

FEB 27 1997
COMMERCE AND REGULATION

HOUSE FILE 377
BY DODERER

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

A BILL FOR

1 An Act prohibiting certain acts by a health care insurer with
2 respect to participating health care providers.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 377

1 Section 1. NEW SECTION. 514F.4 PROHIBITED CONDUCT.

2 1. An insurer shall not prohibit, or attempt to prohibit,
3 a provider furnishing covered health care services from
4 discussing treatment options with an insured, notwithstanding
5 the insurer's position or policy regarding such treatment
6 options.

7 2. An insurer shall not prohibit, or attempt to prohibit,
8 such a provider from advocating on behalf of an insured during
9 any utilization review or grievance process established by the
10 insurer or with a person under contract with the insurer.

11 3. An insurer shall not penalize, in any manner, such a
12 provider who in good faith reports to state or federal
13 authorities any act or practice by the insurer which is in
14 violation of this section or which jeopardizes an insured's
15 health or welfare.

16 4. For purposes of this section unless the context
17 otherwise requires, an insurer means:

18 a. An accident and sickness insurer, subject to chapter
19 509 or 514A.

20 b. A nonprofit health service corporation, subject to
21 chapter 514.

22 c. A health maintenance organization, subject to chapter
23 514B.

24 d. Any other entity engaged in the business of insurance,
25 risk transfer, or risk retention, which is subject to the
26 jurisdiction of the commissioner of insurance.

27 e. An organized delivery system licensed by the director
28 of public health.

29 5. The commissioner of insurance and the director of
30 public health shall adopt rules pursuant to chapter 17A to
31 administer this section.

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EXPLANATION

33 This bill prohibits an insurer from prohibiting, or
34 attempting to prohibit, a provider furnishing covered health
35 care services from discussing treatment options with an

1 insured, notwithstanding the insurer's position or policy
2 regarding such treatment options, or from prohibiting, or
3 attempting to prohibit, such a provider from advocating on
4 behalf of an insured during any utilization review or
5 grievance process established by the insurer, or with a person
6 under contract with the insurer.

7 The bill also prohibits an insurer from penalizing, in any
8 manner, such a provider who in good faith reports to state or
9 federal authorities any act or practice by the insurer which
10 is in violation of the bill or which jeopardizes an enrollee's
11 or insured's health or welfare.

12 The bill defines an insurer as an accident and sickness
13 insurer, subject to chapter 509 or 514A; a nonprofit health
14 service corporation, subject to chapter 514; a health
15 maintenance organization, subject to chapter 514B; any other
16 entity engaged in the business of insurance, risk transfer, or
17 risk retention, which is subject to the jurisdiction of the
18 insurance commissioner; or an organized delivery system
19 licensed by the director of public health.

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