

operated for the specific purpose of providing surgery to patients admitted to and discharged from the facility within the same day.

Sec. 14. NEW SECTION. 514.19 COMBINED SERVICE CORPORATIONS. A corporation subject to this chapter may combine with any other corporation subject to this chapter as permitted under chapter 504A and upon the approval by the commissioner of insurance. Each corporation shall comply with chapter 504A, the corporation's articles of incorporation, and the corporation's bylaws. The combined service corporation shall continue the service benefits previously provided by each corporation and may, subject to the approval of the commissioner of insurance, offer other service benefits not previously provided by the corporations before combining, which are permitted under chapter 514.

Sec. 15. Section 12 of this Act takes effect August 1, 1983 and applies to corporations in existence on the effective date of this Act and to corporations formed on or after the effective date of this Act. However, a corporation in existence on the effective date of this Act shall fill any vacancy or any expired term of a director position with a subscriber director and shall have at least a majority of subscribers on the board of directors of the corporation by August 1, 1984 and at least two-thirds of the board shall be subscribers by August 1, 1985. Provider directors serving on the effective date of this Act may complete their terms of office so long as at least a majority of the board is subscribers by August 1, 1984 and at least two-thirds of the board are subscribers by August 1, 1985. Such director shall not serve a term of more than three years or shall serve the remainder of the term being served, whichever is shorter. Only subscriber directors elected pursuant to the rules adopted by the commissioner of insurance pursuant to section 12 of this Act shall be considered in meeting the percentage requirements of the board composition required in this section.

Approved April 26, 1983

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## CHAPTER 28

### HEALTH MAINTENANCE ORGANIZATION ADVERTISING

*H.F. 577*

**AN ACT** permitting health maintenance organizations to advertise the names of health professionals providing health care services at the health maintenance organization.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 514B.32, subsection 2, Code 1983, is amended to read as follows:

2. Solicitation of enrollees by a health maintenance organization granted a certificate of authority or its representatives ~~shall does not be construed to~~ violate any provision of law prohibiting solicitation or advertising by health professionals. Upon a prospective enrollee's request, a list of locations of services and a list of providers who have current agreements with the health maintenance organization shall be made available. ~~No health maintenance organization shall, in any advertising, identify by name any physician or surgeon, osteopathic physician or surgeon, dentist, optometrist, podiatrist, chiropractor, or professional corporation as defined by chapter 496C, with whom the health maintenance organization has an agreement to provide health care services.~~

Approved April 26, 1983