

**House File 349 - Introduced**

HOUSE FILE 349

BY KAUFMANN

**A BILL FOR**

1 An Act relating to certain health coverage that covers the  
2 essential health benefits required pursuant to the federal  
3 Patient Protection and Affordable Care Act and including  
4 applicability and penalty provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 507B.5A Discrimination in health  
2 benefit plan design prohibited.

3 1. A carrier that offers a policy, contract, or plan that  
4 covers the essential health benefits as required pursuant  
5 to section 1302 of the federal Patient Protection and  
6 Affordable Care Act, Pub. L. No. 111-148, and its implementing  
7 regulations, shall not use a plan benefit design or a manner of  
8 implementing a plan benefit design for providing the essential  
9 health benefits that discriminates against an enrollee based  
10 on the enrollee's age, expected length of life, race, color,  
11 national origin, sex, gender identity, sexual orientation,  
12 present or predicted disability, degree of medical dependency,  
13 quality of life, or present or predicted diagnosis, disease, or  
14 health condition. The commissioner may adopt rules pursuant to  
15 chapter 17A to administer this section.

16 2. For purposes of this section, unless the context  
17 otherwise requires, "carrier" means the same as defined in  
18 section 513B.2.

19 Sec. 2. NEW SECTION. 514K.2 Health carrier disclosures —  
20 public internet sites.

21 1. A carrier that provides small group health coverage  
22 pursuant to chapter 513B or individual health coverage pursuant  
23 to chapter 513C and that offers for sale a policy, contract,  
24 or plan that covers the essential health benefits required  
25 pursuant to section 1302 of the federal Patient Protection and  
26 Affordable Care Act, Pub. L. No. 111-148, and its implementing  
27 regulations, shall provide to each of its enrollees at the  
28 time of enrollment, and shall make available to prospective  
29 enrollees and enrollees, insurance producers licensed under  
30 chapter 522B, and the general public, on the carrier's  
31 internet site, all of the following information in a clear and  
32 understandable form for use in comparing policies, contracts,  
33 and plans, and coverage and premiums:

34 a. Any exclusions from coverage and any restrictions on  
35 the use or quantity of covered items and services in each

1 category of benefits, including prescription drugs and drugs  
2 administered by a physician or clinic.

3 *b.* Any items or services, including prescription drugs, that  
4 have a coinsurance requirement where the cost-sharing required  
5 depends on the cost of the item or service.

6 *c.* The specific prescription drugs available on the  
7 carrier's formulary, the specific prescription drugs covered  
8 when furnished by a physician or clinic, and any clinical  
9 prerequisites or prior authorization requirements for coverage  
10 of the drugs.

11 *d.* The specific types of specialists available in the  
12 carrier's network and the specific physicians included in the  
13 carrier's network.

14 *e.* The process for an enrollee to appeal a carrier's denial  
15 of coverage of an item or service prescribed or ordered by the  
16 enrollee's treating physician.

17 *f.* How medications will specifically be included in or  
18 excluded from the deductible, including a description of all  
19 out-of-pocket costs that may not apply to the deductible for a  
20 prescription drug.

21 2. The commissioner may adopt rules pursuant to chapter 17A  
22 to administer this section.

23 3. The commissioner may impose any of the sanctions provided  
24 under chapter 507B for a violation of this section.

25 **Sec. 3. NEW SECTION. 514K.3 Health care plan internal**  
26 **appeals process — disclosure requirements.**

27 1. A carrier that provides small group health coverage  
28 pursuant to chapter 513B or individual health coverage pursuant  
29 to chapter 513C through the issuance of nongrandfathered  
30 health plans as defined in section 1251 of the federal Patient  
31 Protection and Affordable Care Act, Pub. L. No. 111-148, and  
32 in 45 C.F.R. §147.140, shall implement and maintain procedures  
33 for carrying out an effective internal claims and appeals  
34 process that meets the requirements established pursuant to  
35 section 2719 of the federal Public Health Service Act, 42

1 U.S.C. §300gg-19, and 45 C.F.R. §147.136. The procedures shall  
2 include but are not limited to all of the following:

- 3     *a.* Expedited notification to enrollees of benefit  
4 determinations involving urgent care.  
5     *b.* Full and fair internal review of claims and appeals.  
6     *c.* Avoidance of conflicts of interest.  
7     *d.* Sufficient notice to enrollees, including a description  
8 of available internal claims and appeals procedures, as well  
9 as information about how to initiate an appeal of a denial of  
10 coverage.

11     2. *a.* A carrier that provides health coverage as described  
12 in subsection 1 shall maintain written records of all requests  
13 for internal claims and appeals that are received and for which  
14 internal review was performed during each calendar year. Such  
15 records shall be maintained for at least three years.

16     *b.* A carrier that provides health coverage as described in  
17 subsection 1 shall submit to the commissioner, upon request, a  
18 report that includes all of the following:

19         (1) The total number of requests for internal review of  
20 claims and appeals that are received by the carrier each year.

21         (2) The average length of time for resolution of each  
22 request for internal review of a claim or appeal.

23         (3) A summary of the types of coverage or cases for which  
24 internal review of a claim or appeal was requested.

25         (4) Any other information required by the commissioner in a  
26 format specified by rule.

27     3. A carrier that provides health coverage as described  
28 in subsection 1 shall make available to consumers written  
29 notice of the carrier's internal claims and appeals and  
30 internal review procedures and shall maintain a toll-free  
31 consumer-assistance telephone helpline that offers consumers  
32 assistance with the carrier's internal claims and appeals  
33 and internal review procedures, including how to initiate,  
34 complete, or submit a claim or appeal.

35     4. The commissioner may adopt rules pursuant to chapter 17A



1 provision also requires a health carrier to maintain written  
2 records concerning internal claims and appeals received and  
3 to submit a report to the commissioner, upon request, with  
4 specified information about the internal claims and appeals. A  
5 health carrier is also required to make available to consumers  
6 written notice about the carrier's internal claims and appeals  
7 procedures and to maintain a toll-free consumer-assistance  
8 telephone helpline that offers consumers assistance with  
9 these procedures, including how to initiate, complete, or  
10 submit a claim or appeal. The commissioner may adopt rules to  
11 administer the new Code section.

12 The bill is applicable to health insurance policies,  
13 contracts, or plans that are delivered, issued for delivery,  
14 continued, or renewed on or after January 1, 2016.