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COMMERCE AND REGULATION

HOUSE FILE  
BY MARTIN

2383

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

**A BILL FOR**

1 An Act relating to third-party payment of health care coverage  
2 costs for prescription contraceptive drugs, devices, and  
3 services.

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

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HF 2383

1 Section 1. NEW SECTION. 514C.19 PRESCRIPTION

2 CONTRACEPTIVE COVERAGE.

3 1. Notwithstanding the uniformity of treatment  
4 requirements of section 514C.6, an individual or group policy  
5 or contract providing for third-party payment or prepayment of  
6 health or medical expenses shall not do either of the  
7 following:

8 a. Exclude or restrict benefits for prescription  
9 contraceptive drugs or prescription contraceptive devices  
10 approved by the United States food and drug administration, or  
11 generic equivalents approved as substitutable by the United  
12 States food and drug administration, if such policy or  
13 contract provides benefits for other outpatient prescription  
14 drugs or devices.

15 b. Exclude or restrict benefits for outpatient  
16 contraceptive services if such policy or contract provides  
17 benefits for other outpatient services provided by a health  
18 care professional.

19 2. A person who provides an individual or group policy or  
20 contract providing for third-party payment or prepayment of  
21 health or medical expenses which is subject to subsection 1  
22 shall not do any of the following:

23 a. Deny to an individual eligibility, or continued  
24 eligibility, to enroll in or to renew coverage under the terms  
25 of the policy or contract because of the individual's use or  
26 potential use of such prescription contraceptive drugs or  
27 devices, or use or potential use of outpatient contraceptive  
28 services.

29 b. Provide a monetary payment or rebate to a covered  
30 individual to encourage such individual to accept less than  
31 the minimum benefits provided for under subsection 1.

32 c. Penalize or otherwise reduce or limit the reimbursement  
33 of a health care professional because such professional  
34 prescribes contraceptive drugs or devices, or provides  
35 contraceptive services.

1 d. Provide incentives, monetary or otherwise, to a health  
2 care professional to induce such professional to withhold from  
3 a covered individual contraceptive drugs or devices, or  
4 contraceptive services.

5 3. This section shall not be construed to prevent a third-  
6 party payor from including deductibles, coinsurance, or  
7 copayments under the policy or contract, as follows:

8 a. A deductible, coinsurance, or copayment for benefits  
9 for prescription contraceptive drugs shall not be greater than  
10 such deductible, coinsurance, or copayment for any outpatient  
11 prescription drug for which coverage under the policy or  
12 contract is provided.

13 b. A deductible, coinsurance, or copayment for benefits  
14 for prescription contraceptive devices shall not be greater  
15 than such deductible, coinsurance, or copayment for any  
16 outpatient prescription device for which coverage under the  
17 policy or contract is provided.

18 c. A deductible, coinsurance, or copayment for benefits  
19 for outpatient contraceptive services shall not be greater  
20 than such deductible, coinsurance, or copayment for any  
21 outpatient health care services for which coverage under the  
22 policy or contract is provided.

23 4. This section shall not be construed to require a third-  
24 party payor under a policy or contract to provide benefits for  
25 experimental or investigational contraceptive drugs or  
26 devices, or experimental or investigational contraceptive  
27 services, except to the extent that such policy or contract  
28 provides coverage for other experimental or investigational  
29 outpatient prescription drugs or devices, or experimental or  
30 investigational outpatient health care services.

31 5. a. This section applies to the following classes of  
32 third-party payment provider contracts or policies delivered,  
33 issued for delivery, continued, or renewed in this state on or  
34 after July 1, 2000:

35 (1) Individual or group accident and sickness insurance

1 providing coverage on an expense-incurred basis.

2 (2) An individual or group hospital or medical service  
3 contract issued pursuant to chapter 509, 514, or 514A.

4 (3) An individual or group health maintenance organization  
5 contract regulated under chapter 514B.

6 (4) Any other entity engaged in the business of insurance,  
7 risk transfer, or risk retention, which is subject to the  
8 jurisdiction of the commissioner.

9 (5) A plan established pursuant to chapter 509A for public  
10 employees.

11 (6) An organized delivery system licensed by the director  
12 of public health.

13 b. This section shall not apply to accident only,  
14 specified disease, short-term hospital or medical, hospital  
15 confinement indemnity, credit, dental, vision, Medicare  
16 supplement, long-term care, basic hospital and medical-  
17 surgical expense coverage as defined by the commissioner,  
18 disability income insurance coverage, coverage issued as a  
19 supplement to liability insurance, workers' compensation or  
20 similar insurance, or automobile medical payment insurance.

21 EXPLANATION

22 This bill creates new Code section 514C.19 which provides  
23 that an individual or group policy or contract providing for  
24 third-party payment or prepayment of health or medical  
25 expenses shall not exclude or restrict benefits for  
26 prescription contraceptive drugs or prescription contraceptive  
27 devices approved by the federal food and drug administration,  
28 or generic equivalents approved as substitutable by the  
29 federal food and drug administration, if such policy or  
30 contract provides benefits for other outpatient prescription  
31 drugs or devices; and shall not exclude or restrict benefits  
32 for outpatient contraceptive services if such policy or  
33 contract provides benefits for other outpatient services  
34 provided by a health care professional.

35 The bill also provides that a person who provides an

1 individual or group policy or contract providing for third-  
2 party payment or prepayment of health or medical expenses  
3 which is subject to the new Code section shall not: deny to an  
4 individual eligibility, or continued eligibility, to enroll or  
5 to renew coverage under the terms of such policy or contract  
6 because of the individual's use or potential use of such  
7 prescription contraceptive drugs or devices, or use or  
8 potential use of outpatient contraceptive services; provide a  
9 monetary payment or rebate to a covered individual to  
10 encourage such individual to accept less than the minimum  
11 benefits provided for under the new Code section; penalize or  
12 otherwise reduce or limit the reimbursement of a health care  
13 professional because such professional prescribes  
14 contraceptive drugs or devices, or provides contraceptive  
15 services; or provide incentives, monetary or otherwise, to a  
16 health care professional to induce such professional to  
17 withhold from a covered individual contraceptive drugs or  
18 devices, or contraceptive services.

19 The bill provides that the new Code section applies to  
20 third-party payment provider contracts or policies and public  
21 employer plans delivered, issued for delivery, continued, or  
22 renewed in this state on or after July 1, 2000.

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