

Senate File 2349

H-8289

1 Amend the amendment, H-8288, to Senate File 2349, as passed
2 by the Senate, as follows:

3 1. By striking page 1, line 1, through page 3, line 15, and
4 inserting:

5 <Amend Senate File 2349, as passed by the Senate, as follows:

6 _____. By striking everything after the enacting clause and
7 inserting:

8 <Section 1. NEW SECTION. 505.20 **Certain agricultural**
9 **organizations exempt from regulation.**

10 1. A health benefit plan, sponsored by a nonprofit
11 agricultural organization domiciled in this state and created
12 primarily to promote programs for the development of rural
13 communities and the economic stability and sustainability of
14 farmers in the state which meets the requirements set forth in
15 subsection 2, shall be deemed to not be insurance and shall
16 not be subject to the provisions of Title XIII, subtitle 1, to
17 the extent such plan, after January 1, 2018, provides health
18 benefits under a self-funded arrangement that is administered
19 by a domestic entity that is registered as a third-party
20 administrator pursuant to chapter 510 and that has continuously
21 provided, either directly or through an affiliate, health
22 care administrative services to the nonprofit agricultural
23 organization or its affiliates for a period in excess of ten
24 years.

25 2. A nonprofit agricultural organization providing a health
26 benefit plan to its members under this section must meet all
27 of the following requirements:

28 a. Have been in existence for twenty-five continuous years
29 prior to the issuance of health benefits to members of the
30 organization.

31 b. Provide membership opportunities for eligible individuals
32 in all ninety-nine counties of the state.

33 c. Collect annual dues from members.

34 d. Hold regular meetings to further the purposes of the
35 members.

1 e. Provide the members with representation on its governing
2 board and committees.

3 f. Provide education, mentoring, and financial assistance to
4 grow and expand rural businesses in the state.

5 g. Have contracted with the domestic entity described in
6 subsection 1 to administer the health benefit plan.

7 3. Such nonprofit agricultural organization shall file a
8 certification with the commissioner that the organization meets
9 the foregoing requirements prior to providing health benefits
10 under a self-funded arrangement to its members.

11 Sec. 2. Section 507A.4, subsection 9, Code 2018, is amended
12 to read as follows:

13 9. a. Transactions involving a multiple employer welfare
14 arrangement, as defined in section 3 of the federal Employee
15 Retirement Income Security Act of 1974, 29 U.S.C. §1002,
16 paragraph 40, if the multiple employer welfare arrangement
17 meets all of the following conditions:

18 (1) The arrangement is administered by an authorized
19 insurer or an authorized third-party administrator.

20 ~~(2) The arrangement has been in existence and provided~~
21 ~~health insurance in Iowa for at least five years prior to July~~
22 ~~1, 1997.~~

23 ~~(3)~~ (2) The arrangement ~~was~~ is established by a trade,
24 industry, or professional association of employers that
25 has a constitution or bylaws, and ~~has been~~ is organized and
26 maintained in good faith ~~for at least ten continuous years~~
27 ~~prior to July 1, 1997~~ with membership stability as defined by
28 rules adopted by the commissioner.

29 ~~(4)~~ (3) The arrangement registers with and obtains
30 and maintains a certificate of registration issued by the
31 commissioner ~~of insurance.~~

32 ~~(5)~~ (4) The arrangement is subject to the jurisdiction
33 of the commissioner ~~of insurance, including regulatory~~
34 ~~oversight~~ and complies with all rules and solvency standards as
35 established ~~by rules adopted~~ by the commissioner ~~of insurance~~

1 pursuant to [chapter 17A](#).

2 *b.* A multiple employer welfare arrangement ~~registered with~~
3 ~~the commissioner of insurance~~ that does not meet the solvency
4 ~~standards~~ requirements established by ~~rule adopted by the~~
5 ~~commissioner of insurance~~ is pursuant to chapter 17A shall be
6 subject to [chapter 507C](#).

7 *c.* A multiple employer welfare arrangement that meets all
8 of the conditions of paragraph "a" shall not be considered any
9 of the following:

10 (1) An insurance company or association of any kind or
11 character under [section 432.1](#).

12 (2) A member of the Iowa individual health benefit
13 reinsurance association under [section 513C.10](#).

14 (3) A member insurer of the Iowa life and health insurance
15 guaranty association under [section 508C.5, subsection 12](#).

16 *d.* A multiple employer welfare arrangement registered with
17 the commissioner ~~of insurance~~ shall file with the commissioner
18 ~~of insurance~~ on or before March 1 of each year a copy of the
19 report required to be filed by the multiple employer welfare
20 arrangement with the United States department of labor pursuant
21 to 29 C.F.R. §2520.101-2. A newly formed multiple employer
22 welfare arrangement shall file with the commissioner a copy
23 of the report required to be filed pursuant to 29 C.F.R.
24 §2520.101-2 by a newly formed multiple employer welfare
25 arrangement with the United States department of labor thirty
26 days prior to operating in any state. The copy shall be filed
27 with the commissioner within thirty calendar days of the date
28 that the multiple employer welfare arrangement files the report
29 with the United States department of labor.

30 *e.* ~~When not otherwise provided, a~~ A foreign or domestic
31 multiple employer welfare arrangement doing business in this
32 state shall pay ~~to the commissioner of insurance~~ the fees
33 ~~as required in~~ pursuant to section 511.24 unless otherwise
34 provided by law.

35 Sec. 3. Section 509.1, Code 2018, is amended by adding the

1 following new subsection:

2 NEW SUBSECTION. 8A. A policy of group health insurance
3 coverage issued to an associated health plan pursuant
4 to section 513D.1 that is subject to regulation by the
5 commissioner.

6 Sec. 4. Section 509.1, subsection 9, unnumbered paragraph
7 1, Code 2018, is amended to read as follows:

8 A policy issued to a resident of this state under a group
9 life, accident, or health insurance policy issued to a group
10 other than one described in subsections 1 through 8 8A, subject
11 to the following requirements:

12 Sec. 5. NEW SECTION. 513D.1 **Association health plans.**

13 The commissioner shall adopt rules that allow for the
14 creation of association health plans that are consistent with
15 the United States department of labor's regulations in 29
16 C.F.R. pt. 2510.

17 Sec. 6. NEW SECTION. 513D.2 **Rules and enforcement.**

18 1. The commissioner shall adopt rules, as necessary,
19 pursuant to chapter 17A to administer this chapter.

20 2. The commissioner may take any enforcement action under
21 the commissioner's authority to enforce compliance with this
22 chapter.

23 Sec. 7. **EMERGENCY RULES.** The commissioner may adopt
24 emergency rules under section 17A.4, subsection 3, and
25 section 17A.5, subsection 2, paragraph "b", to administer the
26 provisions of this Act. Any rules adopted in accordance with
27 this section shall also be published as a notice of intended
28 action as provided in section 17A.4.>

29 _____. Title page, by striking lines 1 through 3 and inserting
30 <An Act relating to health plans established by associations of
31 employers or sponsored by certain agricultural organizations.>>

32 2. By renumbering as necessary.

LONDON of Polk