

House File 562 - Introduced

HOUSE FILE 562

BY BEST

A BILL FOR

1 An Act relating to insurance coverage for the maintenance and
2 repair of complex rehabilitation technology wheelchairs.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 514M.1 Definitions.

2 For purposes of this chapter, unless the context otherwise
3 requires:

4 1. "*Commissioner*" means the commissioner of insurance.

5 2. "*Complex rehabilitation technology wheelchair*" means a
6 complex rehabilitation manual or power wheelchair, classified
7 by Medicare as durable medical equipment, that is individually
8 configured for a patient to meet the patient's specific and
9 unique medical, physical, and functional needs and capacities
10 for basic activities of daily living and instrumental
11 activities of daily living identified as medically necessary,
12 and includes the options and accessories related to the complex
13 rehabilitation manual or power wheelchair.

14 3. "*Covered person*" means a policyholder, subscriber, or
15 other person participating in a policy, contract, or plan that
16 provides for third-party payment or prepayment of health or
17 medical expenses.

18 4. "*Department*" means the department of health and human
19 services.

20 5. "*Health care professional*" means the same as defined in
21 section 514J.102.

22 6. "*Health carrier*" means an entity subject to the
23 insurance laws and regulations of this state, or subject
24 to the jurisdiction of the commissioner, including an
25 insurance company offering sickness and accident plans, a
26 health maintenance organization, a nonprofit health service
27 corporation, a plan established pursuant to chapter 509A
28 for public employees, or any other entity providing a plan
29 of health insurance, health care benefits, or health care
30 services.

31 7. "*Medical assistance*" means the same as defined in section
32 249A.2.

33 8. "*Patient*" means an individual who resides in the
34 state, who is a recipient, and who has a diagnosis or medical
35 condition that results in significant physical impairment or

1 functional limitation.

2 9. *"Qualified complex rehabilitation technology professional"*
3 means an individual who is certified as an assistive technology
4 professional by the rehabilitation engineering and assistive
5 technology society of North America.

6 10. *"Qualified complex rehabilitation technology wheelchair*
7 *supplier"* or *"qualified supplier"* means an entity that meets all
8 of the following criteria:

9 a. The entity is accredited by a recognized accrediting
10 organization as a supplier of complex rehabilitation technology
11 wheelchairs.

12 b. The entity employs at least one qualified complex
13 rehabilitation technology professional to analyze the needs and
14 capacities of a patient or a covered person in consultation
15 with the patient's or covered person's prescribing health care
16 professional, to participate in the selection of an appropriate
17 complex rehabilitation technology wheelchair for the needs and
18 capacities of the patient or the covered person, and to provide
19 training in the proper use of the complex rehabilitation
20 technology wheelchair.

21 c. The entity requires a qualified complex rehabilitation
22 technology professional to be physically present for the
23 evaluation and determination of an appropriate complex
24 rehabilitation technology wheelchair for a patient or a covered
25 person.

26 d. The entity has the capability to provide service and
27 repairs, performed by qualified technicians, for all complex
28 rehabilitation technology wheelchairs sold by the qualified
29 supplier.

30 e. At the time of delivery of a complex rehabilitation
31 technology wheelchair to a patient or a covered person, the
32 entity provides written information that explains how the
33 patient or covered person may receive service, repairs, and
34 annual preventative maintenance for the complex rehabilitation
35 technology wheelchair.

1 11. *“Recipient”* means a person who receives medical
2 assistance under chapter 249A.

3 12. *“Third-party payor”* means health carriers and other
4 entities that provide a plan of health insurance or health care
5 benefits.

6 Sec. 2. NEW SECTION. **514M.2 Complex rehabilitation**
7 **technology wheelchairs — service and repairs.**

8 1. Beginning January 1, 2024, a qualified complex
9 rehabilitation technology wheelchair supplier that provides a
10 complex rehabilitation technology wheelchair to a patient or
11 to a covered person shall be required to provide service and
12 repairs of the complex rehabilitation technology wheelchair
13 as requested by the patient or the covered person, or the
14 patient’s or covered person’s prescribing health care
15 professional, except in the following circumstances:

16 a. The patient or covered person moves out of state after
17 receiving the complex rehabilitation technology wheelchair.

