

FEB 27 2003

COMMERCE, REGULATION & LABOR

HOUSE FILE 332

BY WINCKLER

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act requiring the insurance division of the department of  
2 commerce to establish a school health insurance reform team  
3 study and to make recommendations to the general assembly.

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

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

HF 332

1 Section 1. SCHOOL HEALTH INSURANCE REFORM TEAM STUDY. The  
2 insurance division of the department of commerce shall  
3 establish a school health insurance reform team. The school  
4 health insurance reform team shall conduct a study to review  
5 the availability of affordable health insurance coverage for  
6 school district employees, insurance ratings practices, the  
7 establishment of continuity of coverage for school districts  
8 and their employees, and methods to improve the efficiency and  
9 fairness of the health insurance marketplace for school  
10 districts and their employees. The school health insurance  
11 reform team shall examine the feasibility of the following:

12 1. Establishing a premium rating system based on the  
13 statewide health status, claims experience, and other  
14 demographic characteristics of school district employees.

15 2. Establishing basic or standard health benefit plans  
16 with benefit levels, cost-sharing levels, exclusions, and  
17 limitations available to all school districts and their  
18 employees.

19 3. Establishing uniform coverage plans with benefit  
20 coverages that may be added to the basic or standard plans, at  
21 the option of a school district.

22 4. Establishing restrictions on premium rates and rate  
23 increases.

24 5. Establishing a school district health reinsurance  
25 program.

26 The commissioner of insurance shall select the members of  
27 the school health insurance reform team which shall include a  
28 representative of a school district with fewer than six  
29 hundred students, a representative of a school district with  
30 six hundred to nine hundred ninety-nine students, a  
31 representative of a school district with one thousand or more  
32 students, a representative of the Iowa association of school  
33 boards, a representative of a collective bargaining  
34 organization that represents school district employees, a  
35 representative of a health insurance carrier, a representative

1 of a health insurance provider, and others, who, in the  
2 opinion of the commissioner, have expertise that would assist  
3 the team in accomplishing its purpose.

4 The commissioner shall submit a report to the general  
5 assembly on or before January 15, 2004, regarding the team's  
6 findings and recommendations, including proposed legislation,  
7 concerning health insurance coverage for school districts and  
8 their employees.

9

#### EXPLANATION

10 This bill requires the insurance division of the department  
11 of commerce to conduct a study to review health insurance  
12 coverage for school districts and their employees including  
13 availability, ratings practices, continuity of coverage, and  
14 the fairness and efficiency of the marketplace as it relates  
15 to such health insurance. The school health insurance reform  
16 team is required to examine the feasibility of establishing a  
17 premium rating system, basic or standard health benefit plans,  
18 uniform coverage plans, restrictions on premium rates and rate  
19 increases, and a health reinsurance program for school  
20 districts and their employees.

21 The commissioner of insurance is directed to select members  
22 of the school health insurance reform team including the  
23 following: a representative of a school district with fewer  
24 than 600 students, a representative of a school district with  
25 600 to 999 students, a representative of a school district  
26 with 1,000 or more students, a representative of the Iowa  
27 association of school boards, a representative of a collective  
28 bargaining organization that represents school district  
29 employees, a representative of a health insurance carrier, a  
30 representative of a health care provider, and others, who, in  
31 the opinion of the commissioner, have expertise that would  
32 assist the team in accomplishing its purpose.

33 The bill provides that the commissioner shall submit a  
34 report to the general assembly on or before January 15, 2004,  
35 regarding the team's findings and recommendations concerning

1 health insurance coverage for school districts and their  
2 employees.

- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35