Senate Amendment 5172

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Amend House File 2539, as amended, passed, and 2 reprinted by the House, as follows: 3 #1. By striking page 1, line 3, through page 2, 4 line 4, and inserting the following: <Section 1. DECLARATION OF INTENT.</pre> 6 1. It is the intent of the general assembly to 7 progress toward achievement of the goal that all 8 Iowans have health care coverage with the following 9 priorities:

The goal that all children in the state have 10 11 health care coverage which meets certain standards of 12 quality and affordability with the following

13 priorities:

- (1) Covering all children who are declared 15 eligible for the medical assistance program or the 16 hawk=i program pursuant to chapter 514I no later than 17 January 1, 2011. 18 (2) Building upon the current hawk=i program by
- 19 creating a hawk=i expansion program to provide 20 coverage to children who meet the hawk=i program's 21 eligibility criteria but whose income is at or below 22 three hundred percent of the federal poverty level, 23 beginning July 1, 2009.
- (3) If federal reauthorization of the state 2.4 25 children's health insurance program provides 26 sufficient federal allocations to the state and 27 authorization to cover such children as an option 28 under the state children's health insurance program, 29 requiring the department of human services to expand 30 coverage under the state children's health insurance 31 program to cover children with family incomes at or 32 below three hundred percent of the federal poverty 33 level, with appropriate cost sharing established for 34 families with incomes above two hundred percent of the 35 federal poverty level.
- Moving toward a requirement that all parents 36 (4) 37 of children less than nineteen years of age must 38 provide proof of qualified health care coverage which 39 meets certain standards of quality and affordability 40 beginning January 1, 2011.
 41 b. The goal that the Iowa comprehensive health
- 42 insurance association, in consultation with the 43 advisory council established in section 514E.5A, 44 provide access to unsubsidized, affordable, qualified 45 health care coverage for children, adults, and 46 families with family incomes as specified under the 47 Iowa choice health care coverage program who are not 48 otherwise eligible for health care coverage through 49 public programs.
- The goal of decreasing health care costs and c. 1 health care coverage costs by:
- (1) Instituting health insurance reforms that 3 assure the availability of private health insurance 4 coverage for Iowans by addressing issues involving 5 guaranteed availability and issuance to applicants, 6 preexisting condition exclusions, portability, and 7 allowable or required pooling and rating 8 classifications.
- (2) Requiring children who have health care 10 coverage through a public program administered by the 11 state, with the exception of any public program that 12 provides health care coverage through private 13 insurers, and children who are insured through plans 14 created by the Iowa choice health care coverage 15 program to have a medical home.
 - (3) Establishing a statewide health information
- 17 technology system.
 18 (4) Implementing cost containment strategies and 19 initiatives such as chronic care management, long=term 20 living planning and patient autonomy in health care 21 decision making, and transparency in health care costs 22 and quality information.> Page 2, by inserting before line 5 the $23 \pm 2.$

24 following:

<DIVISION HAWK=I AND MEDICAID EXPANSION 26 Sec._ Section 249A.3, subsection 1, paragraph 2.7 Code Supplement 2007, is amended to read as 29 follows: 1. Is an infant whose income is not more than two 31 hundred percent of the federal poverty level, as 32 defined by the most recently revised income guidelines 33 published by the United States department of health 34 and human services. Additionally, effective July 1, 35 2009, medical assistance shall be provided to an 36 infant whose family income is at or below three 37 hundred percent of the federal poverty level, as 38 defined by the most recently revised poverty income 39 guidelines published by the United States department 40 of health and human services. 41 Sec. ____. Section 514I.1, subsection 4, Code 2007, 42 is amended to read as follows: 4. It is the intent of the general assembly that 2 44 the hawk=i program be an integral part of the 45 continuum of health insurance coverage and that the 2 46 program be developed and implemented in such a manner 2 47 as to facilitate movement of families between health 48 insurance providers and to facilitate the transition 49 of families to private sector health insurance 2 50 coverage. It is the intent of the general assembly in developing such continuum of health insurance coverage 2 and in facilitating such transition, that beginning 3 July 1, 2009, the department implement the hawk=i 4 expansion program. 5 Sec. ___. Section 514I.1, Code 2 6 adding the following new subsection: Sec. Section 514I.1, Code 2007, is amended by 7 <u>NEW SUBSECTION</u>. 5. It is the intent of the 8 general assembly that if federal reauthorization of 9 the state children's health insurance program provides 10 sufficient federal allocations to the state and 11 authorization to cover such children as an option 12 under the state children's health insurance program, 13 the department shall expand coverage under the state 14 children's health insurance program to cover children 15 with family incomes at or below three hundred percent 16 of the federal poverty level. 17 Sec. ____. Section 514I.2, Code 2007, is amended by 18 adding the following new subsection: 19 <u>NEW SUBSECTION</u>. 7A. "Hawk=i expansion program" or 20 "hawk=i expansion" means the healthy and well kids in "Hawk=i expansion program" or 21 Iowa expansion program created in section 514I.12 to 22 provide health insurance to children who meet the 23 hawk=i program eligibility criteria pursuant to 24 section 514I.8, with the exception of the family 25 income criteria, and whose family income is at or 26 below three hundred percent of the federal poverty 27 level exclusive of any income disregards, as defined 28 by the most recently revised poverty income guidelines 29 published by the United States department of health 30 and human services. ___. Section 514I.5, subsection 7, paragraph 31 Sec. _ 32 d, Code Supplement 2007, is amended to read as 33 follows: 34 d. (1) Develop, with the assistance of the 35 department, an outreach plan, and provide for periodic 36 assessment of the effectiveness of the outreach plan. 37 The plan shall provide outreach to families of 38 children likely to be eligible for assistance under 39 the program, to inform them of the availability of and 40 to assist the families in enrolling children in the 41 program. The outreach efforts may include, but are 42 not limited to, solicitation of cooperation from 43 programs, agencies, and other persons who are likely 44 to have contact with eligible children, including but 45 not limited to those associated with the educational 46 system, and the development of community plans for 47 outreach and marketing. (2) Beginning July 1, 2008, develop, with the 3 48 assistance of the department, enhanced outreach, 50 enrollment, and reenrollment strategies to ensure 1 eligible children are enrolled and continue to be 2 enrolled in the hawk=i program and the medical 3 assistance program. The strategies shall include but 4 are not limited to working with and supporting 5 community=based organizations, schools, voluntary tax

assistance sites, and other organizations that are likely to have contact with families of children 8 likely to be eligible for assistance under the 9 programs, and designing and implementing other 10 marketing and communications campaigns. The 4 11 strategies shall also include but are not limited to 12 examining hawk=i and medical assistance program 13 reenrollment statistics and procedures, establishing 4 14 reenrollment goals and expectations for the hawk=i and 15 medical assistance programs, and coordinating and 16 streamlining reenrollment procedures between the 17 hawk=i and medical assistance programs, based upon 4 18 best practices in other states. The board shall 19 provide progress reports at six=month intervals
20 beginning September 1, 2008, to the governor and the 4 21 general assembly. Section 514I.5, subsection 7, Code Sec. 23 Supplement 2007, is amended by adding the following 4 24 new paragraph: NEW PARAGRAPH. 1. Develop a design for a premium 26 assistance program for the hawk=i program to provide 2.5 27 options to allow children eligible for the hawk=i 28 program to participate in qualified employer=sponsored 29 health plans. The design shall ensure reasonable 30 alignment between the benefits and costs of the hawk=i 31 program and the employer=sponsored health plans. 32 design shall be completed by January 1, 2009, and 4 33 submitted to the governor and the general assembly for 4 34 consideration as part of the hawk=i program. 35 Sec. ___. Section 514I.7, subsection 2, paragraph 36 a, Code 2007, is amended to read as follows:
37 a. Determine individual eligibility for program 4 38 enrollment based upon review of completed applications 39 and supporting documentation. The administrative 40 contractor shall not enroll a child who has group 4 41 health coverage or any child who has dropped coverage 4 42 in the previous six months, unless the coverage was 4 43 involuntarily lost or unless the reason for dropping 44 coverage is allowed by rule of the board. Sec. ____. Section 514I.10, subsection 2, Code 4 45 4 46 2007, is amended to read as follows: 4 47 2. Cost sharing for eligible children whose family 4 48 income equals or exceeds is one hundred fifty percent 49 <u>but does not exceed two hundred percent</u> of the federal 50 poverty level may include a premium or copayment 1 amount which does not exceed five percent of the 2 annual family income. The amount of any premium or 3 the copayment amount shall be based on family income 5 4 and size. 5 Sec. Section 514I.11, subsections 1 and 3, 6 Code 2007, are amended to read as follows: 5 1. A hawk=i trust fund is created in the state 8 treasury under the authority of the department of 9 human services, in which all appropriations and other 10 revenues of the program and the hawk=i expansion program such as grants, contributions, and participant 12 payments shall be deposited and used for the purposes 13 of the program and the hawk=i expansion program. The 14 moneys in the fund shall not be considered revenue of 15 the state, but rather shall be funds of the program. 16 3. Moneys in the fund are appropriated to the 17 department and shall be used to offset any program <u>and</u> 18 hawk=i expansion program costs.
19 Sec. NEW SECTION. 514
20 PROGRAM. 514I.12 HAWK=I EXPANSION 1. All children less than nineteen years of age 22 who meet the hawk=i program eligibility criteria 23 pursuant to section 514I.8, with the exception of the 24 family income criteria, and whose family income is at 25 or below three hundred percent of the federal poverty 26 level exclusive of any income disregards, shall be 27 eligible for the hawk=i expansion program. 2. To the greatest extent possible, the provisions 29 of section 514I.4, relating to the director and 30 department duties and powers, section 514I.5 relating 31 to the hawk=i board, section 514I.6 relating to 32 participating insurers, and section 514I.7 relating to 33 the administrative contractor shall apply to the 34 hawk=i expansion program. The department shall adopt 35 any rules necessary, pursuant to chapter 17A, and 36 shall amend any existing contracts to facilitate the

