## JAN 1 5 1997 LOCAL GOVERNMENT

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HOUS	SE	FILE	E _6	4/				
ВУ	M	ERS	and	CARROLL				

Passed	House, I	Date		]	Passed	Senate,	Date		
Vote:	Ayes	<u>.</u>	Nays		Vote:	Ayes		Nays	 
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## A BILL FOR

1 An Act relating to the election of a political subdivision not to
2 participate as a member of the Iowa individual health benefit
3 reinsurance association.

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

- 1 Section 1. NEW SECTION. 509A.14A ELECTION OF POLITICAL
- 2 SUBDIVISION NOT TO PARTICIPATE IN IOWA INDIVIDUAL HEALTH
- 3 BENEFIT REINSURANCE ASSOCIATION.
- 4 A political subdivision of the state providing health
- 5 insurance or health benefits for employees pursuant to section
- 6 509A.14 may elect not to participate as a member of the Iowa
- 7 individual health benefit reinsurance association established
- 8 in section 513C.10 in accordance with rules adopted by the
- 9 commissioner of insurance. Health insurance or health
- 10 benefits provided by a political subdivision of the state,
- 11 which elects not to participate as a member of the Iowa
- 12 individual health benefit reinsurance association, shall not
- 13 be considered qualifying existing coverage or qualifying
- 14 previous coverage as defined in section 513C.3, unless such
- 15 insurance or benefits are similar to or exceed the benefits
- 16 provided under the standard health benefit plan developed
- 17 pursuant to section 513C.8, and provided that such insurance
- 18 or benefits have been in effect for a period of at least one
- 19 year.

## 20 EXPLANATION

- 21 This bill creates new Code section 509A.14A to provide that
- 22 a political subdivision providing health insurance or benefits
- 23 for its employees pursuant to chapter 509A (which governs
- 24 group insurance for public employees) may elect not to
- 25 participate as a member of the Iowa individual health benefit
- 26 reinsurance association established in section 513C.10. This
- 27 election would allow the political subdivision to avoid the
- 28 fees which are assessed participants under chapter 513C.
- 29 Health insurance or health benefits provided by a political
- 30 subdivision making such election would not be considered
- 31 qualifying existing coverage or qualifying previous coverage
- 32 as defined in section 513C.3, unless such insurance or
- 33 benefits are similar to or exceed the benefits provided under
- 34 the standard health benefit plan developed pursuant to section
- 35 513C.8, and provided that such insurance or benefits have been

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1 in effect for a period of at least one year.

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