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

April 5, 2001

Honorable Robert Zimmerman, Jr., Secretary  
Department of Health  
802 Health and Welfare Building  
Harrisburg, PA 17108

Re: Regulation #10-160 (IRRC #2079)  
Department of Health  
Managed Care Organizations

Dear Secretary Zimmerman:

The Independent Regulatory Review Commission approved your regulation on April 5, 2001.  
Our Order is enclosed and is available on our website at [www.irrc.state.pa.us](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,

A handwritten signature in cursive script, appearing to read "Alvin C. Bush".

Alvin C. Bush  
Vice Chairman

wbg

Enclosure

cc: Honorable Dennis M. O'Brien, Majority Chairman, House Health and Human Services Committee  
Honorable Frank L. Oliver, Democratic Chairman, House Health and Human Services Committee  
Honorable Harold F. Mowery, Jr., Chairman, Senate Public Health and Welfare Committee  
Honorable Vincent J. Hughes, Minority Chairman, Senate Public Health and Welfare Committee  
Nia Wilson, Legal Counsel, House Health & Human Services Committee  
Stanley Mitchell, Chief Counsel, House Health & Human Services Committee  
Stacy Mitchell, Director, Bureau of Managed Care, Department of Health  
David Henry, Director, Division of Quality Review, Department of Health

**INDEPENDENT REGULATORY REVIEW COMMISSION  
APPROVAL ORDER**

Commissioners Voting:

Public Meeting Held April 5, 2001

Alvin C. Bush, Vice Chairman  
Arthur Coccodrilli  
Robert J. Harbison, III, by Proxy  
John F. Mizner

Regulation No. 10-160  
Department of Health  
Managed Care Organizations

On December 8, 1999, the Independent Regulatory Review Commission (Commission) received this proposed regulation from the Department of Health (Department). This rulemaking amends 28 Pa. Code Chapter 9 by deleting Subchapters A, D and E, and adding Subchapters F through L. The proposed regulation was published in the December 18, 1999 *Pennsylvania Bulletin* with a 30-day public comment period. The final-form regulation was submitted to the Commission on February 28, 2001. On March 20, 2001, the Commission received a request from the Department to toll consideration of this final-form regulation to make revisions based on requests from the Senate Public Health and Welfare and the House Health and Human Services Committees. On March 23, 2001, the Department submitted its revisions to the final-form regulation to the Commission.

The final-form regulation implements the provisions of Act 68 of 1998, the Quality Health Care Accountability and Protection Act, the PPO Act and the Health Maintenance Organization Act. It includes new requirements and procedures for managed care plans, insurers, health care providers and the public. It also updates existing Health Maintenance Organization regulations.

We have determined this regulation is consistent with the statutory authority of the Department of Health (40 P.S. §§ 764a(e), 1551 - 1567 and 991.2101 - 991.2193) and the intention of the General Assembly. Having considered all of the other criteria of the Regulatory Review Act, we find promulgation of this regulation is in the public interest.

**BY ORDER OF THE COMMISSION:**

This regulation is approved.



  
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Alvin C. Bush, Vice Chairman