House Study Bill 637 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE

ON COMMERCE BILL BY

CHAIRPERSON LUNDGREN)

A BILL FOR

- 1 An Act relating to electronic delivery of certain insurance
- 2 notices and documents.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

H.F. ____

- 1 Section 1. Section 505B.1, Code 2022, is amended by adding 2 the following new subsections:
- 3 NEW SUBSECTION. 11A. a. Notwithstanding any provision of
- 4 this section to the contrary, an employer policyholder of a
- 5 group health plan may consent to electronic delivery of notices
- 6 and documents on behalf of its covered employees. For such
- 7 consent to be effective for a particular covered employee,
- 8 the employee must be able to effectively access the notices
- 9 and documents delivered by electronic means at any location
- 10 the employee is reasonably expected to perform the employee's
- 11 duties, and such access must be an integral part of those
- 12 duties.
- 13 b. Each covered employee shall be provided with a clear and
- 14 conspicuous written statement informing the employee of all of
- 15 the following:
- 16 (1) The right of the employee to have notices and documents
- 17 provided or made available in paper form.
- 18 (2) The right of the employee to withdraw consent to have
- 19 notices and documents delivered by electronic means and any
- 20 conditions or consequences imposed in the event consent is
- 21 withdrawn.
- 22 (3) Whether the consent applies as follows:
- 23 (a) Only to the particular transaction as to which the
- 24 notice or document must be provided.
- 25 (b) To notices of cancellation, nonrenewal, or termination.
- 26 (c) To other identified categories of notices and documents
- 27 that may be delivered by electronic means during the time the
- 28 employee is a covered employee.
- 29 (4) The means, after consent is given by the employer
- 30 policyholder, by which the employee may obtain a paper copy of
- 31 a notice or document delivered by electronic means.
- 32 (5) The procedure the employee must follow to withdraw
- 33 consent to have a notice or document delivered by electronic
- 34 means and to update information needed to contact the employee
- 35 electronically.

H.F. ____

- 1 NEW SUBSECTION. 11B. a. Notwithstanding any provision of
- 2 this section to the contrary, the issuer of a health insurance
- 3 policy or contract may provide a group or individual insurance
- 4 policy or contract electronically to a party without the
- 5 affirmative consent of the party if the issuer mails written
- 6 notice to the party describing all of the following:
- 7 (1) How to access the policy or contract electronically.
- 8 (2) That a paper form of the policy or contract may be 9 requested at any time.
- 10 (3) How to request a copy of the paper form of the policy 11 or contract.
- 12 (4) That the paper form of the policy or contract will be 13 provided free of charge to the party.
- 14 b. Notwithstanding any provision of this section to the
- 15 contrary, the issuer of a health insurance policy or contract
- 16 that receives a request from a party for a paper form of a
- 17 policy or contract shall provide the copy free of charge to the
- 18 party as soon as practicable but no later than fifteen calendar
- 19 days after the date that the issuer receives the party's
- 20 request.
- 21 EXPLANATION
- The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.
- 24 This bill is related to electronic delivery of certain
- 25 insurance notices and documents.
- 26 The bill allows an employer policyholder of a group health
- 27 plan to consent to electronic delivery of notices and documents
- 28 (documents) on behalf of its covered employees (employee). For
- 29 the consent to be effective for a particular employee, the
- 30 employee must be able to effectively access documents delivered
- 31 electronically at any location the employee is reasonably
- 32 expected to perform their duties, and access must be an
- 33 integral part of those duties. Each employee must be provided
- 34 with a written statement informing them of specific rights as
- 35 detailed in the bill.

H.F. ____

- 1 The bill provides that the issuer of a health insurance
- 2 policy or contract (issuer) may provide a group or individual
- 3 insurance policy or contract electronically to a party without
- 4 the affirmative consent of the party if the issuer mails
- 5 written notice to the party describing the requirements as
- 6 detailed in the bill. The bill requires that an issuer that
- 7 receives a request from a party for a paper form of a policy
- 8 or contract must provide the copy free of charge no later than
- 9 15 days after the date that the issuer receives the party's
- 10 request.