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5 37 application of such sections to the hawk=i expansion
5 38 program.
         3. The hawk=i board shall establish by rule
5 40 pursuant to chapter 17A, the cost=sharing amounts for 5 41 children under the hawk=i expansion program. The
  42 rules shall include criteria for modification of the
  43 cost=sharing amounts by the board. Beginning July 1,
  44 2009, the board shall establish the cost=sharing
  45 amounts under the hawk=i expansion program as follows:
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        a. For children with family incomes of more than
  47 two hundred percent but less than two hundred fifty
  48 percent of the federal poverty level, the monthly
  49 cost=sharing amount shall be not less than ten dollars
  50 per individual and twenty dollars per family if not
   1 otherwise prohibited by federal law.
        b. For children with family incomes of at least
   3 two hundred fifty percent but at or below three 4 hundred percent of the federal poverty level, the
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   5 monthly cost=sharing amount shall be forty dollars per
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   6 individual and eighty dollars per family if not
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   7 otherwise prohibited by federal law.
                    MEDICAL ASSISTANCE, HAWK=I, AND HAWK=I
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        Sec.
   9 EXPANSION PROGRAMS == COVERING CHILDREN ==
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  10 APPROPRIATION. There is appropriated from the
  11 general fund of the state to the department of human
  12 services for the designated fiscal years, the
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  13 following amounts, or so much thereof as is necessary,
  14 for the purpose designated:
         To cover children as provided in this Act under the
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  16 medical assistance, hawk=i, and hawk=i expansion
  17 programs and outreach under the current structure of 18 the programs:
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         Sec. ____. Section 514E.1, Code 2007, is amended by
  25 adding the following new subsections:
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         <u>NEW SUBSECTION</u>. OA.
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                                 "Advisory council" means the
  27 advisory council created in section 514E.5A.
28 NEW SUBSECTION. 6A. "Eligible individual" means
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  29 an individual who satisfies the eligibility
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  30 requirements for participation in the Iowa choice
  31 health care coverage program as provided by the
  32 association by rule.
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        NEW SUBSECTION. 14A.
                                   "Iowa choice health care
  34 coverage program" means the Iowa choice health care 35 coverage program established in this chapter.
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  36 <u>NEW SUBSECTION</u>. 14B. "Iowa choice health care 37 policy" means an individual or group policy issued by
  38 the association that provides the coverage set forth
  39 in the benefit plans adopted by the association's
6 40 board of directors and approved by the commissioner
  41 for the Iowa choice health care coverage program.
                                   "Iowa choice health
         NEW SUBSECTION. 14C.
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  43 insurance" means the health insurance product
  44 established by the Iowa choice health care coverage
45 program that is offered by a private health insurance
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  46 carrier.
  47 \, NEW SUBSECTION. 14D. "Iowa choice health 48 insurance carrier" means any entity licensed by the
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  49 division of insurance of the department of commerce to
  50 provide health insurance in Iowa or an organized
   1 delivery system licensed by the director of public
   2 health that has contracted with the association to
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   3 provide health insurance coverage to eligible
   4 individuals under the Iowa choice health care coverage
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   5 program.
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        NEW SUBSECTION.
                            21.
                                  "Qualified health care
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   7 coverage means creditable coverage which meets
   8 minimum standards of quality and affordability as
   9 determined by the association by rule.
  10 Sec. ____. Section 514E.2, subsections 1 and 3, 11 Code 2007, are amended to read as follows: 12 1. The Iowa comprehensive health insurance
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  13 association is established as a nonprofit corporation.
  14 The association shall assure that benefit plans as
  15 authorized in section 514E.1, subsection 2, for
7 16 association policy, are made available to each
7 17 eligible Iowa resident and each federally eligible
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7 18 individual applying to the association for coverage. 7 19 The association shall also be responsible for 7 20 administering the Iowa individual health benefit 21 reinsurance association pursuant to all of the terms 22 and conditions contained in chapter 513C. 23 association shall also assure that benefit plans as 24 authorized in section 514E.1, subsection 14C, for an 25 Iowa choice health care policy are made available to 26 each eligible individual applying to the association <u>27 for coverage.</u> a. All carriers and all organized delivery systems 29 licensed by the director of public health providing 30 health insurance or health care services in Iowa, 31 whether on an individual or group basis, and all other 32 insurers designated by the association's board of 33 directors and approved by the commissioner shall be 34 members of the association. The association shall operate under a plan of 36 operation established and approved under subsection 3 37 and shall exercise its powers through a board of 38 directors established under this section. 3. The association shall submit to the 39 40 commissioner a plan of operation for the association 41 and any amendments necessary or suitable to assure the 42 fair, reasonable, and equitable administration of the 7 43 association. The plan of operation shall include 7 44 provisions for the issuance of Iowa choice health care
7 45 policies and shall include provisions for the
7 46 implementation of the Iowa choice health care coverage 47 program established in section 514E.5. In developing 48 the plan of operation for the Iowa choice health care 49 coverage program, the association shall give deference 7 50 to the recommendations made by the advisory council as 1 provided in section 514E.5A, subsection 1. The 2 association shall approve or disapprove but shall 3 modify recommendations made by the advisory council. 4 Recommendations that are approved shall be included in 5 the plan of operation submitted to the commissioner. 6 Recommendations that are disapproved shall be 7 submitted to the commissioner with reasons for the 8 disapproval. The plan of operation becomes effective 9 upon approval in writing by the commissioner prior to 8 10 the date on which the coverage under this chapter must 11 be made available. After notice and hearing, the 12 commissioner shall approve the plan of operation if 8 13 the plan is determined to be suitable to assure the 14 fair, reasonable, and equitable administration of the 15 association, and provides for the sharing of 16 association losses, if any, on an equitable and 17 proportionate basis among the member carriers. 18 association fails to submit a suitable plan of 19 operation within one hundred eighty days after the 20 appointment of the board of directors, or if at any 21 later time the association fails to submit suitable 22 amendments to the plan, the commissioner shall adopt, 23 pursuant to chapter 17A, rules necessary to implement 8 24 this section. The rules shall continue in force until 25 modified by the commissioner or superseded by a plan 26 submitted by the association and approved by the 27 commissioner. In addition to other requirements, the 28 plan of operation shall provide for all of the 8 29 following: 8 8 30 a. The handling and accounting of assets and 8 31 moneys of the association. b. The amount and method of reimbursing members of 8 33 the board. 8 34 c. Regular times and places for meeting of the 8 35 board of directors. d. Records to be kept of all financial 36 37 transactions, and the annual fiscal reporting to the 8 38 commissioner. Procedures for selecting the board of directors 8 40 and submitting the selections to the commissioner for 8 41 approval. 42 f. The periodic advertising of the general 43 availability of health insurance coverage from the 44 association. g. Additional provisions necessary or proper for 8 45 8 46 the execution of the powers and duties of the

