.pdf.

Among other things, SB 37 prohibits driver use of hand-held interactive mobile devices unless for emergencies (such as reporting an accident). Because of House amendments, the bill goes back to the Senate for concurrence.

INSURANCE REBATE BILL MOVES THROUGH SENATE COMMITTEE

Co-sponsored by both Senate Banking & Insurance Committee Majority Chair John DiSanto (R-Dauphin) and Minority Chair Sharif Street (D-Phila.), **Senate Bill 1092** sailed through the committee on April 9 with a 14-0 vote. The bill increases amounts of gifts from insurance companies and producers to \$125, up from the current \$100. It also requires that such awards/gifts be offered in a non-discriminatory manner. In addition, non-cash gifts must relate to the insurance coverage. An example would be a smoke detector being offered in a case involving property insurance. Passage of SB 1092 would help align PA with NAIC Model Law.

APRIL PROCLAIMED ‘FINANCIAL LITERACY MONTH’

On April 11, the PA Insurance Department (PID), PA Department of Banking & Securities, and PA Department of Education joined Governor Josh Shapiro in proclaiming April 2024 as Financial Literacy Month. In the release, the PID reminded Pennsylvanians to *‘study different types of insurance and shop around for the best insurance that covers all your needs.’*

REGULATORY UPDATES

- Notice 2024-04: PID announced guidance to insurers regarding the use of Artificial Insurance (AI). It recommended Best Practices for how insurers utilize AI technologies and systems. Notice 2024-4 also reminded insurers of a full range of laws such as the Unfair Insurance Practices Act that give the Department the authority to go after those insurance entities that do not use technological advances in a manner that is unfair to consumers.’ Source: <https://www.pacodeandbulletin.gov/Display/pabull?file=/secure/pabulletin/data/vol54/54-14/484.html>.
- The maximum benefit adjustment for Autism Spectrum Disorders Coverage linked to the Consumer Price Index for Urban Consumers will be \$50,445 for policies issued or renewed in 2025. Questions: Bureau of Life, Accident and Health, ra-rateform@pa.gov. (Notice 2024-03)
- HCSC Medicare, Inc. et al are seeking to acquire PA-domiciled HMO Bravo Health Pennsylvania and Medco Containment Life Insurance Company.

DEPARTMENT APPROVES WC FILING

On April 4, the PID announced its approval of a loss-cost filing for Workers Compensation from the PA Compensation Rating Bureau effective April 1, 2024. It includes an overall decrease in loss-costs of 7.88% . **NOTE:** This does not automatically translate into a premium decrease. There are a number of variables such as the specific job classification and experience that may tie into the Workers Compensation premium. Link to PA Compensation Rating Bureau’s Circulars: <https://www.pcrb.com/industry-resources/circulars>.

COMMITTEE WORK

- Neither the House Insurance Committee nor the Senate Banking & Insurance Committee have upcoming meetings posted as of April 13, 2024.
- On April 17, the House Judiciary Committee takes up **House Bill 2012** (Pisciottano-D-Allegheny). This would prohibit restraint of trade or monopolies caused by mergers/acquisitions of health care entities. It would also be unlawful to acquire another health care entity if the purpose was to lessen competition. It also specifies that entities with market power not to *‘abuse that power.’* Additionally, HB 2012 requires an entity to notify the Office of the Attorney General of mergers/acquisitions if it is required to notify the Federal Trade Commission or the U.S. Department of Justice. Mergers and acquisitions subject to this provision include two or more entities of the following types: health care facilities, health care facility systems, or provider organizations.

SESSION UPDATE: Senate session days are April 29, 30 and May 1, 6, 7, 8.
House session days are April 15, 16, 17, 29, 30, and May 1, 6, 7, 8, 20, 21, 22.