

Senate File 565 - Introduced

SENATE FILE 565
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO SSB 1039)

A BILL FOR

1 An Act providing for the continuation of health insurance in
2 certain circumstances for the surviving spouse and each
3 surviving child of employees of the state of Iowa and
4 including retroactive applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. NEW SECTION. **509A.13E Health insurance coverage**
2 **— surviving spouse and children of employees of the state of**
3 **Iowa.**

4 1. For the purposes of this section, "*eligible employee of*
5 *the state of Iowa*" means an employee of the state of Iowa,
6 including but not limited to any department, agency, board,
7 bureau, or commission of the state of Iowa, who is participating
8 in a state health or medical group insurance plan under chapter
9 509A which covers the employee at the time of death of the
10 employee and whose death has been determined by the department
11 of administrative services to be the direct and proximate result
12 of a traumatic personal injury incurred in the performance of
13 the employee's work duties, and to whom none of the following
14 applies:

15 a. The employee's death resulted from stress, strain,
16 occupational illness, or a chronic, progressive, or congenital
17 illness, including but not limited to a disease of the heart,
18 lungs, or respiratory system, unless the traumatic personal
19 injury was a substantial contributing factor to the employee's
20 death.

21 b. The employee's death was caused by the employee's
22 intentional misconduct, or by the employee's intent to cause the
23 employee's own death.

24 c. The employee was voluntarily intoxicated at the time of
25 the employee's death.

26 d. The employee was performing the employee's duties in a
27 grossly negligent manner at the time of the employee's death.

28 2. a. The governing body of the state shall permit
29 continuation of existing health insurance coverage or
30 reenrollment in previously existing coverage for the surviving
31 spouse and each surviving child of an eligible employee of the
32 state of Iowa.

33 b. The governing body of the state shall permit continuation
34 of existing health insurance coverage for the surviving spouse
35 and each surviving child of an employee of the state of Iowa who

1 dies and who is reasonably expected to be determined to be an
2 eligible employee of the state of Iowa, until such time as the
3 determination of eligibility is made.

4 3. The governing body of the state shall not be required to
5 pay for the cost of the health insurance under this section;
6 however, the governing body of the state may pay the full cost or
7 a portion of the cost of the health insurance, in which case the
8 department, agency, board, bureau, commission, or other employing
9 entity of the eligible employee of the state of Iowa shall bear
10 the cost of such health insurance. If the full cost or a portion
11 of the cost of the coverage is not paid by the governing body
12 of the state, the surviving spouse and each surviving child who
13 is eligible for health insurance under this section may elect
14 to continue coverage by paying that portion of the cost of the
15 health insurance not paid by the governing body of the state.

16 4. The governing body of the state shall notify the provider
17 of health insurance coverage for state employees of the identity
18 of the surviving spouse and each surviving child who is to be
19 provided health insurance coverage pursuant to the requirements
20 of this section.

21 5. The governing body of the state shall implement
22 continuation of health insurance coverage for the surviving
23 spouse and each surviving child of an eligible employee of the
24 state of Iowa in a manner that ensures that the health insurance
25 coverage provided under this section is the payor of last resort.

26 6. a. This section shall not require continuation of health
27 insurance coverage if the surviving spouse or a surviving child
28 who would otherwise be entitled to continuation of health
29 insurance coverage under this section was, through the actions
30 of the surviving spouse or the surviving child, a substantial
31 contributing factor to the death of the eligible employee of the
32 state of Iowa.

33 b. This section shall not require continuation of health
34 insurance coverage if the surviving spouse or a surviving child
35 becomes ineligible for health insurance coverage under the

1 terms of the health insurance coverage obtained by the state
2 for reasons other than the death of the eligible employee of
3 the state of Iowa, including but not limited to ineligibility
4 under this chapter, remarriage of the surviving spouse, or
5 ineligibility for continuing coverage for a surviving child
6 pursuant to section 509A.13B.

7 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
8 retroactively to January 1, 2024.

9 EXPLANATION

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

12 This bill provides for the continuation of health insurance
13 (insurance) in certain circumstances for the surviving spouse
14 (spouse) and each surviving child (child) of an eligible employee
15 of the state of Iowa (eligible employee). The bill defines
16 "eligible employee" as an employee of the state of Iowa,
17 including but not limited to any department, agency, board,
18 bureau, or commission of the state of Iowa, who is participating
19 in a state health or medical group insurance plan under Code
20 chapter 509A which covers the employee at the time of death of
21 the employee and whose death is determined by the department of
22 administrative services to be the direct and proximate result of
23 a traumatic personal injury incurred in the performance of their
24 work duties, and to whom none of the factors detailed in the bill
25 apply.

26 The state must permit continuation of existing insurance, or
27 reenrollment in previously existing insurance, for the spouse
28 and each child of an eligible employee. The bill requires the
29 state to permit continuation of existing insurance for the spouse
30 and each child of an employee who dies and who is reasonably
31 expected to be determined to be an eligible employee, until the
32 determination of eligibility is made.

33 The bill does not require the state to pay for the cost of the
34 insurance; however, the state may pay the full cost or a portion
35 of the cost, in which case the department, agency, board, bureau,

1 commission, or other employing entity of the eligible employee
2 shall bear the cost of such insurance. If the full cost or a
3 portion of the cost of the insurance is not paid by the state,
4 the spouse and each child who is eligible for insurance may elect
5 to continue coverage by paying that portion of the cost of the
6 insurance not paid by the state.

7 The state must notify the provider of the insurance of the
8 identity of the spouse and each child who is to be provided
9 insurance pursuant to the requirements of the bill.

10 The state shall implement continuation of insurance under the
11 bill in a manner that ensures the coverage under the bill is the
12 payor of last resort.

13 The bill does not require continuation of insurance if the
14 spouse or a child who would otherwise be entitled to continuation
15 of insurance was, through the actions of the spouse or of the
16 child, a substantial contributing factor to the death of the
17 eligible employee, or the spouse or a child becomes ineligible
18 for insurance coverage under the terms of the insurance coverage
19 obtained by the state for reasons other than the death of the
20 eligible employee.

21 The bill applies retroactively to January 1, 2024.