

514B.6 Powers of health maintenance organizations.

1. The powers of a health maintenance organization include, but are not limited to, the following:

a. The purchase, lease, construction, renovation, operation or maintenance of hospitals, medical facilities, or both, and their ancillary equipment, and such property as may reasonably be required for transacting the business of the organization.

b. The making of loans to a medical group under contract with it or to a corporation under its control for the purpose of acquiring or constructing medical facilities and hospitals or in furtherance of a program providing health care services to enrollees.

c. The furnishing of health care services to the public through providers which are under contract with or employed by the health maintenance organization.

d. The contracting with any person for the performance on its behalf of certain functions such as marketing, enrollment and administration.

e. The contracting with an insurance company authorized to insure groups or individuals in this state for the cost of health care or with a corporation authorized under [chapter 514](#) for the provision of insurance, indemnity, or reimbursement against the cost of health care services provided by the health maintenance organization.

f. The offering, in addition to basic health care services, of health care services and indemnity benefits to enrollees or groups of enrollees.

g. The acceptance from any person of payments covering all or part of the charges made to enrollees of the health maintenance organization.

2. A health maintenance organization shall file notice with the commissioner before the exercise of any power granted in [subsection 1](#), paragraphs “a” and “b”. The commissioner shall disapprove the exercise of power if in the commissioner’s opinion it would substantially and adversely affect the financial soundness of the health maintenance organization and endanger its ability to meet its obligations. The commissioner may adopt rules exempting from the filing requirement of [this section](#) those activities having a minimum effect.

[C75, 77, 79, 81, §514B.6]

[92 Acts, ch 1162, §24](#); [2012 Acts, ch 1023, §118](#)

Referred to in [§514B.15](#)