

FEB 25 1999

COMMERCE AND REGULATION

HOUSE FILE

401

BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO HF 166)

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 mental health treatment services.

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

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HF 401

1 Section 1. NEW SECTION. 514C.14 COMPARABLE COVERAGE FOR  
2 MENTAL HEALTH TREATMENT.

3 1. Notwithstanding section 514C.6, a policy or contract  
4 providing for third-party payment or prepayment of health or  
5 medical expenses shall provide coverage benefits for services  
6 for clinical disorders related to mental health which shall be  
7 on terms and conditions which are comparable to the terms and  
8 conditions for coverage benefits provided for other health or  
9 medical disorders under the policy or contract.

10 2. For purposes of this section, clinical disorders  
11 related to mental health for which coverage benefits are to be  
12 provided under this section are biological brain diseases  
13 including schizophrenia, schizoaffective disorder, major  
14 depressive disorder, bipolar disorder, paranoia and other  
15 psychotic disorders, obsessive-compulsive disorder, panic  
16 disorder, and pervasive developmental disorder or autism.

17 3. This section applies to the following classes of third-  
18 party payment provider contracts or policies delivered, issued  
19 for delivery, continued, or renewed in this state on or after  
20 July 1, 1999:

21 a. Individual or group accident and sickness insurance  
22 providing coverage on an expense-incurred basis.

23 b. An individual or group hospital or medical service  
24 contract issued pursuant to chapter 509, 514, or 514A.

25 c. An individual or group health maintenance organization  
26 contract regulated under chapter 514B.

27 d. An individual or group Medicare supplemental policy,  
28 unless coverage pursuant to such policy is preempted by  
29 federal law.

30 e. Any other entity engaged in the business of insurance,  
31 risk transfer, or risk retention, which is subject to the  
32 jurisdiction of the commissioner.

33 f. An organized delivery system licensed by the director  
34 of public health.

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EXPLANATION

1 This bill creates new Code section 514C.14 and provides  
2 that a policy or contract providing for third-party payment or  
3 prepayment of health or medical expenses must provide coverage  
4 benefits for services for clinical disorders related to mental  
5 health which are to be on terms and conditions which are  
6 comparable to the terms and conditions associated with  
7 coverage benefits provided for other health or medical  
8 disorders under the policy or contract.

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