

FILED MAR 13 '03

SENATE FILE 386
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SF 212)

Passed Senate, Date _____ Passed House, 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:

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SENATE FILE 386

S-3088
1 Amend Senate File 386 as follows:
2 1. Page 2, line 1, by inserting after the word
3 "provider," the following: "a representative of an
4 area education agency,".

By KEITH A. KREIMAN
NANCY BOETTGER

S-3088 FILED MARCH 25, 2003
ADOPTED 3/25/03

SF 386

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.

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2 insurance division of the department of commerce shall
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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, a representative of an area
2 education agency, and others, who, in the opinion of the
3 commissioner, have expertise that would assist the team in
4 accomplishing its purpose.

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

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SENATE FILE 386

H-1325

1 Amend Senate File 386, as amended, passed, and
2 reprinted by the Senate as follows:

3 1. Page 1; line 10, by inserting after the word
4 "employees." the following: "The study shall include
5 a comparison of health insurance coverage that is
6 offered to school district employees, to other public
7 employees, and to employees in the private sector."

By COMMITTEE ON COMMERCE, REGULATION
HANSEN of Pottawattamie, CHAIRPERS

H-1325 FILED APRIL 14, 2003

Adopted 4/17/03

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**HOUSE AMENDMENT TO
SENATE FILE 386**

S-3250

1 Amend Senate File 386, as amended, passed, and
2 reprinted by the Senate as follows:

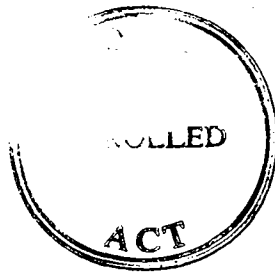
3 1. Page 1, line 10, by inserting after the word
4 "employees." the following: "The study shall include
5 a comparison of health insurance coverage that is
6 offered to school district employees, to other public
7 employees, and to employees in the private sector."

RECEIVED FROM THE HOUSE

S-3250 FILED APRIL 17, 2003

Senate concurred 4/21/03

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SENATE FILE 386

AN ACT

REQUIRING THE INSURANCE DIVISION OF THE DEPARTMENT OF COMMERCE
TO ESTABLISH A SCHOOL HEALTH INSURANCE REFORM TEAM STUDY AND
TO MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY.

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

~~Section 17~~ SCHOOL HEALTH INSURANCE REFORM TEAM STUDY. The
insurance division of the department of commerce shall
establish a school health insurance reform team. The school
health insurance reform team shall conduct a study to review
the availability of affordable health insurance coverage for
school district employees, insurance ratings practices, the
establishment of continuity of coverage for school districts
and their employees, and methods to improve the efficiency and
fairness of the health insurance marketplace for school

districts and their employees. The study shall include a comparison of health insurance coverage that is offered to school district employees, to other public employees, and to employees in the private sector. The school health insurance reform team shall examine the feasibility of the following:

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

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

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

4. Establishing restrictions on premium rates and rate increases.

5. Establishing a school district health reinsurance program.

The commissioner of insurance shall select the members of the school health insurance reform team which shall include a representative of a school district with fewer than six hundred students, a representative of a school district with six hundred to nine hundred ninety-nine students, a representative of a school district with one thousand or more students, a representative of the Iowa association of school boards, a representative of a collective bargaining organization that represents school district employees, a representative of a health insurance carrier, a representative of a health insurance provider, a representative of an area education agency, and others, who, in the opinion of the commissioner, have expertise that would assist the team in accomplishing its purpose.

The commissioner shall submit a report to the general assembly on or before January 15, 2004, regarding the team's

findings and recommendations, including proposed legislation, concerning health insurance coverage for school districts and their employees.

MARY E. KRAMER
President of the Senate

CHRISTOPHER C. RANTS
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 386, Eightieth General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved APR 28 , 2003

THOMAS J. VILSACK
Governor