association.
Sec. NEW SECTION. 514E.5 IOWA CHOICE HEALTH

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8 49 CARE COVERAGE PROGRAM. 1. The association, in consultation with the 1 advisory council, shall establish the Iowa choice 2 health care coverage program to provide access by 3 January 1, 2010, to unsubsidized, affordable, 4 qualified health care coverage to all Iowa children 5 less than nineteen years of age with a family income 6 that is more three hundred percent of the federal 7 poverty level and to adults and families with a family 9 8 income that is less than four hundred percent of the 9 federal poverty level. However, a child, adult, or 10 family shall not be eligible for health care coverage 11 under the Iowa choice health care coverage program if 12 the child, adult, or family is enrolled in group 13 health coverage or has dropped coverage in the 14 previous six months, unless the coverage was 15 involuntarily lost or unless the reason for dropping 16 coverage is allowed by rule of the association, in 17 consultation with the advisory council. 2. 18 All children less than nineteen years of age 19 shall be required to have qualified health care 20 coverage beginning January 1, 2011. All parents or 21 legal guardians of children less than nineteen years 22 of age shall be required to provide proof that each 23 child has qualified health care coverage at a time and 24 in a manner as specified by the association by rule. 25 Implementation of this requirement may include a 26 coverage reporting requirement on Iowa income tax 27 returns or during school registration. 28 association shall develop an operational plan to 29 implement this reporting requirement and submit the 30 plan to the general assembly for review by January 1, 31 2010. This subsection is not applicable to a child 32 whose parent or legal guardian submits a signed 33 affidavit to the association stating that the 34 requirement to have health care coverage conflicts 35 with a genuine and sincere religious belief. 36 3. The association, in consultation with the 37 advisory council, shall define what constitutes 38 qualified health care coverage for children less than 39 nineteen years of age. An Iowa choice health care 40 policy for such children shall provide qualified 41 health care coverage. For the purposes of this 42 definition and for designing Iowa choice health care 43 policies for children, requirements for coverage and 44 benefits shall include but are not limited to all of 45 the following: a. Inpatient hospital services including medical, 47 surgical, intensive care unit, mental health, and 48 substance abuse services. 49 b. Nursing care services including skilled nursing 9 50 facility services. 10 c. Outpatient hospital services including 10 2 emergency room, surgery, lab, and x=ray services and 10 other services. 10 Physician services, including surgical and 10 5 medical, office visits, newborn care, well=baby and 10 well=child care, immunizations, urgent care, specialist care, allergy testing and treatment, mental 10 10 8 health visits, and substance abuse visits. 10 Ambulance services. e. 10 10 f. Physical therapy. 10 11 Speech therapy. g. 10 12 h. Durable medical equipment. 10 13 Home health care. i. 10 14 j. Hospice services. 10 15 k. Prescription drugs. Dental services including preventive services. 10 16 1. 10 17 Medically necessary hearing services. m. 10 18 Vision services including corrective lenses. n. 10 19 No underwriting requirements and no preexisting Ο. 10 20 condition exclusions. Chiropractic services. 10 21 p. 22 4. The association, in consultation with the 23 advisory council, shall develop Iowa choice health 10 22 10 10 24 care policy options that are available for purchase 10 25 for children less than nineteen years of age with a 10 26 family income that is more than three hundred percent 27 of the federal poverty level. The program shall

10 28 require a copayment in an amount determined by the 10 29 association for all services received under such a

10 30 policy except that the contribution requirement for 10 31 all cost=sharing expenses of the policy shall be an 10 32 amount that is no more than two percent of family 10 33 income per each child covered, up to a maximum of six 10 34 and one=half percent of family income per family. 10 35 Policies developed pursuant to this subsection shall 10 36 be available for purchase no later than January 1, 10 37 2010.

10 38 The association, in consultation with the 10 39 advisory council, shall define what constitutes 10 40 qualified health care coverage for adults and families 10 41 who are not eligible for a public program and have a 10 42 family income that is less than four hundred percent 10 43 of the federal poverty level. Iowa choice health care 10 44 policies for adults and families shall provide 10 45 qualified health care coverage. The association, in 10 46 consultation with the advisory council, shall develop 10 47 Iowa choice health care policy options that are 10 48 available for purchase by adults and families who are 10 49 not eligible for a public program and have a family 10 50 income that is less than four hundred percent of the 1 federal poverty level. The Iowa choice health care 11 11 2 policy options that are offered for purchase by such 11 3 adults and families shall provide a selection of 4 health benefit plans and standardized benefits with 11 11 5 the objective of providing health care coverage for 11 6 which all cost=sharing expenses do not exceed six and 11 7 one=half percent of family income. Policies developed 8 pursuant to this subsection shall be available for 11 11 9 purchase no later than January 1, 2010.

11 10 6. The Iowa choice health care coverage program 11 11 shall provide for health benefits coverage through 11 12 private health insurance carriers that apply to the 11 13 association and meet the qualifications described in 14 this section and any additional qualifications 11 15 established by rules of the association. 11 16 choice health care coverage program shall provide for 17 the sale of Iowa choice health care policies by 11 18 licensed insurance producers that apply to the 11 19 association and meet the qualifications established by 11 20 rules of the association. The association shall 11 21 collaborate with potential Iowa choice health 11 22 insurance carriers to do the following, including but 11 23 not limited to:

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Assure the availability of private qualified 11 25 health care coverage to all eligible individuals by 11 26 designing solutions to issues relating to guaranteed 27 issuance of insurance, preexisting condition 11 28 exclusions, portability, and allowable pooling and 11 29 rating classifications.

Formulate principles that ensure fair and b. 31 appropriate practices relating to issues involving 11 32 individual Iowa choice health care policies such as 11 33 recision and preexisting condition clauses, and that 11 34 provide for a binding third=party review process to 11 35 resolve disputes related to such issues.

11 36 c. Design affordable, portable Iowa choice health 11 37 care policies that specifically meet the needs of 11 38 eligible individuals.

11 39 7. The association, in administering the Iowa 11 40 choice health care coverage program, may do any of the 11 41 following:

a. Seek and receive any grant funding from the 11 43 federal government, departments, or agencies of this 11 44 state, and private foundations.

b. Contract with professional service firms as may 11 46 be necessary, and fix their compensation.

c. Employ persons necessary to carry out the 11 48 duties of the program.

d. Design a premium schedule to be published by 11 50 the association by December 1 of each year, which includes the development of rating factors that are 2 consistent with market conditions.

8. The association shall submit an annual report 4 to the governor and the general assembly at the end of 5 the Iowa choice health care coverage program's fiscal 6 year of all the activities of the program including 7 but not limited to membership in the program, the 8 administrative expenses of the program, the extent of 9 coverage, the effect on premiums, the number of

12 10 covered lives, the number of Iowa choice health care

12 11 policies issued or renewed, and Iowa choice health 12 12 care coverage program premiums earned and claims 12 13 incurred by Iowa choice health insurance carriers 12 14 offering Iowa choice health care policies. The 12 15 association shall also report specifically on the 12 16 impact of the program on the small group and 12 17 individual health insurance markets and any reduction 12 18 in the number of uninsured individuals in the state. 9. The association may grant not more than two 12 19

12 20 six=month extensions of the deadlines established in 12 21 this section as deemed necessary by the association to 12 22 promote orderly administration of the program and to 12 23 facilitate public outreach and information concerning 12 24 the program. 12 25

10. Any state obligation to provide services 12 26 pursuant to this section is limited to the extent of 12 27 the funds appropriated or provided for implementation 12 28 of this section.

11. Section 514E.7 is not applicable to Iowa 12 30 choice health care policies issued pursuant to this 12 31 section.

NEW SECTION. 514E.5A ADVISORY COUNCIL. Sec. An advisory council is created for the purpose 12 34 of assisting the association with the development and 35 implementation of the Iowa choice health care coverage 12 36 program. The advisory council shall make 12 37 recommendations to the association concerning the plan 38 of operation for the Iowa choice health care coverage 12 39 program, including but not limited to a definition of 12 40 what constitutes qualified health care coverage, 12 41 suggestions for the design of Iowa choice health 12 42 insurance options, implementation of the health care 12 43 coverage reporting requirement, and plans for 12 44 implementing the Iowa choice health care coverage 12 45 program.

2. The advisory council consists of the following 12 47 persons who are voting members unless otherwise 12 48 provided:

- a. The two most recent former governors, or if one 12 50 or both of them are unable or unwilling to serve, a
 - 1 person or persons appointed by the governor. The commissioner of insurance, or a designee. b. The director of human services, or a designee.
 - d. Five members appointed by the governor, subject to confirmation by the senate:
 - (1) An actuary who is a member in good standing of the American academy of actuaries.
 - (2) A health economist.
 - (3) A consumer.

