HF 838 – STUDY COMMITTEE ON HEALTH INSURANCE MANDATES

Mandated Benefit (HF 838, Sec.52, 1.a)	**Iowa Code Citation (HF 838, Sec.52, 1.a(1))***	**Class of contract, policy, plan and agreement subject to each health insurance mandate (HF 838, Sec.52, 1.a(2) & (4))****	**Class of contract, policy, plan and agreement excluded from each health insurance mandate *** (HF 838, Sec.52, 1.a(3) & (5))****
Coverage of skilled nursing care in hospitals	514C.2	Individual, small group, large group	Public employee plans
Mammography coverage	514C.4	Individual, small group, large group, Med Supp	Public employee plans
Post-delivery benefits and care	514C.12	Individual, small group, large group	Public employee plans
Emergency room services	514C.16	Individual, small group, large group, public employee plans	--
Diabetes coverage	514C.18	Individual, small group, large group, public employee plans	--
Prescription contraceptives	514C.19	Individual, small group, large group, public employee plans	-
Dental care coverage for anesthesia and certain hospital charges	514C.20	Individual, small group, large group, public employee plans	--
Biologically based mental illness coverage	514C.22	Small group, large group, public employee plans	Individual
Coverage of Human Papilloma Virus (HPV) Vaccinations	514C.23	Individual, small group, large group, public employee plans, Med Supp	--
Oral cancer medication	514C.24	Individual, small group, large group, public employee plans, Med Supp	--
Coverage for prosthetic devices	514C.25	Individual, small group, large group, public employee plans	--
Cancer clinical trials coverage	514C.26	Individual, small group, large group, public employee plans	--
Mental illness and substance abuse treatment for veterans	514C.27	Small group, large group, public employee plans.	Individual

Mandated Benefit (HF 838, Sec.52, 1.a)	**Iowa Code Citation (HF 838, Sec.52, 1.a(1))***	**Class of contract, policy, plan and agreement <u>subject to</u> each health insurance mandate (HF 838, Sec.52, 1.a(2) & (4))****	**Class of contract, policy, plan and agreement <u>excluded from</u> each health insurance mandate *** (HF 838, Sec.52, 1.a(3) & (5))****
Autism spectrum disorders	514C.28	This section provides specific requirements for how benefits are to be provided in public employee plans. Pursuant to 514C.22, benefits are required to be covered in Individual, small group, large group.	N/A
Reconstructive surgery (in connection with a mastectomy)	IAC 191-35.35	Any carrier that provides mastectomy services	---

*The Iowa Code citation expressly details the coverage required to be provided for each mandate.

**All carriers that provide healthcare are licensed as "health carriers." A health carrier that holds a more specific type of healthcare license, such as an HMO license, is still a health carrier but must provide services in the manner specific to the specialized health carrier license. The healthcare mandates are not based on the carrier's type of license but rather the type of contract, policy, plan or agreement that health carrier is providing. As such, the IID interprets HF 838, Sec.52, 1.a(2) & (4) as requesting the same information. The IID also interprets HF 838, Sec.52, 1.a(3) & (5) as requesting the same information.

***Unless expressly stated, all of the following types of contracts, policies, plans and agreeements do **NOT** require coverage of the mandated benefits: accident-only, specified disease, STLD, LTC, Medicare Supplement, and excepted dental and vision benefit plans. Additionally, the 'Farm Bureau' plan and Healthcare Sharing Ministry plans are not considered health insurance and therefore, not subject to the 514C mandates. Finally, ERISA plans must comply with federal, rather than state law and are also not subject to the 514C mandates.

HF 838 Sec. 52, 1.g

Individual Medical Insurance -- ACA

	# of Iowans covered (9-30-2021)
Medica Insurance Company	18,915
Oscar Insurance Company	1,351
Wellmark Health Plan of Iowa	40,194
Total	60,460

Individual Medical Insurance -- pre-ACA

	# of Iowans covered (6-30-2021)
Golden Rule Insurance Company	2,128
Wellmark , Inc.	38,285
Wellmark Health Plan of Iowa	828
Total	41,241

