

"Prepaid home health or personal care service policy." A policy, contract, subscriber agreement, rider or endorsement delivered or issued for delivery in this Commonwealth to provide home health or personal care services. This term excludes:

(1) Home health or personal care services administered through a local area agency on aging or as a government service or provided by a nonprofit association, organization or corporation other than a nonprofit health, hospital or medical service corporation.

(2) A contract or arrangement which meets all of the following criteria:

(i) Provides for services upon demand without regard to medical condition.

(ii) Does not seek or utilize any form of medical questionnaire or information, written or verbal, for assessment of health condition for any reason.

(iii) Provides for cost of services that is not based on any estimate or contingency of actual or anticipated use of services.

(iv) Does not contain any waiting period.

(v) Contains the following notice, verbatim in boldface, 18-point type on the face sheet to the contract:

This contract is not insurance; it is not to be used as a substitute or replacement for insurance; it provides none of the safeguards of insurance regulated by the Pennsylvania Insurance Department, such as a guarantee that all benefits or services will be fully funded. In the event of insolvency, there is no Pennsylvania Life and Health Insurance Guaranty Association protection.

Under Pennsylvania law, the service contract provider may not seek or use any medical information to determine your eligibility for purchasing this contract or to set rates under the contract. Further, the service contract provider must provide you with all contracted services upon demand, without regard to your medical condition or medical necessity.

Any attempted or actual solicitation or sale of this product as a substitute for or replacement of a long-term care policy is a violation of Pennsylvania insurance laws, reportable to the Insurance Department of this Commonwealth.

1921, May 17, P.L. 682, No. 284, art. XI, § 1103, added 1992, Dec. 15, P.L. 1129, No. 148, § 3, effective in 60 days. Amended 2000, Dec. 20, P.L. 967, No. 132, § 4, effective in 60 days; 2004, Nov. 30, P.L. 1690, No. 216, § 7, effective Jan. 14, 2005; 2007, July 17, P.L. 134, No. 40, § 2, effective in 60 days [Sept. 17, 2007]; 2010, July 9, P.L. 362, No. 51, § 7, effective in 60 days [Sept. 7, 2010].