18 b. The patient or covered person presents a safety risk to
19 any of the qualified supplier’s staff members.

20 c. The patient or covered person is no longer a recipient or
21 a covered person.

22 2. A third-party payor shall not require any of the
23 following in order for a qualified complex rehabilitation
24 technology wheelchair supplier to provide service and repairs
25 under this section:

26 a. Prior authorization.

27 b. Documentation of continued medical necessity.

28 3. Documentation of all service and repairs completed by a
29 qualified complex rehabilitation technology wheelchair supplier
30 under this section shall be maintained by the qualified
31 supplier. The documentation shall not be subject to audit by a
32 third-party payor.

33 Sec. 3. NEW SECTION. **514M.3 Complex rehabilitation**
34 **technology wheelchairs — annual preventative maintenance.**

35 1. Beginning July 1, 2024, a qualified complex

1 rehabilitation technology wheelchair supplier that provides a
2 complex rehabilitation technology wheelchair to a patient or to
3 a covered person shall be required to offer annual preventative
4 maintenance on the complex rehabilitation technology wheelchair
5 except in the following circumstances:

6 *a.* The patient or covered person moves out of state after
7 receiving the complex rehabilitation technology wheelchair.

8 *b.* The patient or covered person presents a safety risk to
9 any of the qualified supplier's staff members.

10 *c.* The patient or covered person is no longer a recipient or
11 a covered person.

12 2. All preventative maintenance shall be performed by
13 a qualified technician who is an employee of the qualified
14 complex rehabilitation technology wheelchair supplier.

15 3. All third-party payors shall ensure that the annual
16 preventative maintenance benefit is communicated in written
17 form to all patients or covered persons.

18 4. Annual preventative maintenance shall be scheduled by
19 the qualified complex rehabilitation technology wheelchair
20 supplier at the request of the patient or covered person, or
21 the patient's or covered person's health care professional.
22 If the patient or covered person does not request annual
23 preventative maintenance, the qualified supplier shall contact
24 the patient or covered person and schedule preventative
25 maintenance at a time that is mutually convenient for both
26 parties. Annual preventative maintenance may also be performed
27 during the provision of service and repairs under section
28 514M.2.

29 5. Annual preventative maintenance may be performed at the
30 qualified supplier's facility, or at a wheelchair clinic or
31 other health care facility.

32 6. A third-party payor shall not require any of the
33 following in order for a qualified complex rehabilitation
34 technology wheelchair supplier to perform annual preventative
35 maintenance under this section:

1 *a.* Prior authorization.

2 *b.* Documentation of continued medical necessity.

3 7. Documentation of all preventative maintenance performed
4 by a qualified complex rehabilitation technology wheelchair
5 supplier pursuant to this section shall be maintained by the
6 qualified supplier. The documentation shall not be subject to
7 audit by a third-party payor.

8 Sec. 4. NEW SECTION. 514M.4 Third-party payors —
9 applicability.

10 1. This chapter applies to the following classes of
11 third-party payment provider contracts, policies, or plans
12 delivered, issued for delivery, continued, or renewed in this
13 state on or after January 1, 2024:

14 *a.* Individual or group accident and sickness insurance
15 providing coverage on an expense-incurred basis.

16 *b.* An individual or group hospital or medical service
17 contract issued pursuant to chapter 509, 514, or 514A.

18 *c.* An individual or group health maintenance organization
19 contract regulated under chapter 514B.

20 *d.* A plan established for public employees pursuant to
21 chapter 509A.

22 *e.* The medical assistance program under chapter 249A
23 including all managed care organizations acting pursuant to a
24 contract with the department of health and human services to
25 administer the medical assistance program.

26 2. This chapter shall not apply to accident-only,
27 specified disease, short-term hospital or medical, hospital
28 confinement indemnity, credit, dental, vision, Medicare
29 supplement, long-term care, basic hospital and medical-surgical
30 expense coverage as defined by the commissioner, disability
31 income insurance coverage, coverage issued as a supplement
32 to liability insurance, workers' compensation or similar
33 insurance, or automobile medical payment insurance.