Small Group Medical Insurance -- ACA

	# of Iowans covered (6-30-2021
Aetna Health of Iowa	12
Aetna Life Insurance Company	28
Avera Health Plans	326
Health Alliance Midwest	27
Medical Associates Health Plans	1,014
Medica Insurance Company	73
Quartz Health Plan Corporation	58
Sanford Health Plan	66
UnitedHealthcare Insurance Company	15,840
UnitedHealthcare Plan of the River Valle	3,535
Wellmark, Inc	40,800
Wellmark Health Plan of Iowa	33,521
Wellmark Value Health Plan	186
Total	95,486

Small Group Medical Insurance -- pre-ACA

	# of Iowans covered (6-30-2021
Aetna Health of Iowa	0
Aetna Life Insurance Company	0
Avera Health Plans	136
Health Alliance Midwest	0
Medical Associates Health Plans	1,097
Medica Insurance Company	0
Quartz Health Plan Corporation	0
Sanford Health Plan	0
UnitedHealthcare Insurance Company	2,060
UnitedHealthcare Plan of the River Valle	3,808
Wellmark, Inc	36,282
Wellmark Health Plan of Iowa	8,660
Wellmark Value Health Plan	0
Total	52,043

Large Group Medical Insurance

	# of Iowans covered 12/31/2020
Aetna Hlth of IA Inc	91
Aetna Life Ins Co	8,521
Avera Hlth Plans Inc	675
BCS Ins Co	0
Cigna Hlth & Life Ins Co	52
Coventry Hlth & Life Ins Co	0
Health Alliance Midwest Inc	1,053
HealthPartners UnityPoint Hlth Inc	9,916
Medical Assoc Hlth Plan Inc	9,579
Quartz Hlth Plan Corp	77
Sanford Hlth Plan	293
Shelter Life Ins Co	57
United States Life Ins Co in the Cit	71
UnitedHealthcare Ins Co	24,477
UnitedHealthcare Plan of the River V	10,331
Wellmark Hlth Plan of IA Inc	58,141
Wellmark Inc	187,066
Wellmark Value Hlth Plan Inc	58
Total	310,458

Government plans covering Iowans

We not have quality information on plans that do not fall under the jurisdiction of the IID. We are aware that Wellmark, Inc. insures and administers the large group plan for State of Iowa employees.

Iowa Total Health Insurance Coverage Chart

Type of Coverage	Iowa Population 2020		Iowa Population 2019	
Employer (self-insured + other types not listed)	998,995	31.3%	1,097,842	34.8%
Fully Insured Large Employer Group	310,458	9.7%	315,803	10.0%
Fully Insured Small Employer Group	150,607	4.7%	160,283	5.1%
Individual Coverage	95,732	3.0%	98,255	3.1%
Uninsured	192,400	6.0%	144,400	4.6%
Medicaid - CHIP	750,018	23.5%	679,651	21.5%
Medicare	641,859	20.1%	632,036	20.0%
Other Public [Military, Tricare, VA]	50,300	1.6%	26,800	0.8%
Iowa Population	3,190,369	100.0%	3,155,070	100.0%

Source files: Kaiser Family Foundation (KFF), Centers for Medicare and Medicaid Services (CMS), National Association of Insurance Commissioners (NAIC), U.S. Census, and IID surveys

Fiscal Note

Fiscal Services Division

SF 165 – Pediatric Autoimmune Neuropsychiatric Disorder, Insurance Coverage (LSB1084XS)
Staff Contact: Angel Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov
Fiscal Note Version – New

Description

Senate File 165 requires health insurance carriers that offer individual, group, or small group contracts, policies, or plans in the State that provide for third-party payment or prepayment of health or medical expenses to offer coverage for the diagnosis and treatment of PANS (pediatric acute-onset neuropsychiatric syndrome) and PANDAS (pediatric autoimmune neuropsychiatric disorders associated with streptococcal infections) to a covered individual who is age 18 or younger, as recommended by a health care professional. The Bill also requires the Insurance Division to adopt rules to administer the requirement for identified health insurance carriers. The Bill is effective January 1, 2022.

Background

PANS, which can be caused by infections such as influenza and varicella, and PANDAS, which is associated with streptococcal infections, may present in a neurologically severe manner that is resistant or slow to respond to forms of treatment used in mild to moderate cases. Intravenous immunoglobulin treatment (IVIG) or therapeutic plasma exchange may be clinically indicated for these severe cases.

