
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1232 Session of
2008

INTRODUCED BY PIPPY, D. WHITE, KITCHEN, WOZNIAK, WASHINGTON AND
PUNT, JANUARY 11, 2008

REFERRED TO BANKING AND INSURANCE, JANUARY 11, 2008

AN ACT

1 Amending the act of July 22, 1974 (P.L.589, No.205), entitled
2 "An act relating to unfair insurance practices; prohibiting
3 unfair methods of competition and unfair or deceptive acts
4 and practices; and prescribing remedies and penalties,"
5 further providing for unfair acts.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Section 5(a) of the act of July 22, 1974
9 (P.L.589, No.205), known as the Unfair Insurance Practices Act,
10 is amended by adding a paragraph to read:

11 Section 5. Unfair Methods of Competition and Unfair or
12 Deceptive Acts or Practices Defined.--(a) "Unfair methods of
13 competition" and "unfair or deceptive acts or practices" in the
14 business of insurance means:

15 * * *

16 (15) Knowingly doing any of the following:

17 (i) Requiring an insured to obtain ophthalmic services and
18 products from a vision laboratory or company as a condition of
19 obtaining the payment for the vision services.

1 (ii) Imposing upon an insured who is not utilizing an
2 ophthalmic service or product from a vision laboratory or
3 company a copayment fee or other condition not imposed upon
4 insureds utilizing an ophthalmic service or product from the
5 vision laboratory or company.

6 (iii) Hampering competition in numerous ways, including, but
7 not limited to:

8 (A) restraining providers' ability to compete in the market;

9 (B) depriving an insured of the choice associated with free
10 and open competition in the sale of ophthalmic products;

11 (C) suppressing competition based upon quality and service;

12 and

13 (D) reducing the quality and level of care available to an
14 insured in the purchase of any ophthalmic product or denying or
15 impairing the right of an insured to determine from where
16 ophthalmic services or products are made.

17 (iv) Creating a preferred class of providers that is not
18 held to uniform conditions of participation under the same
19 employer's purchased health care contract, vision care contract
20 or other health insurance contracts.

21 (v) Requiring the purchase of a minimum quantity or minimum
22 dollar amount of a specified brand of materials in order to
23 participate as a provider in a vision or other health care plan.

24 (vi) Requiring a provider to participate in a vision benefit
25 plan as a condition of participation in a health care plan.

26 Section 2. This act shall take effect in 60 days.