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Passed on File
Judiciary 4/3, Pass 4/28
Commerce 5/23

By COLEMAN, NEU,
RILEY and GLENN

Passed Senate, Date 5-18-67 Passed House, Date 6-12-67
Vote: Ayes 36 Nays 0 Vote: Ayes 103 Nays 0
Approved June 26, 1967

A BILL FOR

An Act relating to actions against nonprofit hospital service corporations and nonprofit medical service corporations.

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

- 1 Section 1. Section six hundred sixteen point ten (616.10),
- 2 Code 1966, is hereby amended by adding thereto the following:
- 3 "As used in this section the term 'insurance companies'
- 4 includes nonprofit hospital service corporations and nonprofit
- 5 medical service corporations which have incorporated under
- 6 the provisions of chapter five hundred four (504) of the
- 7 Code."

EXPLANATION

At the present time a nonprofit hospital service corporation or a nonprofit medical service corporation can be sued only in the county of the corporation's domicile. As a result, an insured frequently has a claim against one of these service corporations, such as Blue Cross or Blue Shield, but does not pursue his claim as it is too expensive for him to take his lawyer, doctors and medical records to the court in the county of the corporation's domicile.

This bill makes these service corporations subject to the same kind of service of process as any other insurance company.