

# House File 247 - Introduced

HOUSE FILE \_\_\_\_\_  
BY JACOBY

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act establishing a state health insurance mandate commission.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
3 TLSB 2025YH 83  
4 av/nh/8

PAG LIN

1 1 Section 1. NEW SECTION. 514C.24 STATE HEALTH INSURANCE  
1 2 MANDATE COMMISSION.  
1 3 1. DEFINITIONS. As used in this section, unless the  
1 4 context otherwise requires:  
1 5 a. "Carrier" means an entity subject to the insurance laws  
1 6 and regulations of this state, or subject to the jurisdiction  
1 7 of the commissioner, that contracts or offers to contract to  
1 8 provide, deliver, arrange for, pay for, or reimburse any of  
1 9 the costs of health care services, including an insurance  
1 10 company offering sickness and accident plans, a health  
1 11 maintenance organization, a nonprofit health service  
1 12 corporation, an organized delivery system, or any other entity  
1 13 that provides a plan of health insurance, health benefits, or  
1 14 health services.  
1 15 b. "Commissioner" means the Iowa commissioner of  
1 16 insurance.  
1 17 c. "Mandated health care benefit" means coverage that is  
1 18 required or required to be offered under this chapter or other  
1 19 state law in an individual or group hospital or health care  
1 20 service contract if the law mandating coverage does any of the  
1 21 following:  
1 22 (1) Stipulates coverage for specific health care services,  
1 23 benefits, technologies, or treatments.  
1 24 (2) Places limitations or restrictions on deductibles,  
1 25 coinsurance, copayments, or annual or lifetime maximum benefit  
1 26 amounts.  
1 27 (3) Designates a specific category of health care provider  
1 28 from whom an insured is entitled to receive care.  
1 29 (4) Requires coverage for all services that a health care  
1 30 provider recommends that are consistent with "generally  
1 31 accepted principles of professional medicine" or a similar  
1 32 standard.  
1 33 (5) Requires a specific level of payment or rate of  
1 34 reimbursement.  
1 35 d. "Small employer" means a person actively engaged in  
2 1 business who, on at least fifty percent of the employer's  
2 2 working days during the preceding year, employed not less than  
2 3 two and not more than fifty full-time equivalent eligible  
2 4 employees, as defined in section 513B.2.  
2 5 2. EVALUATION BY COMMISSION.  
2 6 a. When a bill is requested, the legislative services  
2 7 agency shall make an initial determination of whether the bill  
2 8 contains a requirement for a mandated health care benefit. If  
2 9 a mandated health care benefit may be required as a result of  
2 10 the bill, that fact shall be included in the explanation of  
2 11 the bill.  
2 12 b. A bill containing a notice that the bill contains a  
2 13 requirement for a mandated health care benefit shall not be  
2 14 voted out of a standing committee of the house of  
2 15 representatives or the senate until the chairperson of the  
2 16 committee has referred the bill to the commissioner for review  
2 17 and evaluation by the state health insurance mandate  
2 18 commission created in this section and a report has been  
2 19 received from the commission by the speaker of the house of  
2 20 representatives and the president of the senate.  
2 21 c. Upon referral of such a bill to the commissioner, the

