

See Senate Bill 4/3/87

SENATE FILE 485

BY COMMITTEE ON STATE GOVERNMENT

FILED MAR 20 1987

(formerly <sup>approved (p. 82)</sup> SSB 162)

Passed Senate, Date 4-1-87 (p. 1014) Passed House, Date \_\_\_\_\_

Vote: Ayes 30 Nays 18 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to insurance coverage for health care services  
2 provided by registered nurses, requiring that coverage be made  
3 available, providing for direct payment or reimbursement, and  
4 providing for data collection and utilization review.

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

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SF 485

1 Section 1. Section 145.3, subsection 3, paragraph a, Code  
2 1987, is amended to read as follows:

3 a. The commissioner of insurance and the director of  
4 public health require the collection of physicians and  
5 registered nurses billing information from third-party payers  
6 and self-insurers as specified by the health data commission  
7 ~~by July 17, 1986~~. This billing information shall be collected  
8 for physicians as defined by section 135.1 and for registered  
9 nurses licensed under chapter 152. The collection,  
10 correlation, and development of this data shall include, but  
11 not be limited to, information and reports covering the  
12 physician designations as defined in section 135.1 and  
13 registered nurses and shall be made available annually.

14 Sec. 2. Section 509.3, Code 1987, is amended by adding the  
15 following new subsection:

16 NEW SUBSECTION. 8. A provision shall be made available to  
17 policyholders under group policies covering diagnosis and  
18 treatment of human ailments for payment or reimbursement for  
19 necessary health care services provided by a registered nurse  
20 licensed under chapter 152, if the services are within the  
21 practice of the profession of a registered nurse as that  
22 practice is defined in section 152.1. This subsection does  
23 not apply to blanket, short-term travel, accident-only,  
24 limited or specified disease, or individual or group  
25 conversion policies, or policies designed only for issuance to  
26 persons eligible for coverage under Title XVIII of the federal  
27 Social Security Act, or any other similar coverage under a  
28 state or federal government plan.

29 Sec. 3. Section 514.1, unnumbered paragraph 1, Code 1987,  
30 is amended to read as follows:

31 A corporation organized under chapter 504 or chapter 504A  
32 for the purpose of establishing, maintaining, and operating a  
33 nonprofit hospital service plan, whereby hospital service may  
34 be provided by the corporation or by a hospital with which it  
35 has a contract for service, to the public who become

1 subscribers to this plan under a contract which entitles each  
2 subscriber to hospital service; or a corporation organized for  
3 the purpose of establishing, maintaining, and operating a plan  
4 whereby health care service may be provided at the expense of  
5 this corporation, by licensed physicians and surgeons,  
6 dentists, podiatrists, osteopathic physicians, osteopathic  
7 physicians and surgeons, or chiropractors, or registered  
8 nurses, to subscribers under contract, entitling each  
9 subscriber to health care service, as provided in the  
10 contract; or a corporation organized for the purpose of  
11 establishing, maintaining, and operating a nonprofit  
12 pharmaceutical service plan or optometric service plan,  
13 whereby pharmaceutical or optometric service may be provided  
14 by this corporation or by a licensed pharmacy with which it  
15 has a contract for service, to the public who become  
16 subscribers to this plan under a contract which entitles each  
17 subscriber to pharmaceutical or optometric service; shall be  
18 governed by this chapter and is exempt from all other  
19 provisions of the insurance laws of this state, unless  
20 specifically designated in this chapter, not only in  
21 governmental relations with the state but for every other  
22 purpose, and additions enacted after the effective date of  
23 this chapter shall not apply to these corporations unless they  
24 are expressly designated in the additions.

25 Sec. 4. Section 514.5, unnumbered paragraph 2, Code 1987,  
26 is amended to read as follows:

27 A medical service corporation organized under this chapter  
28 may enter into contracts with subscribers to furnish health  
29 care service through physicians and surgeons, dentists,  
30 podiatrists, osteopathic physicians, osteopathic physicians  
31 and surgeons, or chiropractors, or registered nurses.

32 Sec. 5. section 514.7, Code 1987, is amended by adding the  
33 following new unnumbered paragraph:

34 NEW UNNUMBERED PARAGRAPH. A provision shall be made  
35 available in approved contracts with hospital and medical

1 subscribers under group subscriber contracts or plans covering  
2 diagnosis and treatment of human ailments, for payment or  
3 reimbursement for necessary health care services provided by a  
4 registered nurse licensed under chapter 152, if the services  
5 are within the practice of the profession of a registered  
6 nurse as that practice is defined in section 152.1. This  
7 paragraph does not apply to contracts designed only for  
8 issuance to subscribers eligible for coverage under Title  
9 XVIII of the federal Social Security Act, or any other similar  
10 coverage under a state or federal government plan.

11 Sec. 6. Section 514.21, Code 1987, is amended to read as  
12 follows:

13 514.21 UTILIZATION REVIEW PROGRAM.

14 A utilization review program shall be established for  
15 purposes of health care cost control, according to usual and  
16 customary third-party insurance payment or reimbursement  
17 procedures, by a corporation subject to this chapter and by  
18 physician providers as defined in section 135.1 and registered  
19 nurse providers. This utilization review program shall not be  
20 used directly or indirectly to circumvent the provisions for  
21 payment or reimbursement to providers of health care services  
22 as provided in section 509.3, subsection subsections 7 and 8.  
23 and section 514.7.

