
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 440 Session of
2023

INTRODUCED BY SANTARSIERO, BROOKS, HUGHES, HAYWOOD, KEARNEY,
KANE, FONTANA, BREWSTER, BARTOLOTTA, DILLON, COSTA, COLLETT,
CAPPELLETTI AND STREET, MARCH 14, 2023

REFERRED TO BANKING AND INSURANCE, MARCH 14, 2023

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

23 * * *

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

10 * * *

11 (9) A policy delivered or issued for delivery after January
12 1, 1968, under which coverage of a dependent of a policyholder
13 terminates at a specified age shall, with respect to an
14 unmarried child covered by the policy prior to the attainment of
15 the age of [nineteen] twenty-six who is incapable of self-
16 sustaining employment by reason of [mental retardation or
17 physical handicap] an intellectual or physical disability and
18 who became so incapable prior to attainment of age [nineteen]
19 twenty-six and who is chiefly dependent upon such policyholder
20 for support and maintenance, not so terminate while the policy
21 remains in force and the dependent remains in such condition, if
22 the policyholder has within thirty-one days of such dependent's
23 attainment of the limiting age submitted proof of such
24 dependent's incapacity as described herein. The foregoing
25 provisions of this paragraph shall not require an insurer to
26 insure a dependent who [is a mentally retarded or physically
27 handicapped child] has an intellectual or physical disability
28 where the policy is underwritten on evidence of insurability
29 based on health factors set forth in the application or where
30 such dependent does not satisfy the conditions of the policy as

1 to any requirement for evidence of insurability or other
2 provisions of the policy, satisfaction of which is required for
3 coverage thereunder to take effect. In any such case the terms
4 of the policy shall apply with regard to the coverage or
5 exclusion from coverage of such dependent.

6 * * *

7 Section 617.1. Health Insurance Coverage for Certain
8 Children of Insured Parents.--(A) (1) A health insurance
9 policy offered, issued or renewed in this Commonwealth that
10 provides dependent coverage of children shall continue to make
11 such coverage available for an adult child who has not attained
12 the age of 26 prior to the date of issuance or renewal.

13 (2) With respect to a child who has not attained the age of
14 26, a health insurance policy:

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

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

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

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

26 (c) The marital status of the child.

27 (d) The child's enrollment in an academic or vocational
28 educational institution.

29 (e) The child's employment status.

30 (3) A health insurance policy providing dependent coverage

1 of children may deny or limit coverage, or impose additional
2 conditions for coverage, for individuals not described in 26
3 U.S.C. § 152(f)(1).

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

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

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

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

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

20 [(4)] (iv) Is not provided coverage as a named subscriber,
21 insured, enrollee or covered person under any other group or
22 individual health insurance policy or enrolled in or entitled to
23 benefits under any government health care benefits program,
24 including benefits under Title XVIII of the Social Security Act
25 (49 Stat. 620, 42 U.S.C. § 1395 et seq.).

26 [(B)] (2) Insurers may determine increases in premiums
27 related to continuation of coverage for the adult dependent
28 [past the limiting age of nineteen] 26 years of age or older.

29 (C) This section shall not include the following types of
30 insurance or any combination thereof:

- 1 (1) Hospital indemnity.
- 2 (2) Accident.
- 3 (3) Specified disease.
- 4 (4) Disability income.
- 5 (5) Dental.
- 6 (6) Vision.
- 7 (7) Civilian Health and Medical Program of the Uniformed
- 8 Services (CHAMPUS) supplement.
- 9 (8) Medicare supplement.
- 10 (9) Long-term care.
- 11 (10) Other limited benefit plans.
- 12 (11) [Individual health insurance policies.] Fixed
- 13 indemnity.
- 14 (12) Credit.
- 15 (13) Workers' compensation or automobile medical payment
- 16 insurance.

17 (D) For the purpose of this section:

18 "Health [care] insurance policy" means a [group] health,

19 sickness or accident policy or subscriber contract or

20 certificate issued by an entity subject to any one of the

21 following:

22 (1) This act, including section 630.

23 (2) The act of December 29, 1972 (P.L.1701, No.364), known

24 as the "Health Maintenance Organization Act."

25 (3) The act of May 18, 1976 (P.L.123, No.54), known as the

26 "Individual Accident and Sickness Insurance Minimum Standards

27 Act."

28 (4) 40 Pa.C.S. Ch. 61 (relating to hospital plan

29 corporations) or 63 (relating to professional health services

30 plan corporations).

1 (5) Article XXIV.

2 Section 2. The amendment of sections 617(A)(3) and (9) and
3 617.1 of the act shall apply to health insurance policies
4 offered, issued or renewed on or after the effective date of
5 this section.

6 Section 3. All acts and parts of acts are repealed insofar
7 as they are inconsistent with this act.

8 Section 4. This act shall take effect in 90 days.