

FEB 27 1997

COMMERCE AND REGULATION

HOUSE FILE **379**  
BY SCHRADER

(COMPANION TO SF 108  
BY NEUHAUSER)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act prohibiting the restriction of medical communications  
2 between patients and health care providers.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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**HF 379**

1 Section 1. NEW SECTION. 514I.1 SHORT TITLE.

2 This chapter shall be known and may be cited as the  
3 "Patient Right To Know Act".

4 Sec. 2. NEW SECTION. 514I.2 DEFINITIONS.

5 As used in this section, unless the context otherwise  
6 requires:

7 1. "Health care provider" means a person licensed under  
8 Title IV, subtitle 3, of the Code, to provide health care  
9 services.

10 2. "Health plan" means any public or private health plan  
11 or arrangement offered by an insurance company, health  
12 maintenance organization, or organized delivery system that  
13 provides or pays the cost of health benefits, and includes an  
14 organization or network of health care providers who furnish  
15 health services for such plan under contract with the entity  
16 offering the plan.

17 3. "Medical communication" means any communication, other  
18 than a knowing and willful misrepresentation, regarding the  
19 mental or physical health care needs or treatment of a patient  
20 and the provisions, terms, or requirements of the health plan  
21 or another health plan relating to such needs or treatment  
22 made by a health care provider to any of the following: a  
23 current, former, or prospective patient or the patient's  
24 guardian or legal representative; an employee or  
25 representative of the entity offering the health plan; or an  
26 employee or representative of any state or federal authority  
27 with responsibility for the licensing or oversight of such  
28 entity or health plan. Medical communications include, but  
29 are not limited to, communications concerning any tests,  
30 consultations, or treatment options; any risks or benefits  
31 associated with such tests, consultations, or options;  
32 variation among health care providers and institutions  
33 providing such services in experience, quality, or outcomes;  
34 the basis or standard for the decision of an entity offering a  
35 health plan to authorize or deny health care services or

1 benefits; the process used by such an entity to determine  
2 whether to authorize or deny health care services or benefits;  
3 and any financial incentives or disincentives provided by such  
4 an entity to a health care provider that are based on service  
5 utilization.

6 Sec. 3. NEW SECTION. 514I.3 PROHIBITION OF INTERFERENCE  
7 WITH MEDICAL COMMUNICATIONS -- LIMITATIONS.

8 1. An entity delivering, amending, or renewing a contract  
9 to offer a health plan on or after July 1, 1997, shall not  
10 provide, as part of a contract with a health care provider,  
11 any restriction on or interference with a medical  
12 communication. A contract delivered, amended, or renewed  
13 prior to July 1, 1997, shall comply with this prohibition  
14 within thirty days.

15 2. a. An entity offering a health plan shall not take any  
16 of the following actions against a health care provider on the  
17 basis of a medical communication:

18 (1) Refusal to contract with the health care provider.

19 (2) Termination of or refusal to renew a contract with the  
20 health care provider.

21 (3) Refusal to refer patients to or allow others to refer  
22 patients to the health care provider.

23 (4) Refusal to compensate the health care provider for  
24 covered services.

25 (5) Any other retaliatory action against the health care  
26 provider.

27 b. The prohibition against retaliatory actions applies to  
28 actions taken on or after July 1, 1997, notwithstanding the  
29 date of the occurrence of the medical communication upon which  
30 the retaliatory action is based.

31 3. A provision in a health plan contract that is  
32 prohibited under subsection 1 is deemed null and void.

33 4. This chapter shall not be construed as preventing an  
34 entity offering a health plan from acting on information  
35 relating to treatment actually provided to a patient or the

1 failure of a health care provider to comply with legal  
2 standards relating to the provision of care.

3 EXPLANATION

4 This bill prohibits insurance companies, health maintenance  
5 organizations, and organized delivery systems from restricting  
6 or interfering with the medical communications between a  
7 health care provider and the health care provider's patients  
8 or employees of the entity offering the health plan or of a  
9 state or federal licensing or oversight authority. The bill  
10 also prohibits an entity which provides a health plan from  
11 taking retaliatory action against a health care provider based  
12 on medical communications. Any agreements or arrangements  
13 prohibited by the bill immediately are deemed null and void.  
14 However, health plans are given 30 days from enactment of the  
15 bill to comply with the provisions of the bill.

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