

FILED MAR 17 1989

*Withdrawn from  
further consideration  
4-1-89 (p.1359)*

SENATE FILE 480  
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO SSB 226)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ 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 480**

5570 amended

1 Section 1. Section 145.3, subsection 3, paragraph h, Code  
2 1989, is amended to read as follows:

3 h. 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 licensed under chapter 152 and shall be made  
14 available annually. In its application to registered nurses,  
15 this paragraph applies only to registered nurses who are not  
16 employees of a hospital, nursing facility, health care  
17 institution, physician's office, or other health care  
18 facility.

19 Sec. 2. Section 509.3, Code 1989, is amended by adding the  
20 following new subsection:

21 NEW SUBSECTION. 8. A provision shall be made available to  
22 policyholders under group policies covering diagnosis and  
23 treatment of human ailments for payment or reimbursement for  
24 necessary health care services provided by a registered nurse  
25 licensed under chapter 152, if the services are within the  
26 practice of the profession of a registered nurse as that  
27 practice is defined in section 152.1. This subsection does  
28 not apply to policies designed only for issuance to persons  
29 eligible for coverage under Title XVIII of the federal Social  
30 Security Act, or any other similar coverage under a state or  
31 federal government plan. This subsection applies only to the  
32 services of a registered nurse who is not an employee of a  
33 hospital, nursing facility, health care institution,  
34 physician's office, or other health care facility.

35 Sec. 3. Section 514.1, unnumbered paragraph 1, Code 1989,

1 is amended to read as follows:

2 A corporation organized under chapter 504 or chapter 504A  
3 for the purpose of establishing, maintaining, and operating a  
4 nonprofit hospital service plan, whereby hospital service may  
5 be provided by the corporation or by a hospital with which it  
6 has a contract for service, to the public who become  
7 subscribers to this plan under a contract which entitles each  
8 subscriber to hospital service; or a corporation organized for  
9 the purpose of establishing, maintaining, and operating a plan  
10 whereby health care service may be provided at the expense of  
11 this corporation, by licensed physicians and surgeons,  
12 dentists, podiatrists, osteopathic physicians, osteopathic  
13 physicians and surgeons, or chiropractors, or registered  
14 nurses, to subscribers under contract, entitling each  
15 subscriber to health care service, as provided in the  
16 contract; or a corporation organized for the purpose of  
17 establishing, maintaining, and operating a nonprofit  
18 pharmaceutical service plan or optometric service plan,  
19 whereby pharmaceutical or optometric service may be provided  
20 by this corporation or by a licensed pharmacy with which it  
21 has a contract for service, to the public who become  
22 subscribers to this plan under a contract which entitles each  
23 subscriber to pharmaceutical or optometric service; shall be  
24 governed by this chapter and is exempt from all other  
25 provisions of the insurance laws of this state, unless  
26 specifically designated in this chapter, not only in  
27 governmental relations with the state but for every other  
28 purpose, and additions enacted after the effective date of  
29 this chapter shall not apply to these corporations unless they  
30 are expressly designated in the additions. In its application  
31 to registered nurses, this paragraph applies only to  
32 registered nurses who are not employees of a hospital, nursing  
33 facility, health care institution, physician's office, or  
34 other health care facility.

35 Sec. 4. Section 514.5, unnumbered paragraph 2, Code 1989,

1 is amended to read as follows:

2 A medical service corporation organized under this chapter  
3 may enter into contracts with subscribers to furnish health  
4 care service through physicians and surgeons, dentists,  
5 podiatrists, osteopathic physicians, osteopathic physicians  
6 and surgeons, ~~or chiropractors,~~ or registered nurses. In its  
7 application to registered nurses, this paragraph applies only  
8 to registered nurses who are not employees of a hospital,  
9 nursing facility, health care institution, physician's office,  
10 or other health care facility.