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- (4) A representative of organized labor.(5) A representative of an organization of 13 11 13 12 employers. 13 13
- e. Four members of the general assembly, one 13 14 appointed by the speaker of the house of 13 15 representatives, one appointed by the minority leader 13 16 of the house of representatives, one appointed by the 13 17 majority leader of the senate, and one appointed by 13 18 the minority leader of the senate who shall be ex 13 19 officio, nonvoting members of the advisory council.
- 3. The members of the council appointed by the 13 21 governor shall be appointed for terms of six years 13 22 beginning and ending as provided in section 69.19. 13 23 Such a member of the board is eligible for 13 24 reappointment. The governor shall fill a vacancy for 13 25 the remainder of the unexpired term.
- 4. The members of the council shall annually elect 13 27 one voting member as chairperson and one as vice 13 28 chairperson. Meetings of the council shall be held at 29 the call of the chairperson or at the request of a 13 30 majority of the council's members.
- The members of the council shall not receive 13 31 5. 32 compensation for the performance of their duties as 13 33 members but each member shall be paid necessary 13 34 expenses while engaged in the performance of duties of 35 the council.
- 13 The members of the council are subject to and 13 36 6. 13 37 are officials within the meaning of chapter 68B.

13 38 NEW SECTION. 514E.6 Sec. IOWA CHOICE HEALTH 13 39 CARE COVERAGE PROGRAM FUND == APPROPRIATION.

The Iowa choice health care coverage program fund 13 41 is created in the state treasury as a separate fund

13 42 under the control of the association for deposit of 13 43 any funds for initial operating expenses of the Iowa 13 44 choice health care coverage program, payments made by 13 45 employers and individuals, and any funds received from 13 46 any public or private source. All moneys credited to 13 47 the fund are appropriated and available to the 13 48 association to be used for the purposes of the Iowa 13 49 choice health care coverage program. Notwithstanding 13 50 section 8.33, any balance in the fund on June 30 of 14 1 each fiscal year shall not revert to the general fund 2 of the state, but shall be available for the purposes 3 set forth for the program in this chapter in 14 14 14 4 subsequent years. 14

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5 Sec. ___. IOWA CHOICE HEALTH CARE COVERAGE PROGRAM 6 == APPROPRIATION. There is appropriated from the 7 general fund of the state to the insurance division of 8 the department of commerce for the fiscal year 9 beginning July 1, 2008, and ending June 30, 2009, the 14 10 following amount, or so much thereof as is necessary, 14 11 for the purpose designated:

For deposit in the Iowa choice health care coverage 14 13 program fund existing in section 514E.6, for the 14 14 activities of the Iowa choice health care coverage 14 15 program:

50,000 14 16 \$

DIVISION

BUREAU OF HEALTH INSURANCE OVERSIGHT Sec. _. <u>NEW SECTION</u>. 505.8A BUREAU OF HEALTH 14 20 INSURANCE OVERSIGHT.

1. The bureau of health insurance oversight is 14 21 14 22 created in the insurance division of the department of 14 23 commerce to promote uniformity and transparency in the 14 24 administrative and operational business requirements 14 25 and practices that are imposed by health insurers upon 14 26 health care providers for the purpose of maximizing 14 27 administrative efficiencies and minimizing 14 28 administrative costs of health care providers that 14 29 contract with or otherwise have business relationships 14 30 with health insurers.

- 2. The bureau of health insurance oversight shall 14 32 have jurisdiction over administrative and operational 14 33 policies, processes, and practices of health insurers 14 34 that are imposed upon or otherwise affect health care 14 35 providers, including but not limited to eligibility 14 36 determinations; coordination of benefits; claims 14 37 administration; noncompliance with contract terms and 14 38 conditions; preauthorization, notification, or 14 39 accreditation programming; notice to providers; and 14 40 sanctions.
- 14 41 3. The commissioner of insurance shall establish a 14 42 process for the filing, receipt, and investigation of 14 43 complaints by health care providers regarding 14 44 administrative and operational requirements and 14 45 practices of health insurers that impede 14 46 administrative efficiency, add administrative costs, 14 47 or otherwise impair the provider's ability to provide 14 48 affordable, quality health care services. For 14 49 purposes of this section, complaints may be filed on 14 50 behalf of such providers by a professional society 1 that advocates on behalf of the interests of their 2 provider members.
 - The commissioner shall require health insurers 4 to file with the bureau of health insurance oversight 5 each contract the insurer offers to health care 6 providers in this state, at least ninety days prior to 7 offering that contract to a health care provider. The 8 filed contracts shall be accessible to the public upon 9 request.
- 15 10 5. The commissioner may, from time to time, 15 11 convene representatives of health insurers, health 15 12 care providers, and other interested persons, to 13 discuss administrative or operational policies, 15 14 processes, or practices of health insurers that affect 15 15 health care providers and to recommend ways to improve 16 upon such policies, processes, or practices to foster 15 17 uniformity and transparency and to minimize 15 18 administrative costs to health care providers.
- 15 19 6. The commissioner shall identify administrative 15 20 and operational policies, processes, or practices that 15 21 merit regulatory intervention or direction by the 15 22 commissioner and shall take action as appropriate

15 23 within the commissioner's authority to effectuate the 15 24 purposes of this section. 7. The commissioner shall develop for is 26 implementation, uniform billing practices, including to 27 uniform claim forms, billing codes, and compatible interchange standards for uniform claim forms. 15 28 electronic or other data interchange standards for use 15 29 by health care providers and payers in their health 15 30 care claims, health care encounters, and electronic or 15 31 other data interchange activities. 15 32 8. The commissioner may make recommendations to 15 33 the general assembly and the governor regarding 15 34 legislation affecting health insurers' administrative 15 35 and operational business requirements and practices 15 36 imposed upon health care providers for the purpose of 15 37 furthering uniformity, advancing health insurer 15 38 transparency of such requirements and practices, and 15 39 lessening administrative costs to health care 15 40 providers. 15 41 9. The commissioner shall adopt rules under $15\ 42\ \text{chapter}\ 17\text{A}$ as necessary to carry out the provisions 15 43 of this section. 15 44 10. As used in this section, unless the context 15 45 requires otherwise: 15 46 a. "Health care provider" means a physician 15 47 licensed under chapter 148, 150, or 150A. 15 48 b. "Health insurer" means any entity which 15 49 provides a health benefit plan. 15 50 BUREAU OF HEALTH INSURANCE OVERSIGHT == 1 APPROPRIATION. There is appropriated from the general 16 16 2 fund of the state to the insurance division of the 3 department of commerce for the fiscal year beginning 4 July 1, 2008, and ending June 30, 2009, the following 16 16 16 5 amount, or so much thereof as is necessary, for the 6 purpose designated: 16 For administration of the bureau of health 16 8 insurance oversight created in section 505.8A: 16 <000,08 16 11 inserting the following: 16 12 <___. "Commission" means th 16 13 health information commission.> "Commission" means the Iowa electronic 16 14 #4. By striking page 4, line 35, through page 8, 16 15 line 34, and inserting the following: NEW SECTION. 135.156 IOWA ELECTRONIC <Sec. 16 16 16 17 HEALTH INFORMATION COMMISSION. 16 18 1. a. An electronic health information commission 16 19 is created as a public and private collaborative 20 effort to promote the adoption and use of health 16 16 21 information technology in this state in order to 16 22 improve health care quality, increase patient safety, 16 23 reduce health care costs, enhance public health, and 16 24 empower individuals and health care professionals with 16 25 comprehensive, real=time medical information to 16 26 provide continuity of care and make the best health 27 care decisions. The commission shall provide 16 28 oversight for the development, implementation, and 16 29 coordination of an interoperable electronic health 16 30 records system, telehealth expansion efforts, the 16 31 health information technology infrastructure, and 16 32 other health information technology initiatives in 16 33 this state. 16 b. All health information technology efforts shall 16 35 endeavor to represent the interests and meet the needs 16 36 of consumers and the health care sector, protect the 37 privacy of individuals and the confidentiality of 16 38 individuals' information, promote physician best 16 39 practices, and make information easily accessible to 16 40 the appropriate parties. The system developed shall 16 41 be consumer=driven, flexible, and expandable 16 42 2. The commission shall consist of the following 16 43 voting members: 16 44 Individuals with broad experience and vision in 16 45 health care and health information technology and one 16 46 member representing the health care consumer. 16 47 voting members shall be appointed by the governor, 16 48 subject to confirmation by the senate. The voting 16 49 members shall include all of the following: 16 50 (1) The director of the Iowa communications 17 1 network. 17 (2) Three members who are the chief information

3 officers of the three largest private health care

17 4 systems. 17 5 (3) One member who is the chief information 17 6 officer of a public health care system. 17 (4) A representative of the private 17 8 telecommunications industry. 17 (5) A representative of a rural hospital that is a 17 10 member of the Iowa hospital association. 17 11 (6) A consumer advocate. 17 12 (7) A representative of the Iowa safety net 17 13 provider network created in section 135.153. 17 14 3. a. The members shall select a chairperson, 17 15 annually, from among the membership, and shall serve 17 16 terms of three years beginning and ending as provided 17 in section 69.19. Voting member appointments shall 17 18 comply with sections 69.16 and 69.16A. Vacancies 17 19 shall be filled by the original appointing authority 17 20 and in the manner of the original appointments. 17 21 Members shall receive reimbursement for actual 17 22 expenses incurred while serving in their official 17 23 capacity and voting members may also be eligible to 17 24 receive compensation as provided in section 7E.6. A 17 25 person appointed to fill a vacancy for a member shall

17 28 successive terms. 17 29 b. The commission shall meet at least quarterly 17 30 and at the call of the chairperson. A majority of the 31 voting members of the commission constitutes a quorum. 17 32 Any action taken by the commission must be adopted by 17 33 the affirmative vote of a majority of its voting 17 34 membership.

