



THOMAS J. VILSACK  
GOVERNOR

**OFFICE OF THE GOVERNOR**

SALLY J. PEDERSON  
LT. GOVERNOR

April 28, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
LOCAL

Dear Mr. Secretary:

I hereby transmit:

**Senate File 386**, an Act requiring the Insurance Division of the Department of Commerce to establish a school health insurance reform team study and to make recommendations to the General Assembly.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Vilsack".

Thomas J. Vilsack  
Governor

TJV:jmc

cc: Secretary of the Senate  
Chief Clerk of the House





SENATE FILE 386

AN ACT

REQUIRING THE INSURANCE DIVISION OF THE DEPARTMENT OF COMMERCE  
TO ESTABLISH A SCHOOL HEALTH INSURANCE REFORM TEAM STUDY AND  
TO MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. SCHOOL HEALTH INSURANCE REFORM TEAM STUDY. The insurance division of the department of commerce shall establish a school health insurance reform team. The school health insurance reform team shall conduct a study to review

the availability of affordable health insurance coverage for school district employees, insurance ratings practices, the establishment of continuity of coverage for school districts and their employees, and methods to improve the efficiency and fairness of the health insurance marketplace for school districts and their employees. The study shall include a comparison of health insurance coverage that is offered to school district employees, to other public employees, and to employees in the private sector. The school health insurance reform team shall examine the feasibility of the following:

1. Establishing a premium rating system based on the statewide health status, claims experience, and other demographic characteristics of school district employees.
2. Establishing basic or standard health benefit plans with benefit levels, cost-sharing levels, exclusions, and limitations available to all school districts and their employees.
3. Establishing uniform coverage plans with benefit coverages that may be added to the basic or standard plans, at the option of a school district.
4. Establishing restrictions on premium rates and rate increases.
5. Establishing a school district health reinsurance program.

The commissioner of insurance shall select the members of the school health insurance reform team which shall include a representative of a school district with fewer than six hundred students, a representative of a school district with six hundred to nine hundred ninety-nine students, a representative of a school district with one thousand or more students, a representative of the Iowa association of school boards, a representative of a collective bargaining organization that represents school district employees, a representative of a health insurance carrier, a representative of a health insurance provider, a representative of an area education agency, and others, who, in the opinion of the commissioner, have expertise that would assist the team in accomplishing its purpose.

The commissioner shall submit a report to the general assembly on or before January 15, 2004, regarding the team's

findings and recommendations, including proposed legislation, concerning health insurance coverage for school districts and their employees.



MARY E. KRAMER

President of the Senate



CHRISTOPHER C. RANTS

Speaker of the House

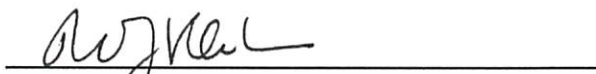
I hereby certify that this bill originated in the Senate and is known as Senate File 386, Eightieth General Assembly.



MICHAEL E. MARSHALL

Secretary of the Senate

Approved April 18, 2003



THOMAS J. VILSACK

Governor