

FEB 20 1990

Place On Calendar

HOUSE FILE 2496
BY COMMITTEE ON SMALL BUSINESS
AND COMMERCE

(SUCCESSOR TO HSB 751)

Passed House, Date 2/27/90 (p. 668) Passed Senate, Date 3/26/90 (p. 1315)
Vote: Ayes 73 Nays 21 Vote: Ayes 49 Nays 0

Approved April 6, 1990

*Repassed House as amended (5881)
3/28/90 (p. 1514)
87-6*

A BILL FOR

- 1 An Act requiring a group health benefits insurer to disclose
- 2 certain information relating to claims experience and costs of
- 3 those claims.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

HOUSE FILE 2496

S-5630

- 1 Amend House File 2496, as passed by the House, as
- 2 follows:
- 3 1. Page 1, line 4, by inserting after the word
- 4 "coverages" the following: "to a group of one hundred
- 5 or more persons".
- 6 2. Page 1, line 6, by inserting after the word
- 7 "request," the following: "once in a twelve-month
- 8 period,".
- 9 3. Page 1, by striking lines 8 through 10 and
- 10 inserting the following:
- 11 "b. Costs of claims submitted to date."

By MICHAEL E. GRONSTAL

S-5630 FILED MARCH 21, 1990

Adopted 3/26 (p. 1315)

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1 Section 1. NEW SECTION. 509.19 DISCLOSURE OF CLAIMS AND
2 RELATED COSTS.

3 1. A person issuing a policy or contract providing group
4 health benefit coverages shall provide to the policyholder,
5 contract holder, or sponsor of the group health benefit plan,
6 upon request, all of the following information:

7 a. Number of claims submitted to date.

8 b. Costs of claims submitted to date, including any amount
9 reserved for expected costs of a claim reported, but not yet
10 incurred as a separate item.

11 c. Average cost per claim, and average annual cost per
12 covered individual.

13 The information shall be presented in the aggregate, and
14 shall not disclose any confidential information or otherwise
15 disclose the identity of an individual insured, subscriber, or
16 enrollee, who has submitted a claim within the time frame of
17 the report.

18 2. For purposes of this section, "person issuing a policy
19 or contract providing group health benefit coverages" includes
20 all of the following:

21 a. A person issuing a group policy of accident or health
22 insurance pursuant to this chapter.

23 b. A person issuing a group contract of a nonprofit health
24 service corporation pursuant to chapter 514.

25 c. A person issuing a group contract of a health
26 maintenance organization pursuant to chapter 514B.

27 EXPLANATION

28 This bill requires a group health benefits insurer to
29 disclose aggregate claims experience and costs to the group
30 policyholder, contract holder, or sponsor of the group health
31 benefit plan (typically the employer of the group), upon
32 request.

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SENATE AMENDMENT TO HOUSE FILE 2496

H-5881

- 1 Amend House File 2496, as passed by the House, as
2 follows:
3 1. Page 1, line 4, by inserting after the word
4 "coverages" the following: "to a group of one hundred
5 or more persons".
6 2. Page 1, line 6, by inserting after the word
7 "request," the following: "once in a twelve-month
8 period,".
9 3. Page 1, by striking lines 8 through 10 and
10 inserting the following:
11 "b. Costs of claims submitted to date."

RECEIVED FROM THE SENATE

H-5881 FILED MARCH 27, 1990

House concurred 3/28 (p 1514)

SMALL BUSINESS AND COMMERCE

HOUSE FILE 2496

BY (PROPOSED COMMITTEE ON SMALL
BUSINESS AND COMMERCE BILL BY
CHAIRPERSON DODERER)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act requiring a group health benefits insurer to disclose
2 certain information relating to claims experience and costs of
3 those claims.

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

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1 Section 1. NEW SECTION. 509.19 DISCLOSURE OF CLAIMS AND
2 RELATED COSTS.

3 1. A person issuing a policy or contract providing group
4 health benefit coverages shall provide to the policyholder or
5 contracting group, upon request, all of the following
6 information:

7 a. Number of claims submitted to date.

8 b. Costs of claims submitted to date, including any amount
9 reserved for expected costs of a claim reported, but not yet
10 incurred as a separate item.

11 c. Average cost per claim, and average annual cost per
12 employee.

13 The information shall be presented in the aggregate, and
14 shall not disclose any confidential information or otherwise
15 disclose the identity of an individual insured, subscriber, or
16 enrollee, who has submitted a claim within the time frame of
17 the report.

18 2. For purposes of this section, "person issuing a policy
19 or contract providing group health benefit coverages" includes
20 all of the following:

21 a. A person issuing a group policy of accident or health
22 insurance pursuant to this chapter.

23 b. A person issuing a group contract of a nonprofit health
24 service corporation pursuant to chapter 514.

25 c. A person issuing a group contract of a health
26 maintenance organization pursuant to chapter 514B.

27 EXPLANATION

28 This bill requires a group health benefits insurer to
29 disclose aggregate claims experience and costs to the group
30 policyholder or contractor (typically the employer of the
31 group), upon request.

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HOUSE FILE 2496

c. A person issuing a group contract of a health maintenance organization pursuant to chapter 514B.

AN ACT

REQUIRING A GROUP HEALTH BENEFITS INSURER TO DISCLOSE CERTAIN INFORMATION RELATING TO CLAIMS EXPERIENCE AND COSTS OF THOSE CLAIMS.

DONALD D. AVENSON
Speaker of the House

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

Section 1. NEW SECTION. 509.19 DISCLOSURE OF CLAIMS AND RELATED COSTS.

JO ANN ZIMMERMAN
President of the Senate

1. A person issuing a policy or contract providing group health benefit coverages to a group of one hundred or more persons shall provide to the policyholder, contract holder, or sponsor of the group health benefit plan, upon request, once in a twelve-month period, all of the following information:

I hereby certify that this bill originated in the House and is known as House File 2496, Seventy-third General Assembly.

- a. Number of claims submitted to date.
- b. Costs of claims submitted to date.
- c. Average cost per claim, and average annual cost per covered individual.

JOSEPH O'HERN
Chief Clerk of the House

The information shall be presented in the aggregate, and shall not disclose any confidential information or otherwise disclose the identity of an individual insured, subscriber, or enrollee, who has submitted a claim within the time frame of the report.

Approved April 6, 1990

TERRY E. BRANSTAD
Governor

2. For purposes of this section, "person issuing a policy or contract providing group health benefit coverages" includes all of the following:

- a. A person issuing a group policy of accident or health insurance pursuant to this chapter.
- b. A person issuing a group contract of a nonprofit health service corporation pursuant to chapter 514.