11 Sec. 5. Section 514.7, Code 1989, is amended by adding the  
12 following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. A provision shall be made  
14 available in approved contracts with hospital and medical  
15 subscribers under group subscriber contracts or plans covering  
16 diagnosis and treatment of human ailments, for payment or  
17 reimbursement for necessary health care services provided by a  
18 registered nurse licensed under chapter 152, if the services  
19 are within the practice of the profession of a registered  
20 nurse as that practice is defined in section 152.1. This  
21 paragraph does not apply to contracts designed only for  
22 issuance to subscribers eligible for coverage under Title  
23 XVIII of the federal Social Security Act, or any other similar  
24 coverage under a state or federal government plan. This  
25 paragraph applies only to the services of a registered nurse  
26 who is not an employee of a hospital, nursing facility, health  
27 care institution, physician's office, or other health care  
28 facility.

29 Sec. 6. Section 514.21, Code 1989, is amended to read as  
30 follows:

31 514.21 UTILIZATION REVIEW PROGRAM.

32 A utilization review program shall be established for  
33 purposes of health care cost control, according to usual and  
34 customary third-party insurance payment or reimbursement  
35 procedures, by a corporation subject to this chapter and by

1 physician providers as defined in section 135.1 and registered  
2 nurse providers licensed under chapter 152. This utilization  
3 review program shall not be used directly or indirectly to  
4 circumvent the provisions for payment or reimbursement to  
5 providers of health care services as provided in section  
6 509.3, ~~subsection~~ subsections 7 and 8, and section 514.7. In  
7 its application to registered nurses, this section applies  
8 only to registered nurses who are not employees of a hospital,  
9 nursing facility, health care institution, physician's office,  
10 or other health care facility.

11 Sec. 7. Section 514.23, subsection 2, Code 1989, is  
12 amended to read as follows:

13 2. A corporation organized and governed by this chapter  
14 which becomes a mutual insurer under this section shall  
15 continue as a mutual insurer to be governed by the provisions  
16 of section 514.7 and shall also be governed by section 509.3,  
17 subsection subsections 7 and 8.

18 Sec. 8. Section 514B.1, subsection 2, Code 1989, is  
19 amended by adding the following new unnumbered paragraph:

20 NEW UNNUMBERED PARAGRAPH. The health care services  
21 available to enrollees under prepaid group plans covering  
22 diagnosis and treatment of human ailments shall include a  
23 provision for payment of necessary health care services  
24 provided by a registered nurse licensed under chapter 152, if  
25 the services are within the practice of the profession of a  
26 registered nurse as that practice is defined in section 152.1.  
27 This paragraph does not apply to enrollees eligible for  
28 coverage under Title XVIII of the federal Social Security Act,  
29 or any other similar coverage under a state or federal  
30 government plan. This paragraph applies only to the services  
31 of a registered nurse who is not an employee of a hospital,  
32 nursing facility, health care institution, physician's office,  
33 or other health care facility.

34 Sec. 9. NEW SECTION. 514C.3 PAYMENT OR REIMBURSEMENT FOR  
35 NURSING SERVICES.

1 When accident and sickness insurance provides for payment  
2 or reimbursement for any service which is within the practice  
3 of the profession of a registered nurse, the insured or any  
4 person covered by the policy, contract, or plan is entitled to  
5 payment or reimbursement either directly to the insured, to  
6 the individual provider of the service, or to the agency or  
7 institution which provides the service when the service is  
8 performed by a registered nurse permitted by law to perform  
9 that service. This section also applies to enrollees in  
10 health maintenance organizations, as those terms are defined  
11 in section 514B.1, subsections 3 and 4. This section applies  
12 only to the services of a registered nurse who is not an  
13 employee of a hospital, nursing facility, health care  
14 institution, physician's office, or other health care  
15 facility.

16 Sec. 10. Section 514F.1, Code 1989, is amended to read as  
17 follows:

18 514F.1 UTILIZATION AND COST CONTROL REVIEW COMMITTEES.

