

FEB 16 2000

COMMERCE AND REGULATION

HOUSE FILE
BY HOFFMAN

2319

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

A BILL FOR

1 An Act to allow the assignment of benefits under an insurance
2 policy or contract, or health benefit plan to the provider of
3 health care services.

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

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1 Section 1. NEW SECTION. 514C.19 ASSIGNMENT OF BENEFITS.

2 A carrier, as defined in section 513B.2, or an organized
3 delivery system authorized under 1993 Iowa Acts, chapter 158,
4 and licensed by the director of public health, shall allow, as
5 a provision in the group or individual policy, contract or
6 health benefit plan, any person insured by the carrier or
7 organized delivery system to assign, in writing, benefits from
8 a health benefit plan, policy or contract, to a health care
9 provider licensed under Title IV, subtitle 2 or 3. If written
10 assignment is executed and written notice of the assignment is
11 provided to the carrier or organized delivery system, the
12 insuring entity shall pay the benefits directly to the
13 licensed health care provider. This section shall not be
14 interpreted as modifying the scope of coverage or the amount
15 of benefits payable under a health insurance policy or
16 contract or a health benefit plan.

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EXPLANATION

18 This bill provides that a person insured under a group or
19 individual policy, contract or health benefit plan, is to be
20 allowed the option by the carrier (insurance company offering
21 sickness or accident plans, a health maintenance organization,
22 a nonprofit health service corporation, or any other entity
23 providing a plan of health insurance, health benefits, or
24 health services) or organized delivery system to assign, in
25 writing, from the policy, contract or health benefit plan, to
26 the healthcare provider, thereby allowing payment of benefits
27 directly to the licensed health care provider.

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