

House File 508 - Introduced

HOUSE FILE _____
BY FORD

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

A BILL FOR

1 An Act relating to an unfair or deceptive practice in the
2 insurance trade involving the discharge of individuals from
3 hospitals, and providing penalties.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 2747HH 82
6 av/gg/14

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1 1 Section 1. Section 507B.4, Code 2007, is amended by adding
1 2 the following new subsection:
1 3 NEW SUBSECTION. 9A. DISCHARGE FROM HOSPITAL ==
1 4 MISREPRESENTATION. Communicating to a covered individual who
1 5 is hospitalized, either directly or through an intermediary,
1 6 that the covered individual should or must be discharged or
1 7 released from the hospital by a certain time or date, without
1 8 first providing the covered individual with written consent to
1 9 such discharge or release endorsed by the covered individual's
1 10 attending health care provider.

1 11 EXPLANATION

1 12 This bill adds a new subsection to Code section 507B.4,
1 13 relating to unfair methods of competition and unfair or
1 14 deceptive acts or practices in the insurance trade.

1 15 The bill prohibits as an unfair act or practice by an
1 16 insurance company the communication to a covered individual
1 17 that the individual must be discharged or released from the
1 18 hospital by a certain time or date before the individual
1 19 receives written consent to the discharge from the
1 20 individual's health care provider.

1 21 A person who violates a provision of Code section 507B.4 is
1 22 subject to entry of a cease and desist order and payment of
1 23 monetary penalties under Code section 507B.7 as well as
1 24 potential suspension or revocation of applicable licenses.

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