19 The boards of examiners under chapters 148, 149, 150, 150A,  
20 151, 152, and 153 shall establish utilization and cost control  
21 review committees of licensees under the respective chapters,  
22 selected from licensees who have practiced in Iowa for at  
23 least the previous five years, or shall accredit and designate  
24 other utilization and cost control organizations as  
25 utilization and cost control committees under this section,  
26 for the purposes of utilization review of the appropriateness  
27 of levels of treatment and of giving opinions as to the  
28 reasonableness of charges for diagnostic or treatment services  
29 of licensees. Persons governed by the various chapters of  
30 Title XX of the Code and self-insurers for health care  
31 benefits to employees may utilize the services of the  
32 utilization and cost control review committees upon the  
33 payment of a reasonable fee for the services, to be determined  
34 by the respective boards of examiners. The respective boards  
35 of examiners under chapters 148, 149, 150, 150A, 151, 152, and

1 153 shall adopt rules necessary and proper for the  
2 implementation of this section pursuant to chapter 17A. It is  
3 the intent of this general assembly that conduct of the  
4 utilization and cost control review committees authorized  
5 under this section shall be exempt from challenge under  
6 federal or state antitrust laws or other similar laws in  
7 regulation of trade or commerce. In its application to  
8 registered nurses, this section applies only to registered  
9 nurses who are not employees of a hospital, nursing facility,  
10 health care institution, physician's office, or other health  
11 care facility.

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

19 EXPLANATION

20 This bill provides that all group health insurance policies  
21 under chapter 509, group subscriber contracts and plans of  
22 nonprofit health service corporations under chapter 514, and  
23 prepaid group plans of health maintenance organizations under  
24 chapter 514B must make available a provision for payment or  
25 reimbursement for health care services provided by a  
26 registered nurse if the services are within the scope of  
27 practice of a registered nurse. It also contains a  
28 requirement that when the insurance policy, contract, or plan  
29 provides for payment or reimbursement for such services, the  
30 insured is entitled to the payment or reimbursement either  
31 directly to the insured, to the registered nurse providing the  
32 service, or to the agency or institution employing the  
33 registered nurse. Provisions relating to data collection and  
34 utilization and cost control review are expanded to include  
35 registered nurses.

1 Provisos are included throughout the bill stating that the  
2 references to registered nurses apply only to registered  
3 nurses who are not employees of a hospital, nursing facility,  
4 health care institution, physician's office, or other health  
5 care facility.

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## SENATE FILE 480

S-3570

1 Amend Senate File 480 as follows:

2 1. By striking everything after the enacting  
3 clause and inserting the following:

4 "Section 1. Section 145.3, subsection 3, paragraph  
5 h, Code 1989, is amended to read as follows:

6 h. The commissioner of insurance and the director  
7 of public health require the collection of physicians  
8 and registered nurses billing information from third-  
9 party payers and self-insurers as specified by the  
10 health data commission by ~~July 1, 1986~~. This billing  
11 information shall be collected for physicians as  
12 defined by section 135.1 and for registered nurses  
13 licensed under chapter 152. The collection,  
14 correlation, and development of this data shall  
15 include, but not be limited to, information and  
16 reports covering the physician designations as defined  
17 in section 135.1 and registered nurses licensed under  
18 chapter 152 and shall be made available annually.

