

FEB 29 1996
COMMERCE AND REGULATION

HOUSE FILE 2415
BY BRAND

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the designation of rural health clinics as
2 essential community providers and providing for the
3 reimbursement of such providers on the basis of costs
4 incurred.

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

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HF 2415

1 Section 1. Section 135.11, Code 1995, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 25. Adopt rules providing for the
4 designation of rural health clinics as essential community
5 providers, as determined by the director. For purposes of
6 this subsection "essential community provider" means a rural
7 health clinic providing organization which the director deems
8 to be vital to a local health care delivery system to ensure
9 that all citizens of this state have access to health care.

10 Sec. 2. NEW SECTION. 514C.11 REIMBURSEMENT OF RURAL
11 HEALTH CLINICS -- DESIGNATION AS ESSENTIAL COMMUNITY
12 PROVIDERS.

13 Notwithstanding section 514C.6, a managed care health plan
14 or indemnity plan with a limited provider network shall
15 provide for the reimbursement of a rural health clinic, which
16 has been designated as an essential community provider by the
17 director of the Iowa department of public health pursuant to
18 section 135.11, subsection 25, on a cost-incurred basis.

19 For purposes of this section, "managed care health plan or
20 indemnity plan with a limited provider network" means a health
21 maintenance organization, organized delivery system,
22 accountable health plan, health care insurance plan which
23 limits the number of licensed physicians who can provide
24 services under the plan, preferred provider organization,
25 exclusive provider organization, restricted access network, or
26 similar health-care plan.

27 EXPLANATION

28 This bill provides for the designation of certain rural
29 health clinics as essential community providers by the
30 director of the Iowa department of public health. Upon such
31 designation, a managed care health plan or indemnity plan with
32 a limited provider network is to provide for the reimbursement
33 of the rural health clinic on a cost-incurred basis.

34
35