

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.

GENERAL LEGISLATIVE UPDATE

Remaining session days for the 2023-24 General Assembly are October 21,22,23 and November 13 and 14.

It is the home stretch for this session of the PA General Assembly. It also a clean up week as legislators try to catch up on a plethora of bills from which are chosen a very few who will complete the legislative gauntlet.

There are several bills that have or will shortly be sent to Governor Shapiro for his signature. Some include:

- **Senate Bill 1241** (Gebhard-R-Lebanon) eliminates the current requirement of 24 hours of pre-licensing instruction before a producer (agent) licensing test can be taken. It was amended to require three hours of Ethics training for all agents and a mandated two-hour continuing education course on Flood Insurance for P/C-licensed agents. On October 8, the House Insurance Committee passed SB 1241 with a unanimous vote.
- On October 9, the Senate passed **House Bill 2268** (Markosek-D-Westmoreland) by 49-0. It mandates health insurance coverage for speech therapy for stuttering.
- **House Bill 2127** (Fiedler-D-Phila.) allows hospitals, birthing centers, physicians and midwives to provide a fact sheet and resource list for perinatal or postpartum mood and anxiety disorder. It passed the House 199-3 on October 9. **INSURANCE NOTES:** * The original bill required screening as well. This would have added to health insurers' claim costs. * An unanswered question is whether or not adding a new mandated benefit will trigger provisions in the Affordable Care Act (ACA) Sections 1311 and Section 10104. They allow states to require benefits in addition to essential health benefits BUT the state must defray those additional health benefit costs. Further, Section 10104 specifies that the state must make payments directly to individuals or plans and not to an exchange.

HOUSE PASSES ACA PROTECTION BILLS

On October 9, the PA House passed three pieces of legislation designed to protect key insurance provisions of the Affordable Care Act in case those parts of the law are struck down by the courts or repealed depending on who controls the U.S. Congress next year. Following are the bills and the House votes:

- **House Bill 2563** (Pashinski-D-Luzerne) continues ACA's health insurance coverage through the age of 26. The House voted 163-39 with 'no' votes coming from Republicans.
- **House Bill 2564** (Haddock-D-Luzerne) would continue the ACA prohibition to health insurance companies against imposing any rules for initial or continued eligibility for persons with a pre-existing condition. The prohibition also includes a ban on insurance rates higher than for others without a pre-existing condition. Fines would be up to \$5,000 for each violation and \$10,000 per violation if deemed to be "willful". Fines could not exceed \$500,000 in the aggregate for an individual insurer. The House approved the bill by a vote of 174-28 with Republicans saying no.
- **House Bill 2562** (Frankel-D-Allegheny) says no way to health insurance companies trying to impose annual or lifetime limits. The October 9 vote was 160-42, again with Republican opposition.

AT THE GOVERNOR'S OFFICE

House Bill 155 (Sanchez-D-Montgomery) went to the Governor on October 10 after a 50-0 vote by the Senate on October 8. This bill amends the Health Care Facilities Act to authorize the use of two-way video remote technology to meet the law's requirement for face-to-face interviews for potential direct care employees. HB 155's goal is to help address the shortage of workers who provide direct health care by helping the employment process move more quickly.

Going to the Governor the week of October 20 will be **Senate Bill 1051** (Hutchinson-R-Venango) after final Senate action October 9 by a vote of 47-2. Earlier it breezed through the House 202-0. This bill makes changes to the tax appeals process conducted by the Revenue Department. Among the bill's provisions are:

- Extending the deadline for a taxpayer to appeal a Personal Income Tax assessment from the Revenue Department to the Board of Appeals or to appeal a decision by the Board of Appeals to the Board of Finance & Revenue from the current 60 days to 90, with an extra 30 days with cause.
- Allowing for a Settlement Conference process in lieu of the compromise authority within the normal appeals process.
- Clarifying that the definition of taxable income tax deduction for a medical cannabis business includes those holding a grower/processor permit or dispensary permit during the taxable year when the deduction is taken.

WORKERS COMP POST-TRAUMATIC STRESS INJURY ELIGIBILITY

Senate Bill 365 (Bartolotta-R-Greene/Washington/Beaver) would extend WC coverage to first responders suffering from a post-traumatic stress injury (PTSI). The legislation defines a first responder as:

- Professional or volunteer firefighter who responds to emergency calls
- PA State Police officer
- An emergency medical services provider , or a peace officer who responds to emergency calls

NOTE: The bill's language does not explicitly include a dispatcher of first responders to emergency calls.

There must be a qualifying traumatic event. The term means an incident or exposure resulting in death or bodily injury, a minor who was killed, injured, abused or exploited, an immediate threat to the life of the first responder or another individual, mass casualties, or responding to crime scenes for investigations. SB 365 also goes through treatment and length of time after the incident when the WC is filed for PTSI. Given the level of detail, here is a link to the text:

<https://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sessYr=2023&sessInd=0&billBody=S&billTyp=B&billNbr=0365&pn=1944>.

NEAR THE FINISH LINE

Several other bills are far enough along to prompt speculation that they could get to the Governor. Some include:

- **House Bill 2344** (Borowski-D-Delaware) imposes duties on the Attorney General relative to mergers and acquisitions in health systems and provider networks. The trigger is a transaction of \$25 million-plus. There is a 90-day waiting period where the Attorney General can evaluate whether or not the merger/acquisition meets the public interest. One impetus for this bill is the acquisition or merger in rural areas where adequate health treatments are already hard to find. The fear is that a large health system will acquire a rural hospital and then close it as being unprofitable. Three governmental entities would have shared oversight – the Office of the Attorney General, the Department of Health and the Insurance Department. The Attorney General could initiate action in a court to block the transaction.

The House passed HB 2344 by a vote of 114-88 on July 11. The most recent action was by the Senate Health & Human Services Committee which reported the bill out 11-0 on October 7.

- **Senate Bill 1232** (Pennycuick-R-Bucks) would provide for insurers to offer direct deposit as an option to receive Workers Compensation payments. It passed the House 202-0 on October 9 and was referred to the Senate Rules Committee.
- **House Bill 2407** (Solomon-D-Phila.) is on the third consideration calendar (final vote) in the PA Senate. It re-authorizes the Fire Company and EMS Grant Program until December 31, 2029.