17 35 c. The commission is located for administrative 17 36 purposes within the department of public health. 37 department shall provide office space, staff 17 38 assistance, administrative support, and necessary 17 39 supplies and equipment for the commission.

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17 26 serve only for the unexpired portion of the term. 17 27 member is eligible for reappointment for two

4. The commission shall do all of the following: Establish an advisory council which shall a. 17 42 consist of the representatives of entities involved in 17 43 the electronic health records system task force 17 44 established pursuant to section 217.41A, Code 2007, 17 45 and any other members the commission determines 17 46 necessary to assist in the commission's duties 17 47 including but not limited to consumers and consumer 17 48 advocacy organizations; physicians and health care 17 49 professionals; pharmacists; leadership of community 17 50 hospitals and major integrated health care delivery 1 networks; state agencies including the department of 2 public health, the department of human services, the 3 department of elder affairs, the division of insurance 4 of the department of commerce, and the office of the 5 attorney general; health plans and health insurers; 6 legal experts; academics and ethicists; business 7 leaders; and professional associations. Public 8 members of the advisory council shall receive 9 reimbursement for actual expenses incurred while 18 10 serving in their official capacity only if they are 18 11 not eligible for reimbursement by the organization 18 12 that they represent. Any legislative member shall be 18 13 paid the per diem and expenses specified in section 18 14 2.10.

Adopt a statewide health information technology b. 18 16 plan by January 1, 2009. In developing the plan, the 18 17 commission shall seek the input of providers, payers, 18 18 and consumers. Standards and policies developed for 18 19 the plan shall promote and be consistent with national 18 20 standards developed by the office of the national 18 21 coordinator for health information technology of the 18 22 United States department of health and human services 18 23 and shall address or provide for all of the following:

18 24 (1) The effective, efficient, statewide use of 18 25 electronic health information in patient care, health 18 26 care policymaking, clinical research, health care 18 27 financing, and continuous quality improvement. 18 28 commission shall adopt requirements for interoperable 18 29 electronic health records in this state including a 18 30 recognized interoperability standard.

18 31 (2) Education of the public and health care 18 32 sectors about the value of health information 18 33 technology in improving patient care, and methods to 18 34 promote increased support and collaboration of state

18 35 and local public health agencies, health care 18 36 professionals, and consumers in health information 18 37 technology initiatives.

Standards for the exchange of health care (3) 18 39 information.

- 18 40 (4) Policies relating to the protection of privacy 18 41 of patients and the security and confidentiality of 18 42 patient information.
- (5) Policies relating to health information 18 44 ownership.

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(6) Policies relating to governance of the various 18 46 facets of the health information technology system.

- (7) A single patient identifier or alternative 18 48 mechanism to share secure patient information. If no 18 49 alternative mechanism is acceptable to the commission, 18 50 all health care professionals shall utilize the 1 mechanism selected by the commission by January 1, 2 2010.
 - (8) A standard continuity of care record and other 4 issues related to the content of electronic 5 transmissions. All health care professionals shall 6 utilize the standard continuity of care record by 7 January 1, 2010.
 - (9) Requirements for electronic prescribing. (10) Economic incentives and support to facilitate
- 19 10 participation in an interoperable system by health 19 11 care professionals.
- c. Identify existing and potential health 19 13 information technology efforts in this state, 19 14 regionally, and nationally, and integrate existing 19 15 efforts to avoid incompatibility between efforts and 19 16 avoid duplication.
- Coordinate public and private efforts to d. 19 18 provide the network backbone infrastructure for the 19 19 health information technology system. In coordinating 19 20 these efforts, the commission shall do all of the 19 21 following:
- (1) Adopt policies to effectuate the logical 19 23 cost=effective usage of and access to the state=owned 19 24 network, and support of telecommunication carrier 19 25 products, where applicable.
 19 26 (2) Complete a memorandum of understanding with
- 19 27 the Iowa communications network for governmental 19 28 access usage, with private fiber optic networks for 19 29 core backbone usage of private fiber optic networks, 19 30 and with any other communications entity for 19 31 state=subsidized usage of the communications entity's 32 products to access any backbone network.
- (3) Establish protocols to ensure compliance with 19 34 any applicable federal standards.
- (4) Determine costs for accessing the network at a 19 36 level that provides sufficient funding for the 19 37 network.
- e. Promote the use of telemedicine.(1) Examine existing barriers to the use of 19 40 telemedicine and make recommendations for eliminating 19 41 these barriers.
- 19 42 (2) Examine the most efficient and effective 19 43 systems of technology for use and make recommendations 19 44 based on the findings.
- f. Address the workforce needs generated by 19 46 increased use of health information technology.
- g. Adopt rules in accordance with chapter 17A to 19 48 implement all aspects of the statewide plan and the 49 network.
 - h. Coordinate, monitor, and evaluate the adoption, 1 use, interoperability, and efficiencies of the various 2 facets of health information technology in this state.
 - i. Seek and apply for any federal or private 4 funding to assist in the implementation and support of 5 the health information technology system and make 6 recommendations for funding mechanisms for the ongoing 7 development and maintenance costs of the health
- 20 8 information technology system.
 20 9 j. Identify state laws and rules that present
 20 10 barriers to the development of the health information 20 11 technology system and recommend any changes to the 20 12 governor and the general assembly.
- Section 8D.13, Code 2007, is amended by 20 13 20 14 adding the following new subsection:
- NEW SUBSECTION. 20. Access shall be offered to

