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COMMERCE AND REGULATION

HOUSE FILE 2503

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PETERSEN, FREVERT, LENSING,
and KREIMAN

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act requiring the insurance division of the department of
2 commerce to establish a school health insurance reform team
3 study and to make recommendations to the general assembly.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF-2503

1 Section 1. SCHOOL HEALTH INSURANCE REFORM TEAM STUDY. The
2 insurance division of the department of commerce shall
3 establish a school health insurance reform team. The school
4 health insurance reform team shall conduct a study to review
5 the availability of affordable health insurance coverage for
6 school district employees, insurance ratings practices, the
7 establishment of continuity of coverage for school districts
8 and their employees, and methods to improve the efficiency and
9 fairness of the health insurance marketplace for school
10 districts and their employees. The school health insurance
11 reform team shall examine the feasibility of the following:

- 12 1. Establishing a premium rating system based on the
13 statewide health status, claims experience, and other
14 demographic characteristics of school district employees.
- 15 2. Establishing basic or standard health benefit plans
16 with benefit levels, cost-sharing levels, exclusions, and
17 limitations available to all school districts and their
18 employees.
- 19 3. Establishing uniform coverage plans with benefit
20 coverages that may be added to the basic or standard plans, at
21 the option of a school district.
- 22 4. Establishing restrictions on premium rates and rate
23 increases.
- 24 5. Establishing a school district health reinsurance
25 program.

26 The commissioner of insurance shall select the members of
27 the school health insurance reform team which shall include a
28 representative of a school district with fewer than six
29 hundred students, a representative of a school district with
30 six hundred to nine hundred ninety-nine students, a
31 representative of a school district with one thousand or more
32 students, a representative of the Iowa association of school
33 boards, a representative of a collective bargaining
34 organization that represents school district employees, a
35 representative of a health insurance carrier, a representative

1 of a health insurance provider, and others, who, in the
2 opinion of the commissioner, have expertise that would assist
3 the team in accomplishing its purpose.

4 The commissioner shall submit a report to the general
5 assembly on or before January 15, 2003, regarding the team's
6 findings and recommendations, including proposed legislation,
7 concerning health insurance coverage for school districts and
8 their employees.

9 EXPLANATION

10 This bill requires the insurance division of the department
11 of commerce to conduct a study to review health insurance
12 coverage for school districts and their employees including
13 availability, ratings practices, continuity of coverage, and
14 the fairness and efficiency of the marketplace as it relates
15 to such health insurance. The school health insurance reform
16 team is required to examine the feasibility of establishing a
17 premium rating system, basic or standard health benefit plans,
18 uniform coverage plans, restrictions on premium rates and rate
19 increases, and a health reinsurance program for school
20 districts and their employees.

21 The commissioner of insurance is directed to select members
22 of the school health insurance reform team including the
23 following: a representative of a school district with fewer
24 than 600 students, a representative of a school district with
25 600 to 999 students, a representative of a school district
26 with 1,000 or more students, a representative of the Iowa
27 association of school boards, a representative of a collective
28 bargaining organization that represents school district
29 employees, a representative of a health insurance carrier, a
30 representative of a health care provider, and others, who, in
31 the opinion of the commissioner, have expertise that would
32 assist the team in accomplishing its purpose.

33 The bill provides that the commissioner shall submit a
34 report to the general assembly on or before January 15, 2003,
regarding the team's findings and recommendations concerning

1 health insurance coverage for school districts and their
2 employees.

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