24 Sec. 7. Section 514.23, subsection 2, Code 1987, is  
25 amended to read as follows:

26 2. A corporation organized and governed by this chapter  
27 which becomes a mutual insurer under this section shall  
28 continue as a mutual insurer to be governed by the provisions  
29 of section 514.7 and shall also be governed by section 509.3,  
30 subsection subsections 7 and 8.

31 Sec. 8. Section 514B.1, subsection 2, Code 1987, is  
32 amended by adding the following new unnumbered paragraph:

33 NEW UNNUMBERED PARAGRAPH. The health care services  
34 available to enrollees under prepaid group plans covering  
35 diagnosis and treatment of human ailments shall include a

1 provision for payment of necessary health care services  
2 provided by a registered nurse licensed under chapter 152, if  
3 the services are within the practice of the profession of a  
4 registered nurse as that practice is defined in section 152.1.  
5 This paragraph does not apply to enrollees eligible for  
6 coverage under Title XVIII of the federal Social Security Act,  
7 or any other similar coverage under a state or federal  
8 government plan.

9 Sec. 9. Section 514F.1, Code 1987, is amended to read as  
10 follows:

11 514F.1 UTILIZATION AND COST CONTROL REVIEW COMMITTEES.

12 The boards of examiners under chapters 148, 150, 150A, 151,  
13 152, and 153 shall establish utilization and cost control  
14 review committees of licensees under the respective chapters,  
15 selected from licensees who have practiced in Iowa for at  
16 least the previous five years, or shall accredit and designate  
17 other utilization and cost control organizations as  
18 utilization and cost control committees under this section,  
19 for the purposes of utilization review of the appropriateness  
20 of levels of treatment and of giving opinions as to the  
21 reasonableness of charges for diagnostic or treatment services  
22 of licensees. Persons governed by the various chapters of  
23 Title XX of the Code and self-insurers for health care  
24 benefits to employees may utilize the services of the  
25 utilization and cost control review committees upon the  
26 payment of a reasonable fee for the services, to be determined  
27 by the respective boards of examiners. The respective boards  
28 of examiners under chapters 148, 150, 151, 152, and 153 shall  
29 adopt rules necessary and proper for the implementation of  
30 this section pursuant to chapter 17A. It is the intent of  
31 this general assembly that conduct of the utilization and cost  
32 control review committees authorized under this section shall  
33 be exempt from challenge under federal or state antitrust laws  
34 or other similar laws in regulation of trade or commerce.

35 Sec. 10. NEW SECTION. 514C.3 PAYMENT OR REIMBURSEMENT

1 FOR NURSING SERVICES.

2 When accident and sickness insurance provides for payment  
3 or reimbursement for any service which is within the practice  
4 of the profession of a registered nurse, the insured or any  
5 person covered by the policy, contract, or plan is entitled to  
6 payment or reimbursement either directly to the insured, to  
7 the individual provider of the service, or to the agency or  
8 institution which provides the service when the service is  
9 performed by a registered nurse permitted by law to perform  
10 that service. This section also applies to enrollees in  
11 health maintenance organizations, as those terms are defined  
12 in section 514B.1, subsections 3 and 4.

13 Sec. 11. EFFECTIVE DATE. Sections 2, 5, and 8 of this Act  
14 apply to group policies, contracts, and evidences of coverage  
15 delivered or issued for delivery on or after the effective  
16 date of this Act, and to existing group policies, contracts,  
17 and evidences of coverage on their anniversary or renewal date  
18 or upon the expiration of an applicable collective bargaining  
19 contract, if any, whichever is later.

20 EXPLANATION

21 This bill provides that all group health insurance policies  
22 under chapter 609, group subscriber contracts and plans of  
23 nonprofit health service corporations under chapter 514, and  
24 prepaid group plans of health maintenance organizations under  
25 chapter 514B must make available a provision for payment or  
26 reimbursement for health care services provided by a  
27 registered nurse if the services are within the scope of  
28 practice of a registered nurse. It also contains a  
29 requirement that when the insurance policy, contract, or plan  
30 provides for payment or reimbursement for such services, the  
31 insured is entitled to the payment or reimbursement either  
32 directly to the insured, to the registered nurse providing the  
33 service, or to the agency or institution employing the  
34 registered nurse. Provisions relating to data collection and  
35 utilization and cost control review are expanded to include  
36 registered nurses.

SSB # 162  
State Government

Nov 5/91

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON STATE  
GOVERNMENT BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
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SUB COMMITTEE ASSIGNMENTS

CHAIR: *Welsch*  
COMMITTEE: *State Gov.*  
*3/4/87*

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3 h. The commissioner of insurance and the director of  
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7 by July 17, 1986. This billing information shall be collected  
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33 nonprofit hospital service plan, whereby hospital service may  
34 be provided by the corporation or by a hospital with which it  
35 has a contract for service, to the public who become

1 subscribers to this plan under a contract which entitles each  
2 subscriber to hospital service; or a corporation organized for  
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16 subscribers to this plan under a contract which entitles each  
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19 provisions of the insurance laws of this state, unless  
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21 This bill provides that all group health insurance policies  
22 under chapter 509, group subscriber contracts and plans of  
23 nonprofit health service corporations under chapter 514, and  
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