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20 16 the Iowa hospital association only for the purposes of
20 17 collection, maintenance, and dissemination of health
20 18 and financial data for hospitals and for hospital
20 19 education services. The Iowa hospital association 20 20 shall be responsible for all costs associated with
20 21 becoming part of the network, as determined by the
20 22 commission.
20 23
         Sec. ___.
                     Section 217.41A, Code 2007, is repealed.
20 24 Sec. ____. IOWA HEALTH INFORMATION TECHNOLOGY 20 25 SYSTEM == APPROPRIATION. There is appropriated from
20 26 the general fund of the state to the department of
20 27 public health for the fiscal year beginning July 1,
20 28 2008, and ending June 30, 2009, the following amount,
20 29 or so much thereof as is necessary, for the purpose
20 30 designated:
20 31
         For administration of the Iowa health information
20 32 technology system:
118,800>
20 35 following:
20 36
                   <LONG=TERM LIVING PLANNING AND</pre>
                  PATIENT AUTONOMY IN HEALTH CARE>
20 37
20 38 #6.
          Page 9, by inserting after line 14 the
20 39 following:
20 40 <Sec. ___. END=OF=LIFE CARE DECISION MAKING == 20 41 APPROPRIATION. There is appropriated from the general
20 42 fund of the state to the department of elder affairs
20 43 for the fiscal year beginning July 1, 2008, and ending
20 44 June 30, 2009, the following amount, or so much
20 45 thereof as is necessary, for the purpose designated:
20 46
         For activities associated with the end-of-life care
20 47 decision=making requirements of this division:
20 48 .... $
20 49 Sec. ___. LONG=TERM LIVING PLANNING TOOLS ==
                                                                    10,000
20 50 PUBLIC EDUCATION CAMPAIGN. The legal services
   1 development and substitute decision maker programs of
21
   2 the department of elder affairs, in collaboration with
2.1
    3 other appropriate agencies and interested parties,
4 shall research existing long=term living planning
21
21
21
   5 tools that are designed to increase quality of life
21
   6 and contain health care costs and recommend a public
2.1
    7 education campaign strategy on long=term living to the
21 8 general assembly by January 1, 2009.
9 Sec. ____. LONG=TERM CARE OPTIONS PUBLIC EDUCATION 21 10 CAMPAIGN. The department of elder affairs, in
21 11 collaboration with the insurance division of the
21 12 department of commerce, shall implement a long=term
   13 care options public education campaign.
                                                  The campaign
21
21 14 may utilize such tools as the "Own Your Future
21 15 Planning Kit" administered by the centers for Medicare
21 16 and Medicaid services, the administration on aging, 21 17 and the office of the assistant secretary for planning
21 18 and evaluation of the United States department of
21 19 health and human services, and other tools developed
   20 through the aging and disability resource center
21 21 program of the administration on aging and the centers
21 22 for Medicare and Medicaid services designed to promote
21 23 health and independence as Iowans age, assist older
21 24 Iowans in making informed choices about the
21 25 availability of long=term care options, including
21 26 alternatives to facility=based care, and to streamline
21
   27 access to long=term care.
                     LONG=TERM CARE OPTIONS PUBLIC EDUCATION
21 28
         Sec.
21 29 CAMPAIGN == APPROPRIATION. There is appropriated from
   30 the general fund of the state to the department of
21 31 elder affairs for the fiscal year beginning July 1,
21 32 2008, and ending June 30, 2009, the following amount,
21 33 or so much thereof as is necessary, for the purpose
21
   34 designated:
21 35
         For activities associated with the long=term care
21 36 options public education campaign requirements of this
21
   37 division:
75,000
21 40 EDUCATION CAMPAIGN. The department of elder affairs
21 41 shall work with other public and private agencies to
21 42 identify resources that may be used to continue the
21 43 work of the aging and disability resource center 21 44 established by the department through the aging and
21 45 disability resource center grant program efforts of
21 46 the administration on aging and the centers for
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21 47 Medicare and Medicaid services of the United States 21 48 department of health and human services, beyond the 21 49 federal grant period ending September 30, 2008. 21 50 PATIENT AUTONOMY IN HEALTH CARE 1 DECISIONS PILOT PROJECT. 2.2 22 1. The department of public health shall establish 3 a two=year community coalition for patient treatment 22 22 wishes across the health care continuum pilot project, 22 5 beginning July 1, 2008, and ending June 30, 2010, in a 6 county with a population of between fifty thousand and 2.2 22 one hundred thousand. The pilot project shall utilize 8 the process based upon the national physicians orders 22 22 9 for life sustaining treatment program initiative, 22 10 including use of a standardized physician order for 22 11 scope of treatment form. The pilot project may 22 12 include applicability to chronically ill, frail, and 22 13 elderly or terminally ill individuals in hospitals 22 14 licensed pursuant to chapter 135B, nursing facilities 22 15 or residential care facilities licensed pursuant to 22 16 chapter 135C, or hospice programs as defined in 22 17 section 135J.1. 22 18 2. The department of public health shall convene 22 19 an advisory council, consisting of representatives of 22 20 entities with interest in the pilot project, including 22 21 but not limited to the Iowa hospital association, the 22 22 Iowa medical society, organizations representing 22 23 health care facilities, representatives of health care 22 24 providers, and the Iowa trial lawyers association, to 22 25 develop recommendations for expanding the pilot 22 26 project statewide. The advisory council shall hold 22 27 meetings throughout the state to obtain input 22 28 regarding the pilot project and its statewide 22 29 application. Based on information collected regarding 22 30 the pilot project and information obtained through its 22 31 meetings, the advisory council shall report its 22 32 findings and recommendations, including 22 33 recommendations for legislation, to the governor and 22 34 the general assembly by January 1, 2010.
22 35 3. The pilot project shall not alter the rights of 22 36 individuals who do not execute a physician order for 22 37 scope of treatment. 22 38 If an individual is a qualified patient as a. 22 39 defined in section 144A.2, the individual's 22 40 declaration executed under chapter 144A shall control 22 41 health care decision making for the individual in 22 42 accordance with chapter 144A. A physician order for 22 43 scope of treatment shall not supersede a declaration 22 44 executed pursuant to chapter 144A. If an individual 22 45 has not executed a declaration pursuant to chapter 22 46 144A, health care decision making relating to 22 47 life=sustaining procedures for the individual shall be 22 48 governed by section 144A.7. b. If an individual has executed a durable power 22 49 22 50 of attorney for health care pursuant to chapter 144B, 23 1 the individual's durable power of attorney for health 23 2 care shall control health care decision making for the 23 3 individual in accordance with chapter 144B. 4 physician order for scope of treatment shall not 5 supersede a durable power of attorney for health care 23 2.3 23 6 executed pursuant to chapter 144B. 23 c. In the absence of actual notice of the 23 8 revocation of a physician order for scope of 23 9 treatment, a physician, health care provider, or any 23 10 other person who complies with a physician order for 23 11 scope of treatment shall not be subject to liability, 23 12 civil or criminal, for actions taken under this 23 13 section which are in accordance with reasonable 23 14 medical standards. Any physician, health care 23 15 provider, or other person against whom criminal or 23 16 civil liability is asserted because of conduct in 23 17 compliance with this section may interpose the 23 18 restriction on liability in this paragraph as an 23 19 absolute defense. PATIENT AUTONOMY IN HEALTH CARE 23 20 Sec. 23 21 DECISIONS PILOT PROJECT == APPROPRIATION. There is 23 22 appropriated from the general fund of the state to the 23 23 department of public health for the fiscal year 23 24 beginning July 1, 2008, and ending June 30, 2009, the 23 25 following amount, or so much thereof as is necessary,

For activities associated with the patient autonomy

23 26 for the purpose designated:

