

House File 500 - Introduced

HOUSE FILE 500
BY BODEN

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:

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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 activities
11 of daily living identified as medically necessary, and includes
12 the options and accessories related to the complex rehabilitation
13 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 insurance
23 laws and regulations of this state, or subject to the
24 jurisdiction of the commissioner, including an insurance company
25 offering sickness and accident plans, a health maintenance
26 organization, a nonprofit health service corporation, a plan
27 established pursuant to chapter 509A for public employees, or any
28 other entity providing a plan of health insurance, health care
29 benefits, or health care services.

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

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

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

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

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

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

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

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

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

35 11. "Recipient" means a person who receives medical

1 assistance under chapter 249A.

2 12. "Third-party payor" means health carriers and other
3 entities that provide a plan of health insurance or health care
4 benefits.

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

7 1. Beginning January 1, 2026, a qualified complex
8 rehabilitation technology wheelchair supplier that provides a
9 complex rehabilitation technology wheelchair to a patient or to
10 a covered person shall be required to provide service and repairs
11 of the complex rehabilitation technology wheelchair as requested
12 by the patient or the covered person, or the patient's or covered
13 person's prescribing health care professional, except in the
14 following circumstances:

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

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

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

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

25 a. Prior authorization.

26 b. Documentation of continued medical necessity.

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

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

34 1. Beginning July 1, 2026, a qualified complex rehabilitation
35 technology wheelchair supplier that provides a complex

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

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

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

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

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

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

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

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

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

34 a. Prior authorization.

35 b. Documentation of continued medical necessity.

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

6 Sec. 4. NEW SECTION. **514M.4 Third-party payors —**
7 **applicability.**

8 1. This chapter applies to the following classes of
9 third-party payment provider contracts, policies, or plans
10 delivered, issued for delivery, continued, or renewed in this
11 state on or after January 1, 2026:

12 a. Individual or group accident and sickness insurance
13 providing coverage on an expense-incurred basis.

14 b. An individual or group hospital or medical service
15 contract issued pursuant to chapter 509, 514, or 514A.

16 c. An individual or group health maintenance organization
17 contract regulated under chapter 514B.

18 d. A plan established for public employees pursuant to
19 chapter 509A.

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

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

32 Sec. 5. NEW SECTION. **514M.5 Task force — reimbursement**
33 **rates.**

34 1. The division and the department shall form a task
35 force whose members shall include the commissioner or the

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

10 2. The task force shall annually review and determine all of
11 the following:

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

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

20 c. The scope of the preventative maintenance required under
21 section 514M.3.

22 Sec. 6. NEW SECTION. **514M.6 Rules.**

23 The division and the department shall adopt joint rules
24 pursuant to chapter 17A as necessary to administer this chapter.

25 EXPLANATION

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

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

30 Beginning January 1, 2026, the bill requires a qualified
31 complex rehabilitation technology wheelchair supplier (qualified
32 supplier) that provides a complex rehabilitation technology
33 wheelchair (wheelchair) to a patient or a covered person to
34 provide service and repairs on the wheelchair as requested by the
35 patient or covered person, or the patient's or covered person's

1 prescribing health care professional, except in the circumstances
2 detailed in the bill. "Qualified supplier", "patient", "covered
3 person", and "complex rehabilitation technology wheelchair" are
4 defined in the bill.

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

9 Documentation of all service and repairs completed by a
10 qualified supplier under the bill shall be maintained by the
11 qualified supplier, and are not subject to audit by a third-party
12 payor.

13 Beginning July 1, 2026, a qualified supplier that provides
14 a wheelchair to a patient shall be required to offer annual
15 preventative maintenance (PM) on the wheelchair, except in the
16 circumstances detailed in the bill. The bill requires that all
17 PM be performed by a qualified technician who is an employee
18 of the qualified supplier. All third-party payors shall ensure
19 that the annual PM benefit is communicated in written form to all
20 patients.

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

28 The bill applies to third-party payment providers enumerated
29 in the bill, including the medical assistance program (program)
30 under Code chapter 249A and managed care organizations acting
31 pursuant to a contract with the department of health and human
32 services (HHS) to administer the program. The bill specifies
33 the types of specialized health-related insurance which are not
34 subject to the bill.

35 The bill requires the division of insurance (division) and

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

13 The division and HHS shall adopt joint rules as necessary to
14 administer the bill.

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