

**CHAPTER 158****HEALTH CARE COVERAGE — PROJECTS***S.F. 380*

**AN ACT** relating to providing greater accessibility to health care and health care insurance coverage and establishing projects.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 96.3, Code 1993, is amended by adding the following new subsection:  
**NEW SUBSECTION. 10. HEALTH INSURANCE.** The division shall establish a program of health insurance or health care coverage under a group policy or contract provided pursuant to chapter 509, 514, or 514B by an underwriter for individuals receiving benefits under this chapter. The individual may elect to be covered by having the amount of the premium or payment deducted from benefits and remitted to the underwriter. The division shall adopt rules pursuant to chapter 17A to implement this program.

**Sec. 2. HEALTH INSURANCE PURCHASING COOPERATIVE PROJECTS.**

1. The commissioner of insurance shall adopt rules and a licensing procedure for establishing health insurance purchasing cooperative projects. The rules shall be drafted in consultation with the health care reform project. The rules shall include, at a minimum, all of the following:

a. Procedures to sanction voluntary agreements between competitors within the service region of a health insurance purchasing cooperative, upon a finding by the commissioner that the agreement will improve quality, access, or affordability of health care, but which agreement might be a violation of antitrust laws if undertaken without government direction and approval.

b. Procedures to assure ongoing supervision of contracts sanctioned under this subsection, in order to assure that the contracts do in fact improve quality, access, or affordability. Approval may be withdrawn on a prospective basis at the discretion of the commissioner to enforce the intent to improve quality, access, or affordability.

c. A requirement to review the plan of operation of a health insurance purchasing cooperative, and standards for approval or disapproval of a plan.

d. A requirement that a plan of operation include guaranteed access and rating practices no more restrictive than those required of small group health insurers under chapter 513B or 514H.

e. An annual report to be submitted to the general assembly and the Iowa health care reform project not later than February 1 of each year, describing the operations of all health insurance purchasing cooperatives, and permitting review of the success of health insurance purchasing cooperatives in furthering the goals of improved quality, access, or affordability. The report shall include any recommendations on whether additional health insurance purchasing cooperatives should be authorized and the manner in which they should be authorized.

2. Nothing in this section shall prevent the development of any other health insurance or health care purchasing cooperative otherwise permitted by law.

**Sec. 3. ORGANIZED DELIVERY SYSTEMS PROJECTS.**

1. The director of public health shall adopt rules and a licensing procedure for establishing organized delivery system projects. The rules shall be drafted in consultation with the health care reform project. The rules shall include, at a minimum, all of the following:

a. Procedures to sanction voluntary agreements between competitors within the service region of an organized delivery system, upon a finding by the director that the agreement will improve quality, access, or affordability of health care, but which agreement might be a violation of antitrust laws if undertaken without government direction and approval.

b. Procedures to assure ongoing supervision of contracts sanctioned under this subsection, in order to assure that the contracts do in fact improve quality, access, or affordability. Approval

may be withdrawn on a prospective basis at the discretion of the director to enforce the intent to improve quality, access, or affordability.

c. A requirement to review the plan of operation of an organized delivery system, and standards for approval or disapproval of a plan.

d. A requirement that a plan of operation include guaranteed access and rating practices no more restrictive than those required of small group health insurers under chapter 513B or 514H.

e. Solvency standards to assure an organized delivery system's ability to deliver promised services. Solvency oversight may be conducted by the division of insurance under an agreement with the Iowa department of public health, with examination fees paid as provided for health maintenance organizations.

f. An annual report to be submitted to the general assembly not later than February 1 of each year, describing the operations of all organized delivery systems, and permitting review of the success of organized delivery systems in furthering the goals of improved quality, access, or affordability. The report shall include any recommendations on whether additional organized delivery systems should be authorized and the manner in which they should be authorized.

2. Nothing in this section shall prevent the development of any other health care delivery system or provider organization otherwise permitted by law.

Sec. 4. EMERGENCY RULES. Pursuant to sections 1, 2, and 3 of this Act, the commissioner of insurance or the director of public health shall adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the provisions of this Act and the rules shall become effective immediately upon filing, unless a later effective date is specified in the rules. Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

Approved May 25, 1993

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## CHAPTER 159

### PROPERTY TAX EXEMPTION FOR RECYCLING PROPERTY

*S.F. 405*

**AN ACT** extending the pollution control equipment property tax exemption to property used for the recycling of waste plastic, wastepaper products, and waste paperboard.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 427.1, subsection 32, Code 1993, is amended to read as follows:

32. **POLLUTION CONTROL AND RECYCLING.** Pollution-control or recycling property as defined in this subsection shall be exempt from taxation to the extent provided in this subsection, upon compliance with the provisions of this subsection.

This exemption shall apply to new installations of pollution-control or recycling property beginning on January 1 after the construction or installation of the property is completed. This exemption shall apply beginning on January 1, 1975, to existing pollution-control property if its construction or installation was completed after September 23, 1970 and this exemption shall apply beginning January 1, 1994, to recycling property.

This exemption shall be limited to the market value, as defined in section 441.21, of the pollution-control or recycling property. If the pollution-control or recycling property is assessed with other property as a unit, this exemption shall be limited to the net market value added by the pollution-control or recycling property, determined as of the assessment date.