

House Study Bill 585 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON LUNDGREN)

A BILL FOR

1 An Act relating to the medical assistance and hawk-i programs,
2 and managed care organizations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 505.34 Medical assistance and
2 hawk-i programs — applicability of subtitle.

3 1. The medical assistance program under chapter 249A and the
4 healthy and well kids in Iowa (hawk-i) program under chapter
5 514I shall not be subject to this subtitle unless otherwise
6 provided by law.

7 2. A managed care organization acting pursuant to a contract
8 with the department of human services to administer the medical
9 assistance program under chapter 249A, or the healthy and well
10 kids in the Iowa (hawk-i) program under chapter 514I, shall not
11 be subject to this subtitle unless otherwise provided by law.

12 Sec. 2. Section 514B.32, Code 2022, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 5. The provisions of this chapter shall be
15 applicable to a managed care organization acting pursuant to a
16 contract with the department of human services to administer
17 the medical assistance program under chapter 249A, or the
18 healthy and well kids in Iowa (hawk-i) program under chapter
19 514I, only with respect to licensure and solvency standards
20 as evidenced by the managed care organization obtaining
21 and maintaining a certificate of authority, and maintaining
22 compliance with the solvency standards set forth in this
23 chapter.

24 Sec. 3. Section 514I.2, subsection 9, Code 2022, is amended
25 to read as follows:

26 9. "*Participating insurer*" means any of the following:

27 a. An entity licensed by the division of insurance of the
28 department of commerce to provide health insurance in Iowa that
29 has contracted with the department to provide health insurance
30 coverage to eligible children under this chapter.

31 b. A managed care organization acting pursuant to a contract
32 with the department of human services to administer the hawk-i
33 program.

34 Sec. 4. Section 514I.5, subsection 9, Code 2022, is amended
35 to read as follows:

1 9. The hawk-i board shall monitor the capacity of Medicaid
2 managed care organizations acting pursuant to a contract with
3 the department to administer the hawk-i program to specifically
4 and appropriately address the unique needs of children and
5 children's health delivery.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
8 the explanation's substance by the members of the general assembly.

9 This bill relates to the medical assistance and hawk-i
10 programs, and managed care organizations (MCOs).

11 The bill provides that the medical assistance program and
12 the hawk-i program, and MCOs acting pursuant to a contract with
13 the department of human services (department) to administer
14 either program, shall not be subject to Code Title XIII,
15 subtitle I (insurance and regulated regulation), unless
16 otherwise provided by law.

17 The bill clarifies that the provisions of Code chapter 514B
18 are applicable to an MCO acting pursuant to a contract with
19 the department to administer the medical assistance program or
20 the hawk-i program only with respect to licensure and solvency
21 standards as evidenced by the MCO obtaining and maintaining a
22 certificate of authority, and maintaining compliance with the
23 solvency standards set forth in the Code chapter.

24 The bill adds an MCO acting pursuant to a contract with the
25 department to administer the hawk-i program to the definition
26 of "participating insurer" for purposes of Code chapter 514I.2.

27 The bill makes conforming changes to Code section 514I.5.