Assumptions

- The exact prevalence of PANS and PANDAS is currently unknown; however, it is estimated that approximately 4.0% of individuals 18 years of age or younger have Obsessive-Compulsive Disorder (OCD) and that approximately 1.0% of these OCD cases are due to PANDAS/PANS. One estimate is that approximately 1 in 200 children has PANDAS/PANS.
- Approximately 13,400 children ages 18 and younger are covered under the State of Iowa health insurance plan.
- The cost of IVIG, therapeutic plasma exchange, and other associated treatments is estimated at $5,000 to $25,000 per case.
- Roughly 20.0% of PANDAS/PANS cases, per the incidence rate of associated behavioral disorders, may present in a severe manner that is unresponsive to other treatments.

Fiscal Impact

The cost of SF 165 across all State funds ranges from approximately $65,000 to $350,000, assuming 13 to 14 children covered by the State of Iowa health insurance plan have exhausted other treatment protocols and are identified as candidates for IVIG or therapeutic plasma exchange. There is no fiscal impact to the Department of Human Services or the Medicaid program as Medicaid currently covers IVIG and therapeutic plasma exchange.

Sources

Wellmark
Department of Human Services

/s/ Holly M. Lyons

March 3, 2021

Doc ID 1215544

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division

HF 656 – Prescription Drug Formularies, Preserving Patient Stability (LSB2091HV)
Staff Contact: Angel Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov
Fiscal Note Version – New

Description

House File 656 relates to the continuity of care for a person covered by a health benefit plan and does the following:

- Prohibits nonmedical switching by health carriers, health benefit plans, and utilization review organizations.
- Allows a prescription drug to be removed from a formulary if the U.S. Food and Drug Administration (FDA) issues a statement regarding the clinical safety of the drug or the manufacturer notifies the FDA of a manufacturing discontinuance or potential discontinuance of the drug as required by Section 506c of the Federal Food, Drug, and Cosmetic Act.
- Provides that a drug product with the same generic name and demonstrated bioavailability, or an interchangeable biological product, is considered equivalent to the prescription drug prescribed by the covered person's health care professional.
- Requires a covered person and prescribing health care professional to have access to a process to request a coverage exemption determination.
- Defines "coverage exemption determination" as a determination made by a health carrier, health benefit plan, or utilization review organization whether to cover a prescription drug that is otherwise excluded from coverage.
- Requires a coverage exemption determination request to be approved or denied by the health carrier, health benefit plan, or utilization review organization within 5 calendar days, or within 72 hours under extenuating circumstances.
- Requires a coverage exemption to be expeditiously granted for a health benefit plan that is discontinued for the next plan year if a covered person enrolls in a comparable plan offered by the same health carrier, and in comparison to the discontinued health benefit plan, the new health benefit plan limits or reduces the maximum coverage for a prescription drug, increases cost-sharing for the prescription drug, moves the prescription drug to a more restrictive tier, or excludes the prescription drug from the formulary.
- If a coverage exemption is granted, requires an authorization of coverage that is no more restrictive than that offered in a discontinued health benefit plan, or than that offered prior to implementation of restrictive changes to the health benefit plan's formulary after the current plan year began.
- Requires a reason for denial and a procedure to appeal the denial to be provided to the requestor in the event that a determination is made to deny a request for a coverage exemption.
- Allows the Insurance Commissioner to take any necessary enforcement action under the Commissioner's authority to enforce compliance with this Bill.

The Bill applies to health benefit plans that are delivered, issued for delivery, continued, or renewed in the State of Iowa on or after January 1, 2022.

Background

Nonmedical switching is the practice of switching a covered individual's prescribed drug to a less costly alternative while the individual has been determined to be medically stable while on the drug, without medical reasons given by the individual's prescribing health care professional.

Assumptions

The Bill is expected to increase pharmacy costs for the State of Iowa Insurance Plan by 1.0% to 6.0%.

Fiscal Impact

House File 656 is estimated to increase the annual cost to the State of Iowa Insurance Plan and will impact the State funds that are used to pay state employees' health insurance costs. The increase in pharmacy costs for the State of Iowa Plan as a result of the Bill range from a minimum impact of $890,000, which is associated with a 1.0% increase in pharmacy costs, to a maximum of $5.4 million, which is associated with a 6.0% increase in pharmacy costs. The Bill's provisions for nonmedical switching in approved cases is estimated to lower the cost of the Bill; however, the impact cannot be determined.

Source

Wellmark

/s/ Holly M. Lyons

March 3, 2021

Doc ID 1215410

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
