

FEB 1 2005  
COMMERCE, REGULATION & LABOR

HOUSE FILE 171  
BY FORD

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act to require certain notices regarding the external review  
2 of denied health care insurance coverage.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 171

1 Section 1. Section 514J.2, Code 2005, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 4A. "Health care services" means services  
4 included in the furnishing to any individual of medical or  
5 dental care, or hospitalization, or incident to the furnishing  
6 of such care or hospitalization, as well as the furnishing to  
7 any person of all other services for the purposes of  
8 preventing, alleviating, curing, or healing human illness,  
9 injury, or physical disability.

10 Sec. 2. Section 514J.3A, Code 2005, is amended to read as  
11 follows:

12 514J.3A NOTICE.

13 1. When a claim is denied in whole or in part based on  
14 medical necessity, the carrier or organized delivery system  
15 shall provide a notice in writing to the enrollee of the  
16 internal appeal mechanism provided under the carrier or  
17 organized delivery system's plan or policy.

18 2. At the time of a coverage decision, the carrier or  
19 organized delivery system shall notify the enrollee in writing  
20 of the right to have the coverage decision reviewed under the  
21 external review process.

22 3. Every insurance identification card, including  
23 prescription drug information cards subject to chapter 514L,  
24 issued to an enrollee in this state shall contain a telephone  
25 number to request an external review for denied coverage  
26 pursuant to this chapter. The notice shall be in a format  
27 approved by the commissioner.

28 4. In every hospital, clinic, health care facility, or  
29 place of business where health care services are provided in  
30 this state, a notice shall be posted in a conspicuous place  
31 for public view describing an enrollee's right to seek  
32 external review of denied coverage pursuant to this chapter.  
33 The notice shall be in a format approved by the commissioner.

34 EXPLANATION

35 This bill requires certain notices to be given to enrollees

1 regarding the right to an external review by the insurance  
2 commissioner of denied health insurance coverage.

3 The bill requires that every insurance identification card,  
4 including prescription drug information cards, include a  
5 telephone number to request an external review of denied  
6 insurance coverage by the insurance commissioner. The bill  
7 requires all hospitals, clinics, health care facilities, and  
8 any other place of business that provides health care services  
9 to post notices in the place of business for public view  
10 regarding the right to request an external review of denied  
11 insurance coverage by the insurance commissioner. The bill  
12 defines "health care services". The insurance commissioner  
13 shall approve the format of the notices.

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