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**INDEPENDENT REGULATORY REVIEW COMMISSION**  
333 MARKET STREET, 14TH FLOOR, HARRISBURG, PA 17101

February 17, 2000

Honorable M. Diane Koken, Commissioner  
Insurance Department  
1326 Strawberry Square  
Harrisburg, PA 17120

Re: IRRC Regulation #11-195 (#2046)  
Insurance Department  
Quality Health Care Accountability and Protection

Dear Commissioner Koken:

The Independent Regulatory Review Commission approved the subject regulation at its February 17, 2000 public meeting. Our Order is enclosed and is available on our website at <http://www.irrc.state.pa.us>.

We appreciate the joint effort that went into producing a regulation that met the criteria and intent of the Regulatory Review Act.

Sincerely,

Alvin C. Bush  
Vice Chairman

ACB:kcg  
Enclosure  
cc: Pete Salvatore

**INDEPENDENT REGULATORY REVIEW COMMISSION**

14th Floor, 333 Market Street  
Harrisburg, PA 17101

Commissioners Voting:

John R. McGinley, Jr., Chairman  
Alvin C. Bush, Vice Chairman  
Arthur Coccodrilli  
Robert J. Harbison, III  
John F. Mizner



Public Meeting Held February 17, 2000

Insurance Department  
Quality Health Care Accountability and Protection

Regulation No. 11-195

**BY ORDER OF THE COMMISSION**

On July 20, 1999, the Independent Regulatory Review Commission (Commission) received this proposed regulation from the Insurance Department (Department). This rulemaking amends 31 Pa. Code, Chapter 154, Sections 154.1 - 154.18. The authority for this regulation is Section 2181 of the Insurance Company Law of 1921 (40 P.S. Section 991.2181), Act 68 of 1998 (40 P.S. Sections 991.2101 - 991.2193) and Sections 206, 506, 1501 and 1502 the Administrative Code of 1929 (71 P.S. Sections 66, 186, 411 and 412). The proposed regulation was published in the July 31, 1999 *Pennsylvania Bulletin* with a 30-day public comment period. The final-form was submitted to the Commission on December 9, 1999, but was withdrawn prior to Commission action. A revised final-form regulation was submitted to the Commission on January 24, 2000.

The regulation implements the provisions of Act 68 of 1998, the Quality Health Care Accountability and Protection Act. It includes new requirements and procedures for managed care plans, insurers, health care providers and the public.

All managed care plans and licensed insurers issuing or underwriting health insurance contracts or policies will be affected by the regulation. Additionally, the public will be affected through alterations in the structure of existing managed care plans.

This regulation meets the criteria of the Regulatory Review Act.

**THEREFORE, IT IS ORDERED THAT:**

1. Regulation No. 11-195 from the Insurance Department, as submitted to the Commission on January 24, 2000, is approved; and
2. The Commission will transmit a copy of this Order to the Legislative Reference Bureau.

  
Alvin C. Bush, Vice Chairman