

2/23/95 Hummel Res.

FILED FEB 23 1995

SENATE FILE 190
BY GRONSTAL

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

A BILL FOR

1 An Act relating to the reimbursement of health care providers
2 under certain agreements or contracts providing for the
3 payment of health care expenses.

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

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S.F. 190

1 Section 1. NEW SECTION. 514F.4 REIMBURSEMENT FOR HEALTH
2 CARE SERVICES.

3 1. Nothing contained in Title XIII, subtitle 1, shall be
4 construed to authorize a carrier to deny a claim and refuse to
5 pay benefits under a plan or contract for services provided by
6 a licensed health care provider not approved under the plan or
7 contract if the cost of such services would be paid if
8 performed by a licensed health care provider approved under
9 the plan or contract. Notwithstanding section 514C.6, each
10 policy or contract of a carrier shall include a provision
11 providing for the payment or prepayment of health or medical
12 expenses provided by health care providers not approved under
13 the plan or contract if such services would be paid if
14 performed by a licensed health care provider approved under
15 the plan or contract.

16 2. Any copayment required under the plan or contract for a
17 covered service provided by a licensed health care provider
18 not approved under the plan or contract shall remain the same
19 as if the covered service had been provided by an approved
20 licensed health care provider.

21 3. Payment for covered services under a plan or contract
22 provided by a licensed health care provider not approved under
23 the plan or contract shall be for no less than eighty-five
24 percent of the amount which would be paid for such covered
25 services if the services were provided by an approved licensed
26 health care provider.

27 4. A carrier shall provide to a prospective insured,
28 subscriber, or enrollee, written information concerning the
29 policy or contract provisions relating to the payment or
30 prepayment of covered services by a licensed health care
31 provider not approved under the plan or contract.

32 5. For purposes of this section, "carrier" means any
33 entity that provides individual or group health benefit plans
34 in this state. For purposes of this section, "carrier"
35 includes an insurance company, a group hospital or medical

1 service corporation, a fraternal benefit society, a health
2 maintenance organization, an organized delivery system
3 licensed by the director of public health, and any other
4 entity providing a plan of health insurance or health benefits
5 subject to state insurance regulation.

6 EXPLANATION

7 This bill provides that a carrier providing individual or
8 group health benefit plans in this state must provide a
9 provision for the payment or prepayment of health or medical
10 expenses provided by licensed health care providers not
11 approved under a plan or contract if such services would be
12 paid if performed by a licensed health care provider approved
13 under the plan or contract. Payment for covered services
14 under a plan or contract provided by a licensed health care
15 provider not approved under the plan or contract must be for
16 no less than 85 percent of the amount which would be paid for
17 such covered services if the services were provided by an
18 approved licensed health care provider.

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