19 Sec. 2. Section 509.3, Code 1989, is amended by  
20 adding the following new subsection:

21 NEW SUBSECTION. 8. A provision shall be made  
22 available to policyholders, under group policies  
23 covering hospital, medical, or surgical expenses, for  
24 payment of covered services determined to be medically  
25 necessary provided by registered nurses certified by a  
26 national certifying organization, which organization  
27 shall be identified by the Iowa board of nursing  
28 pursuant to rules adopted by the board, if the  
29 services are within the practice of the profession of  
30 a registered nurse as that practice is defined in  
31 section 152.1, under terms and conditions agreed upon  
32 between the insurer and the policyholder, subject to  
33 utilization controls. This subsection shall not  
34 require payment for nursing services provided by a  
35 certified nurse practicing in a hospital, nursing  
36 facility, health care institution, physician's office,  
37 or other noninstitutional setting if the certified  
38 nurse is an employee of the hospital, nursing  
39 facility, health care institution, physician, or other  
40 health care facility or health care provider. This  
41 subsection applies to group policies delivered or  
42 issued for delivery in this state on or after July 1,  
43 1989, and to existing group policies on their next  
44 anniversary or renewal dates, or upon expiration of  
45 the applicable collective bargaining contract, if any,  
46 whichever is later. This subsection does not apply to  
47 blanket, short-term travel, accident only, limited or  
48 specified disease, or individual or group conversion  
49 policies, policies rated on a community basis, or  
50 policies designed only for issuance to persons for

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1 eligible coverage under Title XVIII of the federal  
2 Social Security Act, or any other similar coverage  
3 under a state or federal government plan.  
4 Sec. 3. Section 514.7, Code 1989, is amended by  
5 adding the following new unnumbered paragraph:  
6 NEW UNNUMBERED PARAGRAPH. A provision shall be  
7 available in approved contracts with hospital and  
8 medical service corporate subscribers under group  
9 subscriber contracts or plans covering medical and  
10 surgical service, for payment of covered services  
11 determined to be medically necessary provided by  
12 certified registered nurses certified by a national  
13 certifying organization, which organization shall be  
14 identified by the Iowa board of nursing pursuant to  
15 rules adopted by the board, if the services are within  
16 the practice of the profession of a registered nurse  
17 as that practice is defined in section 152.1, under  
18 terms and conditions agreed upon between the  
19 corporation and subscriber group, subject to  
20 utilization controls. This paragraph shall not  
21 require payment for nursing services provided by a  
22 certified registered nurse practicing in a hospital,  
23 nursing facility, health care institution, a  
24 physician's office, or other noninstitutional setting  
25 if the certified registered nurse is an employee of  
26 the hospital, nursing facility, health care  
27 institution, physician, or other health care facility  
28 or health care provider. This paragraph applies to  
29 group subscriber contracts delivered in this state on  
30 or after July 1, 1989, and to group subscriber  
31 contracts on their anniversary or renewal date, or  
32 upon the expiration of the applicable collective  
33 bargaining contract, if any, whichever is the later.  
34 This paragraph does not apply to limited or specified  
35 disease or individual contracts or contracts designed  
36 only for issuance to subscribers eligible for coverage  
37 under Title XVIII of the federal Social Security Act,  
38 contracts which are rated on a community basis, or any  
39 other similar coverage under a state or federal  
40 government plan.

41 Sec. 4. Section 514.21, Code 1989, is amended to  
42 read as follows:

43 514.21 UTILIZATION REVIEW PROGRAM.

44 A utilization review program shall be established  
45 for purposes of health care cost control, according to  
46 usual and customary third-party insurance payment or  
47 reimbursement procedures, by a corporation subject to  
48 this chapter and by physician providers as defined in  
49 section 135.1 and registered nurse providers licensed  
50 under chapter 152. This utilization review program

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1 shall not be used directly or indirectly to circumvent  
2 the provisions for payment or reimbursement to  
3 providers of health care services as provided in  
4 section 509.3, subsection subsections 7 and 8, and  
5 section 514.7.