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23 28 in health care decisions pilot project requirements of
23 29 this division:
40.000>
23 33
          <Sec.
                       NEW SECTION.
                                     509A.13B CONTINUATION OF
23 34 DEPENDENT COVERAGE.
         If a governing body, a county board of supervisors,
23
   35
23 36 or a city council has procured accident or health care
23 37 coverage for its employees under this chapter such
23
   38 coverage shall permit continuation of existing
23 39 coverage for an unmarried dependent child of an
23 40 insured or enrollee who so elects, at least through
23 41 the age of twenty=five years old or so long as the
23 42 dependent child maintains full=time status as a
23 43 student in an accredited institution of postsecondary
23 44 education, whichever occurs last, at a premium
23 45 established in accordance with the rating practices of
23 46 the coverage.>
23 47 #8.
           Page 12, by inserting after line 31 the
23 48 following:
23 49
                 A chiropractor licensed pursuant to chapter
        <___.
23 50 151.>
24
    1 #9. Page 16, by striking lines 23 through 29 and
    2 inserting the following: <of a statewide medical home
2.4
24
    3 system.>
   4 #10. Page 17, line 17, by inserting after the word 5 <service.> the following: <The plan shall provide
2.4
24
    6 that in sharing information, the priority shall be the
24
   7 protection of the privacy of individuals and the
24
   8 security and confidentiality of the individual's 9 information. Any sharing of information required by
2.4
2.4
24 10 the medical home system shall comply and be consistent
24 11 with all existing state and federal laws and
24 12 regulations relating to the confidentiality of health
24 13 care information and shall be subject to written
24 14 consent of the patient.>
24 15 <u>#11</u>. Page 20, line 26, by inserting after the
24 16 words <recipients of> the following:
                                                <full benefits
24 17 under>.
24 18 \pm 12. Page 20, lines 33 and 34, by striking the 24 19 words <adult recipients of medical assistance> and
24 20 inserting the following: <adults who are recipients
24 21 of full benefits under the medical assistance
24 22 program>.
24 23 \pm 13. Page 21, line 25, by striking the figure <12>
24 24 and inserting the following: <11>.
24 25 \pm 14. Page 22, by inserting after line 1 the
24 26 following:
24 27
                      MEDICAL HOME SYSTEM == APPROPRIATION.
         Sec.
24 28 There is appropriated from the general fund of the
24 29 state to the department of public health for the 24 30 fiscal year beginning July 1, 2008, and ending June
24 31 30, 2009, the following amount, or so much thereof as
24
   32 is necessary, for the purpose designated:
       For activities associated with the medical home
24 33
24 34 system requirements of this division:
24 35
                                                                    137,800>
                                                        $ .....
24 38 following:
24 39
                       Section 136.3, Code 2007, is amended by
          <Sec.
24 40 adding the following new subsection:
24 41 NEW SUBSECTION. 12. Perform those duties 24 42 authorized pursuant to section 135.161.
                  _. PREVENTION AND CHRONIC CARE MANAGEMENT
24 43
         Sec.
24 44 == APPROPRIATION. There is appropriated from the
24 45 general fund of the state to the department of public
24 46 health for the fiscal year beginning July 1, 2008, and 24 47 ending June 30, 2009, the following amount, or so much
24 48 thereof as is necessary, for the purpose designated: 24 49 For activities associated with the prevention and
24 50 chronic care management requirements of this division:
               150,500>
25
      \frac{\pm 17}{10}. By striking page 29, line 16, through page 31, line 8, and inserting the following:
25
2.5
25
                              <DIVISION
             HEALTH CARE QUALITY, COST CONTAINMENT, AND CONSUMER INFORMATION
25
25
    6
25
                              DIVISION XXIV
         OFFICE OF HEALTH CARE QUALITY, COST CONTAINMENT,
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25
                      AND CONSUMER INFORMATION
25 10
         Sec.
                     NEW SECTION. 135.163 OFFICE OF HEALTH
25 11 CARE QUALITY, COST CONTAINMENT, AND CONSUMER 25 12 INFORMATION.
25 13
         1. An office of health care quality, cost
25 14 containment, and consumer information is created in
25 15 the department.
25 16
              The office shall, at a minimum, do all of the
25 17 following:
25 18
         a. Develop and implement cost=containment measures
25 19 that help to contain costs while improving quality in
25 20 the health care system.
         b. Provide for coordination of public and private
25 21
25 22 cost=containment, quality, and safety efforts in this 25 23 state, including but not limited to efforts of the
25 24 Iowa healthcare collaborative, the Iowa health buyers'
25 25 alliance, the state's Medicare quality improvement
25 26 organization, and the Iowa Medicaid enterprise.
         c. Carry out other health care price, quality, and
25 27
25 28 safety=related research as directed by the governor
25 29 and the general assembly.
25 30
         d. Develop strategies to contain health care costs
25 31 which may include:
25 32
         (1) Promoting adoption of health information
25 33 technology through provider incentives
25 34
         (2) Considering a four=tier prescription drug
25 35 copayment system within a prescription drug benefit
25
   36 that includes a zero copayment tier for select
25 37 medications to improve patient compliance.
25 38
         (3)
              Providing a standard medication therapy
25 39 management program as a prescription drug benefit to
25 40 optimize high=risk patients' medication outcomes.
25 41
         (4) Investigating whether pooled purchasing for
25 42 prescription drug benefits, such as a common statewide 25 43 preferred drug list, would decrease costs.
         e. Develop strategies to increase the public's
25 44
25 45 role and responsibility in personal health care
25 46 choices and decisions which may include:
25 47
         (1) Creating a public awareness campaign to
25 48 educate consumers on smart health care choices.
25 49
         (2) Promoting public reporting of quality
25 50 performance measures.
26
         f. Develop implementation strategies which may
2.6
   2 include piloting the various quality,
26
    3 cost=containment, and public involvement strategies
4 utilizing publicly funded health care coverage groups
26
26
    5 such as the medical assistance program, state of Iowa
    6 employee group health plans, and regents institutions
26
    7 health care plans, consistent with collective
2.6
26
   8 bargaining agreements in effect.
             Develop a method for health care providers to
26
26 10 provide a patient, upon request, with a reasonable
26 11 estimate of charges for the services.
26 12
         h. Identify the process and time frames for
26
   13 implementation of any initiatives, identify any
26 14 barriers to implementation of initiatives, and
26 15 recommend any changes in law or rules necessary to
26 16 eliminate the barriers and to implement the
26 17 initiatives.
26 18
                      OFFICE OF HEALTH CARE QUALITY, COST
26 19 CONTAINMENT, AND CONSUMER INFORMATION ==
26 20 APPROPRIATION. There is appropriated from the general
26 21 fund of the state to the department of public health
26 22 for the fiscal year beginning July 1, 2008, and ending
26 23 June 30, 2009, the following amount, or so much 26 24 thereof as is necessary, for the purpose designated:
         For activities associated with the office of health
26 25
26 26 care quality, cost containment, and consumer
26 27 information requirements of this division:
26 28 ......
                                                                   135,900
                             DIVISION XXV
26 29
26
                    BUREAU OF HEALTH CARE ACCESS
                     NEW SECTION. 135.164 BUREAU OF HEALTH
26 31
         Sec.
26 32 CARE ACCESS.
26
         A bureau of health care access is created to
26 34 coordinate public and private efforts to develop and
26 35 maintain an appropriate health care delivery
26 36 infrastructure and a stable, well=qualified, diverse, 26 37 and sustainable health care workforce in this state.
26 38 The bureau shall, at a minimum, do all of the
```

26 39 following:

26 40 1. Develop a strategic plan for health care 26 41 delivery infrastructure and health care workforce 26 42 resources in this state.

26 43 2. Provide for the continuous collection of data 26 44 to provide a basis for health care strategic planning

26 45 and health care policymaking.

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3. Make recommendations regarding the health care 26 47 delivery infrastructure and the health care workforce 26 48 that assist in monitoring current needs, predicting 26 49 future trends, and informing policymaking.

4. Advise and provide support to the health facilities council established in section 135.62. ____. <u>NEW SECTION</u>. 135.165 STRATEGIC PLAN.

- 1. The strategic plan for health care delivery 4 infrastructure and health care workforce resources 5 shall describe the existing health care system, 6 describe and provide a rationale for the desired 7 health care system, provide an action plan for 8 implementation, and provide methods to evaluate the 9 system. The plan shall incorporate expenditure 27 10 control methods and integrate criteria for 27 11 evidence=based health care. The bureau of health care 27 12 access shall do all of the following in developing the 27 13 strategic plan for health care delivery infrastructure 27 14 and health care workforce resources:
- a. Conduct strategic health planning activities 27 16 related to preparation of the strategic plan.
- b. Develop a computerized system for accessing, 27 18 analyzing, and disseminating data relevant to The bureau may enter into 27 19 strategic health planning. 27 20 data sharing agreements and contractual arrangements 27 21 necessary to obtain or disseminate relevant data.
- c. Conduct research and analysis or arrange for 27 23 research and analysis projects to be conducted by 27 24 public or private organizations to further the 27 25 development of the strategic plan.
- 27 26 d. Establish a technical advisory committee to 27 27 assist in the development of the strategic plan. '27 28 members of the committee may include but are not 27 29 limited to health economists, health planners, 30 representatives of health care purchasers, 31 representatives of state and local agencies that 27 32 regulate entities involved in health care, 27 33 representatives of health care providers and health 27 34 care facilities, and consumers.
- 2. The strategic plan shall include statewide 27 35 27 36 health planning policies and goals related to the 27 37 availability of health care facilities and services, 27 38 the quality of care, and the cost of care. 27 39 policies and goals shall be based on the following 27 40 principles: 27 41
- That a strategic health planning process, a. 27 42 responsive to changing health and social needs and 27 43 conditions, is essential to the health, safety, and 27 44 welfare of Iowans. The process shall be reviewed and 27 45 updated as necessary to ensure that the strategic plan 27 46 addresses all of the following:
- (1) Promoting and maintaining the health of all 27 48 Iowans.
- (2) Providing accessible health care services 27 50 through the maintenance of an adequate supply of 1 health facilities and an adequate workforce.
 - (3) Controlling excessive increases in costs.
 - 3 (4) Applying Special 4 population health indicators. (4) Applying specific quality criteria and
 - (5) Recognizing prevention and wellness as 6 priorities in health care programs to improve quality and reduce costs.
- (6) Addressing periodic priority issues including 9 disaster planning, public health threats, and public 28 10 safety dilemmas.
