

FEB 24 2006
COMMERCE, REGULATION & LABOR

HOUSE FILE 2533
BY KRESSIG

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 hyperbaric oxygen treatments.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2533

1 Section 1. NEW SECTION. 514C.23 HYPERBARIC OXYGEN
2 THERAPY COVERAGE.

3 1. Notwithstanding the uniformity of treatment
4 requirements of section 514C.6, a policy, contract, or plan
5 providing for third-party payment or prepayment of health or
6 medical expenses shall provide hyperbaric oxygen therapy
7 coverage, including but not limited to the following classes
8 of third-party payment provider contracts or policies
9 delivered, issued for delivery, continued, or renewed in this
10 state:

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

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

15 c. An individual or group health maintenance organization
16 contract regulated under chapter 514B.

17 d. An individual or group Medicare supplemental policy,
18 unless coverage pursuant to such policy is preempted by
19 federal law.

20 2. This section shall not apply to accident only,
21 specified disease, short-term hospital or medical, hospital
22 confinement indemnity, credit, dental, vision, long-term care,
23 basic hospital, and medical-surgical expense coverage as
24 defined by the commissioner, disability income insurance
25 coverage, coverage issued as a supplement to liability
26 insurance, workers' compensation or similar insurance, or
27 automobile medical payment insurance.

28 3. As used in this section, "hyperbaric oxygen therapy
29 coverage" means benefits for the medical use of oxygen at a
30 higher than atmospheric pressure for the treatment of either a
31 traumatic brain injury or any other disorder affecting the
32 central nervous system, including cerebral edema, cerebral
33 palsy, multiple sclerosis, anoxic encephalopathies, and any
34 other autoimmune or other disease affecting the central
35 nervous system.

1 4. An annual deductible or coinsurance for hyperbaric
2 oxygen therapy coverage shall not be greater than the annual
3 deductible or coinsurance established for similar benefits
4 under the policy, contract, or plan. If the policy, contract,
5 or plan does not provide similar benefits, the deductible or
6 coinsurance for hyperbaric oxygen therapy coverage shall not
7 be an amount that materially diminishes the value of the
8 required coverage.

9 5. The commissioner of insurance shall adopt rules under
10 chapter 17A as necessary to do all of the following:

11 a. Administer the provisions of this section.

12 b. Ensure that policies, contracts, or plans that provide
13 third-party payment or prepayment of health or medical
14 expenses do not include burdensome criteria or other obstacles
15 which interfere with access to and provision of the benefits
16 required by this section.

17 6. This section applies to third-party payment provider
18 policies, contracts, or plans that are delivered, issued for
19 delivery, continued, or renewed in this state on or after
20 January 1, 2007.

21 EXPLANATION

22 This bill creates new Code section 514C.23 which mandates
23 payment of health care costs for hyperbaric oxygen therapy
24 coverage in certain policies, contracts, or plans providing
25 for third-party payment or prepayment of health or medical
26 expenses. The bill provides that the mandate does not apply
27 to certain specified types of insurance coverage.

28 The bill defines "hyperbaric oxygen therapy coverage" as
29 benefits for the medical use of oxygen at a higher than
30 atmospheric pressure for the treatment of either a traumatic
31 brain injury or any other disorder affecting the central
32 nervous system, including cerebral edema, cerebral palsy,
33 multiple sclerosis, anoxic encephalopathies, and any other
34 autoimmune or other disease affecting the central nervous
35 system.

1 The covered benefits cannot be subject to an annual
2 deductible or coinsurance that is greater than that
3 established for similar benefits, or if there are no similar
4 covered benefits, then the deductible or coinsurance cannot be
5 in an amount that materially diminishes the value of the
6 required coverage.

7 The bill also requires the commissioner of insurance to
8 adopt rules under Code chapter 17A as necessary to administer
9 the new section and to prevent insurers from adopting
10 burdensome criteria or creating other obstacles which
11 interfere with access to or provision of the benefits required
12 by the new section.

13 The new Code section applies to third-party payment
14 provider policies, contracts, or plans that are delivered,
15 issued for delivery, continued, or renewed in this state on or
16 after January 1, 2007.

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