6 Sec. 5. Section 514B.1, subsection 2, Code 1989,  
7 is amended by adding the following new unnumbered  
8 paragraph:

9 NEW UNNUMBERED PARAGRAPH. The health care services  
10 available to enrollees under prepaid group plans  
11 covering hospital, medical, or surgical expenses, may  
12 include, at the option of the employer purchaser, a  
13 provision for payment of covered services determined  
14 to be medically necessary provided by a certified  
15 registered nurse certified by a national certifying  
16 organization, which organization shall be identified  
17 by the Iowa board of nursing pursuant to rules adopted  
18 by the board, if the services are within the practice  
19 of the profession of a registered nurse as that  
20 practice is defined in section 152.1, under terms and  
21 conditions agreed upon between the employer purchaser  
22 and the health maintenance organization, subject to  
23 utilization controls. This paragraph shall not  
24 require payment for nursing services provided by a  
25 certified registered nurse practicing in a hospital,  
26 nursing facility, health care institution, a  
27 physician's office, or other noninstitutional setting  
28 if the certified registered nurse is an employee of  
29 the hospital, nursing facility, health care  
30 institution, physician, or other health care facility  
31 or health care provider. This paragraph applies to  
32 services provided under plans within this state made  
33 on or after July 1, 1989, and to existing group plans  
34 on their next anniversary or renewal date, or upon the  
35 expiration of the applicable collective bargaining  
36 contract, if any, whichever is later. This paragraph  
37 does not apply to enrollees eligible for coverage  
38 under an individual contract or coverage designed only  
39 for issuance to enrollees eligible for coverage under  
40 Title XVIII of the federal Social Security Act, or  
41 under coverage which is rated on a community basis, or  
42 any other similar coverage under a state or federal  
43 government plan.

44 Sec. 6. Section 514F.1, Code 1989, is amended to  
45 read as follows:

46 514F.1 UTILIZATION AND COST CONTROL REVIEW  
47 COMMITTEES.

48 The boards of examiners under chapters 148, 149,  
49 150, 150A, 151, 152, and 153 shall establish  
50 utilization and cost control review committees of

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1 licensees under the respective chapters, selected from  
 2 licensees who have practiced in Iowa for at least the  
 3 previous five years, or shall accredit and designate  
 4 other utilization and cost control organizations as  
 5 utilization and cost control committees under this  
 6 section, for the purposes of utilization review of the  
 7 appropriateness of levels of treatment and of giving  
 8 opinions as to the reasonableness of charges for  
 9 diagnostic or treatment services of licensees.  
 10 Persons governed by the various chapters of Title XX  
 11 of the Code and self-insurers for health care benefits  
 12 to employees may utilize the services of the  
 13 utilization and cost control review committees upon  
 14 the payment of a reasonable fee for the services, to  
 15 be determined by the respective boards of examiners.  
 16 The respective boards of examiners under chapters 148,  
 17 149, 150, 150A, 151, 152, and 153 shall adopt rules  
 18 necessary and proper for the implementation of this  
 19 section pursuant to chapter 17A. It is the intent of  
 20 this general assembly that conduct of the utilization  
 21 and cost control review committees authorized under  
 22 this section shall be exempt from challenge under  
 23 federal or state antitrust laws or other similar laws  
 24 in regulation of trade or commerce.

25 Sec. 7. Section 514F.3, Code 1989, is amended to  
 26 read as follows:

27 514F.3 PREFERRED PROVIDERS.

28 The commissioner of insurance shall adopt rules for  
 29 preferred provider contracts and organizations, both  
 30 those that limit choice of specific provider and those  
 31 that do not. The rules adopted shall include, but not  
 32 be limited to, the following subjects: preferred  
 33 provider arrangements and participation requirements,  
 34 health benefit plans, and civil penalties. The rules  
 35 shall require that any group preferred provider  
 36 arrangement shall include the same benefits that are  
 37 covered by insurers under section 509.3, nonprofit  
 38 health service corporations under section 514.7, and  
 39 health maintenance organizations under section  
 40 514B.1."

41 2. Title page, by striking lines 1 through 4 and  
 42 inserting the following: "An Act relating to  
 43 insurance coverage for health care services, requiring  
 44 that coverage be made available for care provided by  
 45 certain registered nurses, providing for direct  
 46 payment, modifying provisions relating to preferred  
 47 providers, and providing for data collection and  
 48 utilization review."