2 22 commissioner shall convene the state health insurance mandate  
2 23 commission to conduct a review and evaluation of the bill.  
2 24 The commission shall prepare a written report, with the  
2 25 assistance of the commissioner, that sets forth the  
2 26 commission's findings, evaluations, and recommendations. The  
2 27 completed report shall be transmitted to the speaker of the  
2 28 house of representatives and to the president of the senate  
2 29 within ninety days from the date the commissioner receives  
2 30 referral of the bill. The report shall include a financial  
2 31 impact analysis performed by an actuary who is a member of the  
2 32 American academy of actuaries and who certifies that the  
2 33 analysis is consistent with accepted actuarial techniques.  
2 34 d. The report shall include but is not limited to a review  
2 35 and evaluation of all of the following, to the extent that the  
3 1 information is available:  
3 2 (1) Public impact, including all of the following:  
3 3 (a) The extent to which the mandated health care benefit  
3 4 is generally utilized by a significant portion of the  
3 5 population.  
3 6 (b) The extent to which insurance coverage for the  
3 7 mandated health care benefit is already generally available,  
3 8 and if coverage is not generally available, the extent to  
3 9 which the lack of coverage results in persons forgoing  
3 10 necessary health care treatments or results in unreasonable  
3 11 financial hardship to patients.  
3 12 (c) The extent to which the mandated health care benefit  
3 13 is covered by self-funded employers' groups.  
3 14 (d) The level of public demand for the mandated health  
3 15 care benefit.  
3 16 (e) The level of public demand for insurance coverage of  
3 17 the mandated health care benefit.  
3 18 (f) The level of interest of collective bargaining agents  
3 19 in negotiating privately for inclusion of the coverage in  
3 20 group health insurance contracts.  
3 21 (2) Medical impact, including all of the following:  
3 22 (a) The extent to which the mandated health care benefit  
3 23 is recognized by the medical community as being effective in  
3 24 the treatment of patients.  
3 25 (b) The extent to which the mandated health care benefit  
3 26 is recognized by the medical community as being effective as  
3 27 demonstrated by a review of scientific and peer-reviewed  
3 28 literature.  
3 29 (c) The extent to which the mandated health care benefit  
3 30 is available and utilized by health care providers in the  
3 31 state.  
3 32 (d) The extent to which the mandated health care benefit  
3 33 makes a positive contribution to the health status of the  
3 34 population, including the ramifications of using alternatives  
3 35 to or not providing the mandated health care benefit.  
4 1 (e) The extent to which the mandated health care benefit  
4 2 would diminish or eliminate access to currently available  
4 3 health care services.  
4 4 (3) Financial impact, including all of the following:  
4 5 (a) The extent to which the mandated health care benefit  
4 6 will increase or decrease the cost of health care benefits  
4 7 over the next five years.  
4 8 (b) The extent to which the mandated health care benefit  
4 9 will increase the appropriate use of the health care benefit  
4 10 over the next five years.  
4 11 (c) The extent to which the mandated health care benefit  
4 12 will be a substitute for a more expensive health care benefit  
4 13 over the next five years.  
4 14 (d) The impact of the mandated health care benefit on  
4 15 small employers.  
4 16 (e) The extent to which the costs resulting from lack of  
4 17 coverage for the mandated health care benefit are currently  
4 18 paid by or will be shifted to other payers, including both  
4 19 public and private entities.  
4 20 (f) The extent to which the mandated health care benefit  
4 21 will increase or decrease the administrative expenses of  
4 22 carriers and the premiums and administrative expenses of  
4 23 policyholders.  
4 24 (g) The impact of the mandated health care benefit on the  
4 25 total cost of health care over the next five years.  
4 26 3. COMMISSION == ESTABLISHMENT.  
4 27 a. A state health insurance mandate commission is  
4 28 established to review legislation that proposes to mandate  
4 29 health care benefits in this state.  
4 30 b. The commission shall consist of the following members:  
4 31 (1) The commissioner or the commissioner's designee.  
4 32 (2) The chairperson and the ranking member of the senate

4 33 commerce committee or designees of either, both of whom shall  
4 34 be ex officio, nonvoting members of the commission.

4 35 (3) The chairperson and the ranking member of the house  
5 1 commerce committee or designees of either, both of whom shall  
5 2 be ex officio, nonvoting members of the commission.

5 3 (4) Five members appointed by the governor, one of whom  
5 4 shall be a representative of a small employer, one a  
5 5 representative of a large employer, one a member of a  
5 6 collective bargaining unit, one a person who has individual  
5 7 health insurance coverage, and one representing the general  
5 8 public.

5 9 (5) Four members appointed by the commissioner, one of  
5 10 whom shall be an expert in the field of health insurance, one  
5 11 an expert in medical research, one an expert in the field of  
5 12 social sciences, and one an actuary.

5 13 c. Members of the commission who are appointed shall be  
5 14 appointed for three-year terms and shall be balanced as to  
5 15 political affiliation as provided in section 69.16. However,  
5 16 a member shall serve until a successor has been appointed and  
5 17 qualified. A vacancy on the commission shall be filled for  
5 18 the unexpired portion of the regular term in the same manner  
5 19 as regular appointments are made.

5 20 d. Members of the commission shall receive a per diem and  
5 21 mileage, at the same rate that is paid to members of the  
5 22 general assembly, when attending to the duties of the  
5 23 commission.