34 Sec. 5. NEW SECTION. 514M.5 Task force — reimbursement
35 rates.

1 1. The division and the department shall form a task
2 force whose members shall include the commissioner or the
3 commissioner's designee, the director or the director's
4 designee, two representatives from Iowa-based qualified complex
5 rehabilitation technology wheelchair suppliers, two Iowa-based
6 qualified complex rehabilitation technology professionals, two
7 patients or the patients' representatives, two covered persons
8 or the covered person's representative, and two representatives
9 of third-party payors. All members of the task force shall be
10 reimbursed for all actual and necessary expenses incurred in
11 the performance of duties as a member of the task force.

12 2. The task force shall annually review and determine all
13 of the following:

14 a. The reimbursement rate for service and repairs completed
15 under section 514M.2. The reimbursement rate shall include
16 all related diagnostic and evaluation time, related labor,
17 necessary parts, and reasonable travel time.

18 b. The reimbursement rate for preventative maintenance
19 completed under section 514M.3. The reimbursement rate shall
20 include all related diagnostic and evaluation time, related
21 labor, necessary parts, and reasonable travel time.

22 c. The scope of the preventative maintenance required under
23 section 514M.3.

24 Sec. 6. NEW SECTION. 514M.6 Rules.

25 The division and the department shall adopt joint rules
26 pursuant to chapter 17A as necessary to administer this
27 chapter.

28 EXPLANATION

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

31 This bill relates to insurance coverage for the maintenance
32 and repair of complex rehabilitation technology wheelchairs.

33 Beginning January 1, 2024, the bill requires a qualified
34 complex rehabilitation technology wheelchair supplier
35 (qualified supplier) that provides a complex rehabilitation

1 technology wheelchair (wheelchair) to a patient or a covered
2 person to provide service and repairs on the wheelchair as
3 requested by the patient or covered person, or the patient's
4 or covered person's prescribing health care professional,
5 except in the circumstances detailed in the bill. "Qualified
6 supplier", "patient", "covered person", and "complex
7 rehabilitation technology wheelchair" are defined in the bill.

8 The bill prohibits a third-party payor from requiring prior
9 authorization or documentation of continued medical necessity
10 in order for a qualified supplier to provide service and
11 repairs under the bill. "Third-party payor" is defined in the
12 bill.

13 Documentation of all service and repairs completed by a
14 qualified supplier under the bill shall be maintained by
15 the qualified supplier, and are not subject to audit by a
16 third-party payor.

17 Beginning July 1, 2024, a qualified supplier that provides
18 a wheelchair to a patient shall be required to offer annual
19 preventative maintenance (PM) on the wheelchair, except in the
20 circumstances detailed in the bill. The bill requires that all
21 PM be performed by a qualified technician who is an employee of
22 the qualified supplier. All third-party payors shall ensure
23 that the annual PM benefit is communicated in written form to
24 all patients.

25 The PM must be scheduled, and performed in a location, as
26 detailed in the bill. A third-party payor shall not require
27 prior authorization or documentation of continued medical
28 necessity in order for a qualified supplier to perform annual
29 PM. Documentation of all PM shall be maintained by the
30 qualified supplier and shall not be subject to audit by a
31 third-party payor.

32 The bill applies to third-party payment providers enumerated
33 in the bill, including the medical assistance program (program)
34 under Code chapter 249A and managed care organizations acting
35 pursuant to a contract with the department of health and human

1 services (HHS) to administer the program. The bill specifies
2 the types of specialized health-related insurance which are not
3 subject to the bill.

4 The bill requires the division of insurance (division) and
5 HHS to form a task force made up of members as detailed in the
6 bill. All members of the task force shall be reimbursed for
7 all actual and necessary expenses incurred in the performance
8 of duties as a member of the task force. The task force shall
9 annually review and determine the reimbursement rate (rate)
10 for service and repairs completed under the bill, and the rate
11 shall include all related evaluation and diagnostic time,
12 related labor, necessary parts, and reasonable travel time;
13 the rate for PM completed under the bill, and the rate shall
14 include all related evaluation and diagnostic time, related
15 labor, necessary parts, and reasonable travel time; and the
16 scope of the PM required under the bill.

17 The division and HHS shall adopt joint rules as necessary to
18 administer the bill.