

House Study Bill 721 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR BILL)

A BILL FOR

1 An Act relating to the establishment of a state-based exchange,
2 creation of a state-based exchange fund, state innovation
3 waivers, and including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. NEW SECTION. **505.18B State-based exchange —**
2 **fund.**

3 1. As used in this section, unless the context otherwise
4 requires:

5 a. "Commissioner" means the commissioner of insurance.

6 b. "State-based exchange" means a state, federal, or
7 partnership exchange or marketplace operating in the state
8 pursuant to, including regulations issued pursuant to, section
9 1311 of the federal Patient Protection and Affordable Care Act,
10 Pub. L. No. 111-148, as amended.

11 2. a. The commissioner shall develop and submit an
12 application for a state innovation waiver pursuant to section
13 505.18A on or before December 31, 2026.

14 b. At the direction of the governor, the commissioner
15 shall have the authority to create, establish, implement,
16 administer, or otherwise operate a state-based exchange and, if
17 the application for a state innovation under paragraph "a" is
18 approved, shall do so in accordance with the approved state
19 innovation waiver.

20 3. a. A state-based exchange fund is created in the state
21 treasury under the control of the division. Notwithstanding any
22 provision of law to the contrary, the fund shall consist of
23 moneys appropriated by the general assembly for purposes of this
24 section and any other moneys that are lawfully available to the
25 division for purposes of this section, including but not limited
26 to moneys obtained or accepted by the division from the federal
27 government, user fees, and grants. The fund shall be used by the
28 division for purposes of this section.

29 b. Notwithstanding section 8.33, moneys appropriated in this
30 section that remain unencumbered or unobligated at the close of
31 the fiscal year shall not revert but shall remain available for
32 expenditure for the purposes designated. Notwithstanding section
33 12C.7, subsection 2, interest or earnings on moneys in the fund
34 shall be credited to the fund.

35 4. a. Except as provided in this subsection, all documents,

1 materials, complaints, investigations, or other information in
2 the possession or control of the division for purposes of this
3 section, or for purposes of complying with federal requirements
4 for a federal health insurance exchange, shall be confidential
5 records not subject to disclosure pursuant to chapter 22, shall
6 not be subject to subpoena, and shall not be subject to discovery
7 or be admissible in evidence in any private civil action in
8 which the division is a named party. However, the division is
9 authorized to use the confidential information without further
10 disclosure to carry out the division's duties under this chapter
11 and, to the extent authorized by law, in the furtherance of any
12 regulatory or legal action brought as part of the commissioner's
13 official duties.

14 b. Notwithstanding paragraph "a", the commissioner may do any
15 of the following:

16 (1) Share confidential information with a state-based
17 exchange of another state, a regulatory authority, a state
18 department, a law enforcement agency, or a federal authority
19 provided that the recipient agrees in writing to maintain the
20 confidentiality and privileged status of the document, material,
21 or other information.

22 (2) Receive documents, materials, or information, including
23 otherwise confidential and privileged documents, materials, or
24 information, from a state-based exchange of another state,
25 regulatory authority, state department, law enforcement agency,
26 or federal authority and shall maintain as confidential or
27 privileged any documents, materials, or other information
28 received with notice or the understanding that the documents,
29 materials, or other information received is confidential and
30 privileged under the laws of the jurisdiction that is the source
31 of the documents, materials, or other information.

32 (3) No waiver of any applicable privilege or claim of
33 confidentiality in the confidential information shall occur as
34 a result of disclosure or sharing of confidential or privileged
35 documents, materials, or other information authorized by this

1 section.

2 c. This subsection shall not prohibit the commissioner
3 from releasing a final, adjudicated order, including but not
4 limited to a certification, recertification, decertification,
5 or suspension of a qualified health plan if the order is
6 otherwise subject to public disclosure, to a database or other
7 clearinghouse service maintained by a federal authority.

8 5. The commissioner may adopt rules pursuant to chapter 17A
9 to administer this section. The commissioner may adopt emergency
10 rules under section 17A.4, subsection 3, and section 17A.5,
11 subsection 2, paragraph "b", to administer this section and the
12 rules shall be effective immediately upon filing unless a later
13 date is specified in the rules. Any rules adopted in accordance
14 with this section shall also be published as a notice of intended
15 action as provided in section 17A.4.

16 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate
17 importance, takes effect upon enactment.

18 EXPLANATION

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

21 This bill relates to the establishment of a state-based
22 exchange and the creation of a state-based exchange fund.

23 The bill defines "state-based exchange" as a state, federal,
24 or partnership exchange or marketplace operating in the state
25 pursuant to section 1311 of the federal Patient Protection and
26 Affordable Care Act, Pub. L. No. 111-148.

27 The bill requires the commissioner of insurance (commissioner)
28 to develop and submit an application for a state innovation
29 waiver pursuant to Code section 505.18A on or before December
30 31, 2026. Under the bill, at the direction of the governor,
31 the commissioner shall have the authority to create, establish,
32 implement, administer, or otherwise operate a state-based
33 exchange and, if the application for a state innovation is
34 approved, shall do so in accordance with the approved state
35 innovation waiver. A state-based exchange fund (fund) is created

1 in the state treasury under the control of the insurance division
2 (division) and shall consist of moneys appropriated by the
3 general assembly and any other moneys that are lawfully available
4 to the division to be used for purposes of the bill, including
5 but not limited to moneys obtained or accepted by the division
6 from the federal government, user fees, and grants.

7 All documents, materials, complaints, investigations, or other
8 information in the possession or control of the division for
9 purposes of the state-based exchange, or for complying with
10 federal requirements for a federal health insurance exchange,
11 are confidential records not subject to subpoena or discovery,
12 or admissible into evidence, as provided in the bill, unless an
13 exception enumerated in the bill is applicable.

14 The commissioner may adopt rules, including emergency rules,
15 to administer the bill.

16 The bill, being deemed of immediate importance, takes effect
17 upon enactment.

unofficial