

House File 424 - Introduced

HOUSE FILE _____
BY QUIRK

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the assignment of health care coverage
2 benefits.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1726HH 82
5 av/je/5

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1 1 Section 1. NEW SECTION. 514C.23 ASSIGNMENT OF HEALTH
1 2 CARE COVERAGE BENEFITS.
1 3 1. A carrier as defined in section 513B.2; an organized
1 4 delivery system authorized under 1993 Iowa Acts, ch. 158, and
1 5 licensed by the director of public health; or a plan
1 6 established pursuant to chapter 509A for public employees,
1 7 shall not do either of the following:
1 8 a. Prohibit the assignment of health care coverage
1 9 benefits to a health care provider by a covered individual.
1 10 b. Refuse to directly reimburse a health care provider
1 11 pursuant to a valid assignment of health care coverage
1 12 benefits after receipt of written notice of the assignment.
1 13 2. An assignment of benefits as described in this section
1 14 shall not affect or limit the payment of benefits otherwise
1 15 payable under a health care benefit contract, policy, or plan
1 16 and a covered individual shall not be otherwise penalized for
1 17 making such an assignment of benefits.
1 18 3. A payment of benefits made under a health care benefit
1 19 contract, policy, or plan prior to receipt of written notice
1 20 of assignment of the benefits shall be without prejudice to
1 21 the payor. This section shall not be construed to prevent the
1 22 reconciliation of erroneous or duplicate payments made.
1 23 4. For the purposes of this section, unless the context
1 24 otherwise requires:
1 25 a. "Assignment of benefits" means the transfer of health
1 26 care coverage reimbursement benefits or other rights under an
1 27 insurance contract, policy, or plan by a covered individual to
1 28 a health care provider.
1 29 b. "Health care provider" means a hospital licensed
1 30 pursuant to chapter 135B, a person licensed under chapter 148,
1 31 148A, 148C, 149, 150, 150A, 151, or 154, or a person licensed
1 32 as an advanced registered nurse practitioner under chapter
1 33 152.

EXPLANATION

1 35 This bill prohibits a health insurance carrier, organized
2 1 delivery system, or health insurance plan for public employees
2 2 from refusing to allow a covered individual to assign payment
2 3 of health care coverage benefits to a health care provider or
2 4 from refusing to directly reimburse a health care provider
2 5 pursuant to a valid assignment of such benefits upon receipt
2 6 of written notice of the assignment.
2 7 LSB 1726HH 82
2 8 av:nh/je/5