By WALLY E. HORN

S-3570 FILED APRIL 6, 1989

ADOPTED

4-6-89 (P-1234)

*Howe, Ch.  
Call  
Sookholtz*

*SSB 226  
STATE GOVERNMENT*

SENATE FILE 480  
BY (PROPOSED COMMITTEE ON STATE  
GOVERNMENT BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ 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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1 Section 1. Section 145.3, subsection 3, paragraph h, Code  
2 1989, is amended to read as follows:

3 h. 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 licensed under chapter 152 and shall be made  
14 available annually.

15 Sec. 2. Section 509.3, Code 1989, is amended by adding the  
16 following new subsection:

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

28 Sec. 3. Section 514.1, unnumbered paragraph 1, Code 1989,  
29 is amended to read as follows:

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

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

24 Sec. 4. Section 514.5, unnumbered paragraph 2, Code 1989,  
25 is amended to read as follows:

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

31 Sec. 5. Section 514.7, Code 1989, is amended by adding the  
32 following new unnumbered paragraph:

33 NEW UNNUMBERED PARAGRAPH. A provision shall be made  
34 available in approved contracts with hospital and medical  
35 subscribers under group subscriber contracts or plans covering

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

10 Sec. 6. Section 514.21, Code 1989, is amended to read as  
11 follows:

12 514.21 UTILIZATION REVIEW PROGRAM.

13 A utilization review program shall be established for  
14 purposes of health care cost control, according to usual and  
15 customary third-party insurance payment or reimbursement  
16 procedures, by a corporation subject to this chapter and by  
17 physician providers as defined in section 135.1 and registered  
18 nurse providers licensed under chapter 152. This utilization  
19 review program shall not be used directly or indirectly to  
20 circumvent the provisions for payment or reimbursement to  
21 providers of health care services as provided in section  
22 509.3, ~~subsection~~ subsections 7 and 8, and section 514.7.

23 Sec. 7. Section 514.23, subsection 2, Code 1989, is  
24 amended to read as follows:

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

30 Sec. 8. Section 514B.1, subsection 2, Code 1989, is  
31 amended by adding the following new unnumbered paragraph:

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

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

8 Sec. 9. NEW SECTION. 514C.3 PAYMENT OR REIMBURSEMENT FOR  
9 NURSING SERVICES.

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

21 Sec. 10. Section 514F.1, Code 1989, is amended to read as  
22 follows:

23 514F.1 UTILIZATION AND COST CONTROL REVIEW COMMITTEES.

24 The boards of examiners under chapters 148, 149, 150, 150A,  
25 151, 152, and 153 shall establish utilization and cost control  
26 review committees of licensees under the respective chapters,  
27 selected from licensees who have practiced in Iowa for at  
28 least the previous five years, or shall accredit and designate  
29 other utilization and cost control organizations as  
30 utilization and cost control committees under this section,  
31 for the purposes of utilization review of the appropriateness  
32 of levels of treatment and of giving opinions as to the  
33 reasonableness of charges for diagnostic or treatment services  
34 of licensees. Persons governed by the various chapters of  
35 Title XX of the Code and self-insurers for health care

1 benefits to employees may utilize the services of the  
2 utilization and cost control review committees upon the  
3 payment of a reasonable fee for the services, to be determined  
4 by the respective boards of examiners. The respective boards  
5 of examiners under chapters 148, 149, 150, 150A, 151, 152, and  
6 153 shall adopt rules necessary and proper for the  
7 implementation of this section pursuant to chapter 17A. It is  
8 the intent of this general assembly that conduct of the  
9 utilization and cost control review committees authorized  
10 under this section shall be exempt from challenge under  
11 federal or state antitrust laws or other similar laws in  
12 regulation of trade or commerce.

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 509, 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

1 registered nurses.

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