5 24 e. The commission shall not conduct business until all  
5 25 members of the commission have been appointed or selected and  
5 26 qualify. A majority of the members of the commission shall  
5 27 constitute a quorum. The commissioner or the commissioner's  
5 28 designee shall serve as chairperson of the commission.

5 29 f. Staff and administrative support for the commission  
5 30 shall be furnished by the insurance division.

5 31 g. The commission may do all of the following:

5 32 (1) Hold public hearings.

5 33 (2) Conduct research.

5 34 (3) Receive testimony from experts.

5 35 (4) Review, for purposes of comparison, the health  
6 1 benefits mandated in other states and the jurisdiction and  
6 2 effect of such mandates.

6 3 (5) Contract with experts to develop needed data  
6 4 concerning a proposed mandate.

6 5 (6) Perform other actions necessary to accomplish the  
6 6 commission's assigned tasks.

6 7 4. COMMISSION BUDGET.

6 8 a. The commissioner shall propose a budget for the first  
6 9 year of operation of the state health insurance mandate  
6 10 commission, subject to the approval of the state health  
6 11 insurance mandate commission.

6 12 b. By July 1, 2010, and by each July 1 thereafter, the  
6 13 state health insurance mandate commission shall review the  
6 14 costs of the commission's operation for the preceding fiscal  
6 15 year and develop a budget for the commission's operation for  
6 16 the current fiscal year.

6 17 5. RULES. The commissioner shall adopt rules deemed  
6 18 necessary for the administration of this section in accordance  
6 19 with chapter 17A.

#### 6 20 EXPLANATION

6 21 This bill adds new Code section 514C.24 creating a state  
6 22 health insurance mandate commission consisting of 14 specified  
6 23 members and chaired by the commissioner of insurance or the  
6 24 commissioner's designee.

6 25 The bill provides that when a bill is requested, the  
6 26 legislative services agency shall make an initial  
6 27 determination of whether the bill contains a requirement that  
6 28 a mandated health care benefit be offered in all individual or  
6 29 group hospital or health care service contracts in this state,  
6 30 and if so, notice of that fact must be included in the  
6 31 explanation of the bill.

6 32 The bill further provides that if such a notice is included  
6 33 in the explanation of the bill, the bill shall not be voted  
6 34 out of a standing committee of the house of representatives or  
6 35 the senate until the chairperson of the committee has referred  
7 1 the bill to the commissioner of insurance for findings,  
7 2 evaluations, and recommendations by the state health insurance  
7 3 mandate commission. The bill provides that upon receiving  
7 4 such a referral, the insurance commissioner shall convene the  
7 5 commission, and after completing its review and evaluation the  
7 6 commission shall prepare and transmit a written report to the  
7 7 speaker of the house of representatives and to the president  
7 8 of the senate setting forth the commission's findings,

7 9 including an evaluation of the public, medical, and financial  
7 10 impacts, to the extent that the information is available, of  
7 11 the proposed mandated health care benefit within 90 days from  
7 12 the date the commissioner receives referral of the bill. The  
7 13 report must include a financial impact analysis performed by  
7 14 an actuary who is a member of the American academy of  
7 15 actuaries and who certifies that the analysis is consistent  
7 16 with accepted actuarial techniques.

7 17 The bill provides for the organization of the state health  
7 18 insurance mandate commission, including three-year terms for  
7 19 appointed members, balance in political affiliation,  
7 20 vacancies, compensation for a per diem and mileage, quorums,  
7 21 and staff and administrative support from the insurance  
7 22 division. The bill specifies that the commission may hold  
7 23 public hearings, receive testimony from experts, compare  
7 24 health benefits mandated in other states, contract with  
7 25 experts to develop needed data, and perform other actions  
7 26 necessary to accomplish the commission's assigned tasks.

7 27 The bill also provides that the commissioner of insurance  
7 28 shall propose a budget for the first year of operation of the  
7 29 new commission subject to approval by the commission. The  
7 30 bill provides that by July 1, 2010, and by each July 1  
7 31 thereafter, the commission shall review the costs of the  
7 32 preceding fiscal year and develop a budget for the  
7 33 commission's operation for the current fiscal year.

7 34 The bill allows the commissioner of insurance to adopt  
7 35 rules deemed necessary for the administration of the new Code  
8 1 section in accordance with Code chapter 17A.

8 2 LSB 2025YH 83

8 3 av/nh/8