- 28 11 (7) Coordinating health care delivery and resource 28 12 development efforts among state agencies including 28 13 those tasked with facility, services, and professional 28 14 provider licensure; state and federal reimbursement; 28 15 health service utilization data systems; and others.
- b. That both consumers and providers throughout 28 17 the state must be involved in the health planning 28 18 process, outcomes of which shall be clearly 28 19 articulated and available for public review and use.
 - c. That the supply of a health care service has a

28 21 substantial impact on utilization of the service. 28 22 independent of the effectiveness, medical necessity, 28 23 or appropriateness of the particular health care 28 24 service for a particular individual.

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28 25 That given that health care resources are not d. 28 26 unlimited, the impact of any new health care service 28 27 or facility on overall health expenditures in this 28 28 state must be considered.

That excess capacity of health care services e. 28 30 and facilities places an increased economic burden on 28 31 the public.

f. That the likelihood that a requested new health 28 33 care facility, service, or equipment will improve 28 34 health care quality and outcomes must be considered. 28 35 g. That development and ongoing maintenance of

28 36 current and accurate health care information and 28 37 statistics related to cost and quality of health care 28 38 and projections of the need for health care facilities 28 39 and services are necessary to developing an effective 28 40 health care planning strategy.

28 41 h. That the certificate of need program as a 28 42 component of the health care planning regulatory 28 43 process must balance considerations of access to 28 44 quality care at a reasonable cost for all Iowans, 28 45 optimal use of existing health care resources, 28 46 fostering of expenditure control, and elimination of 28 47 unnecessary duplication of health care facilities and 28 48 services, while supporting improved health care 28 49 outcomes.

i. That strategic health care planning must be 1 concerned with the stability of the health care 2 system, encompassing health care financing, quality, 3 and the availability of information and services for 4 all residents.

The health care delivery infrastructure and resources strategic plan developed by the bureau shall include all of the following:

a. A health care system assessment and objectives 9 component that does all of the following:

29 10 (1) Describes state and regional population 29 11 demographics, health status indicators, and trends in 29 12 health status and health care needs.

(2) Identifies key policy objectives for the state 29 14 health care system related to access to care, health 29 15 care outcomes, quality, and cost=effectiveness.

b. A health care facilities and services plan that 29 17 assesses the demand for health care facilities and 18 services to inform state health care planning efforts 29 19 and direct certificate of need determinations, for 29 20 those facilities and services subject to certificate 29 21 of need. The plan shall include all of the following:

(1) An inventory of each geographic region's 29 23 existing health care facilities and services.

(2) Projections of the need for each category of 29 25 health care facility and service, including those 29 26 subject to certificate of need.

(3) Policies to guide the addition of new or 29 27 29 28 expanded health care facilities and services to 29 29 promote the use of quality, evidence=based, 29 30 cost=effective health care delivery options, including 29 31 any recommendations for criteria, standards, and 29 32 methods relevant to the certificate of need review 29 33 process.

(4) An assessment of the availability of health 29 34 29 35 care providers, public health resources, 29 36 transportation infrastructure, and other 29 37 considerations necessary to support the needed health 29 38 care facilities and services in each region.

29 39 A health care data resources plan that 29 40 identifies data elements necessary to properly conduct 29 41 planning activities and to review certificate of need 29 42 applications, including data related to inpatient and 29 43 outpatient utilization and outcomes information, and 29 44 financial and utilization information related to 29 45 charity care, quality, and cost. 29 46 provide all of the following: The plan shall

(1) An inventory of existing data resources, both 29 48 public and private, that store and disclose 29 49 information relevant to the health care planning 29 50 process, including information necessary to conduct 1 certificate of need activities. The plan shall

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30
     2 identify any deficiencies in the inventory of existing
    3 data resources and the data necessary to conduct
30
30
    4 comprehensive health care planning activities.
    5 plan may recommend that the bureau be authorized to
30
30
    6 access existing data sources and conduct appropriate
30
    7 analyses of such data or that other agencies expand
30
    8 their data collection activities as statutory
    9 authority permits. The plan may identify any
30
30 10 computing infrastructure deficiencies that impede the
30 11 proper storage, transmission, and analysis of health
30 12 care planning data.
          (2) Recommendations for increasing the
30 13
30 14 availability of data related to health care planning
30 15 to provide greater community involvement in the health 30 16 care planning process and consistency in data used for
30 17 certificate of need applications and determinations.
30 18 The plan shall also integrate the requirements for
30 19 annual reports by hospitals and health care facilities
30 20 pursuant to section 135.75, the provisions relating to 30 21 analyses and studies by the department pursuant to
30 22 section 135.76, the data compilation provisions of 30 23 section 135.78, and the provisions for contracts for
30 24 assistance with analyses, studies, and data pursuant
30 25 to section 135.83.
30 26
          d. An assessment of emerging trends in health care
30 27 delivery and technology as they relate to access to
30 28 health care facilities and services, quality of care,
30 29 and costs of care. The assessment shall recommend any
30 30 changes to the scope of health care facilities and
30 31 services covered by the certificate of need program
30 32 that may be warranted by these emerging trends. In 30 33 addition, the assessment may recommend any changes to
30 34 criteria used by the department to review certificate
30 35 of need applications, as necessary.
30 36
          e. A rural health care resources plan to assess
30 37 the availability of health resources in rural areas of
30 38 the state, assess the unmet needs of these
30 39 communities, and evaluate how federal and state
30 40 reimbursement policies can be modified, if necessary,
30 41 to more efficiently and effectively meet the health 30 42 care needs of rural communities. The plan shall 30 43 consider the unique health care needs of rural
30 44 communities, the adequacy of the rural health care
30 45 workforce, and transportation needs for accessing
30 46 appropriate care.
30 47
          f. A health care workforce resources plan to
30 48 assure a competent, diverse, and sustainable health
30 49 care workforce in Iowa and to improve access to health
30 50 care in underserved areas and among underserved
31
    1 populations. The plan shall include the establishment
31
    2 of an advisory council to inform and advise the
    3 bureau, the department, and policymakers regarding 4 issues relevant to the health care workforce in Iowa.
31
31
31
               The bureau shall submit the initial statewide
          4.
31
    6 health care delivery infrastructure and resources
    7 strategic plan to the governor and the general
31
31
   8 assembly by January 1, 2010, and shall submit an
31
    9 updated strategic plan to the governor and the general
31 10 assembly every two years thereafter.
31 11 Sec. ___. BUREAU OF HEALTH CARE ACCESS == 31 12 APPROPRIATION. There is appropriated from the general
31 13 fund of the state to the department of public health
31 14 for the fiscal year beginning July 1, 2008, and ending
31 15 June 30, 2009, the following amount, or so much 31 16 thereof as is necessary, for the purpose designated: 31 17 For activities associated with the bureau of health
31 18 care access requirements of this division:
31 19
   19 ..... $
20 <u>#18</u>. By striking page 31, line 12, through page
                                                                       135,900>
31
31 21 33, line 22.
31 22 \pm 19. Page 34, by inserting after line 4 the
31
   23 following:
31 24
                        IOWA HEALTHY COMMUNITIES INITIATIVE ==
          <Sec.
31 25 APPROPRIATION. There is appropriated from the general
31 26 fund of the state to the department of public health 31 27 for the fiscal period beginning January 1, 2009, and
31 28 ending June 30, 2009, the following amount, or so much
31 29 thereof as is necessary, for the purpose designated:
31
   30
          For Iowa healthy communities initiative grants
31 31 distributed beginning January 1, 2009:
31 32 ..... $
                                                                       450.000
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GOVERNOR'S COUNCIL ON PHYSICAL FITNESS
31 34 AND NUTRITION == APPROPRIATION. There is appropriated
31 35 from the general fund of the state to the department
31 36 of public health for the fiscal period beginning July 31 37 1, 2008, and ending June 30, 2009, the following
31 38 amount, or so much thereof as is necessary, for the
31 39 purpose designated:
31 40
         For the governor's council on physical fitness:
31 41 ..... $ 31 42 <u>#20</u>. Page 34, line 7, by striking the word and
                                                                       112,100>
31 43 figure <DIVISION V> and inserting the following:
31 44 <DIVISION XXVI>.
31 45 \pm 21. Page 34, by inserting after line 8 the
31 46 following:
31 47
        <Sec.
                      Section 135.62, subsection 2,
31 48 unnumbered paragraph 1, Code 2007, is amended to read
31 49 as follows:
31 50
          There is established a state health facilities
32
   1 council consisting of five seven persons appointed by
    2 the governor, one of whom shall be a health economist, 3 one of whom shall be an actuary, and at least one of
32
    4 whom shall be a health care consumer.
                                                    The council
32
   5 shall be within the department for administrative and
32
   6 budgetary purposes.>
    7 \pm 22. Page 34, line 9, by striking the figure
32
32
   8 <135.45 and inserting the following: <135.166 >...
    9 \pm 23. Page 34, by inserting after line 23 the
32
32 10 following:
32 11
                  Each hospital in the state that is
       <___.
32 12 recognized by the Internal Revenue Code as a nonprofit
32 13 organization or entity shall submit, to the department 32 14 of public health and to the legislative services
32 15 agency, annually, a copy of the hospital's internal
32 16 revenue service form 990, including but not limited to
32 17 schedule J or any successor schedule that provides
32 18 compensation information for certain officers,
32 19 directors, trustees, and key employees, and highest 32 20 compensated employees within ninety days following the
32 21 due date for filing the hospital's return for the
32 22 taxable year.>
32 23 #24. Title page, line 3, by striking the words 32 24 <end=of=life care decision making> and inserting the
32 25 following: <long=term living planning and patient
32 26 autonomy in health care>.
32 27 \pm 25. Title page, line 8, by inserting after the 32 28 word <transparency,> the following: <health care
32 29 quality, cost containment and consumer information,
   30 health care access, making appropriations, >.
32 31 \pm 26. By renumbering, relettering, or redesignating
32 32 and correcting internal references as necessary.
32 33
32 34
32 35
32 36 COMMITTEE ON APPROPRIATIONS
32 37 ROBERT E. DVORSKY, CHAIRPERSON
32 38 HF 2539.202 82
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32 39 pf:av/rj/10682