

10 31 shall give deference to the recommendations made by the
10 32 advisory council as provided in section 514E.6, subsection 1.
10 33 The association shall approve or disapprove but shall not
10 34 modify recommendations made by the advisory council.
10 35 Recommendations that are approved shall be included in the
11 1 plan of operation submitted to the commissioner.
11 2 Recommendations that are disapproved shall be submitted to the
11 3 commissioner with reasons for the disapproval. The plan of
11 4 operation becomes effective upon approval in writing by the
11 5 commissioner prior to the date on which the coverage under
11 6 this chapter must be made available. After notice and
11 7 hearing, the commissioner shall approve the plan of operation
11 8 if the plan is determined to be suitable to assure the fair,
11 9 reasonable, and equitable administration of the association,
11 10 and provides for the sharing of association losses, if any, on
11 11 an equitable and proportionate basis among the member
11 12 carriers. If the association fails to submit a suitable plan
11 13 of operation within one hundred eighty days after the
11 14 appointment of the board of directors, or if at any later time
11 15 the association fails to submit suitable amendments to the
11 16 plan, the commissioner shall adopt, pursuant to chapter 17A,
11 17 rules necessary to implement this section. The rules shall
11 18 continue in force until modified by the commissioner or
11 19 superseded by a plan submitted by the association and approved
11 20 by the commissioner. In addition to other requirements, the
11 21 plan of operation shall provide for all of the following:

11 22 Sec. 19. NEW SECTION. 514E.5 IOWA CHOICE HEALTH CARE
11 23 COVERAGE.

11 24 1. The association, in consultation with the Iowa choice
11 25 health care coverage advisory council, shall develop a
11 26 comprehensive health care coverage plan to provide health care
11 27 coverage to all children without such coverage, that utilizes
11 28 and modifies existing public programs including the medical
11 29 assistance program, hawk=i program, and hawk=i expansion
11 30 program, and to provide access to private unsubsidized,
11 31 affordable, qualified health care coverage to children who are
11 32 not otherwise eligible for health care coverage through public
11 33 programs.

11 34 2. The comprehensive plan developed by the association and
11 35 the advisory council, shall also consider and recommend
12 1 options to provide access to private unsubsidized, affordable,
12 2 qualified health care coverage to all Iowa children less than
12 3 nineteen years of age with a family income that is more than
12 4 three hundred percent of the federal poverty level and to
12 5 adults and families who are not otherwise eligible for health
12 6 care coverage through public programs.

12 7 3. As part of the comprehensive plan developed, the
12 8 association, in consultation with the advisory council, shall
12 9 define what constitutes qualified health care coverage for
12 10 children less than nineteen years of age. For the purposes of
12 11 this definition and for designing health care coverage options
12 12 for children, the association, in consultation with the
12 13 advisory council, shall recommend the benefits to be included
12 14 in such coverage and shall explore the value of including
12 15 coverage for the treatment of mental and behavioral disorders.
12 16 The association and the advisory council shall perform a cost
12 17 analysis as part of their consideration of benefit options.

12 18 The association and the advisory council shall also consider
12 19 whether to include coverage of the following benefits:

- 12 20 a. Inpatient hospital services including medical,
12 21 surgical, intensive care unit, mental health, and substance
12 22 abuse services.
- 12 23 b. Nursing care services including skilled nursing
12 24 facility services.
- 12 25 c. Outpatient hospital services including emergency room,
12 26 surgery, lab, and x-ray services and other services.
- 12 27 d. Physician services, including surgical and medical,
12 28 office visits, newborn care, well=baby and well=child care,
12 29 immunizations, urgent care, specialist care, allergy testing
12 30 and treatment, mental health visits, and substance abuse
12 31 visits.
- 12 32 e. Ambulance services.
- 12 33 f. Physical therapy.
- 12 34 g. Speech therapy.
- 12 35 h. Durable medical equipment.
- 13 1 i. Home health care.
- 13 2 j. Hospice services.
- 13 3 k. Prescription drugs.
- 13 4 l. Dental services including preventive services.
- 13 5 m. Medically necessary hearing services.
- 13 6 n. Vision services including corrective lenses.
- 13 7 o. No underwriting requirements and no preexisting
13 8 condition exclusions.
- 13 9 p. Chiropractic services.

13 10 4. As part of the comprehensive plan developed, the
13 11 association, in consultation with the advisory council, shall
13 12 consider and recommend affordable health care coverage options
13 13 for purchase for children less than nineteen years of age with
13 14 a family income that is more than three hundred percent of the
13 15 federal poverty level, with the goal of including health care
13 16 coverage options for which the contribution requirement for
13 17 all cost=sharing expenses is no more than two percent of
13 18 family income per each child covered, up to a maximum of six
13 19 and one=half percent of family income per family. The
13 20 association, in consultation with the advisory council, shall
13 21 also consider and recommend whether such health care coverage
13 22 options should require a copayment for services received in an
13 23 amount determined by the association.

13 24 5. As part of the comprehensive plan, the association, in
13 25 consultation with the advisory council, shall define what
13 26 constitutes qualified health care coverage for adults and
13 27 families who are not eligible for a public program. The
13 28 association, in consultation with the advisory council, shall
13 29 develop and recommend affordable health care coverage options
13 30 for purchase by such adults and families that provide a
13 31 selection of health benefit plans and standardized benefits
13 32 with the goal of including health care coverage options for
13 33 which the contribution requirement for all cost=sharing
13 34 expenses is no more than six and one=half percent of family
13 35 income.

14 1 6. As part of the comprehensive plan the association and
14 2 the advisory council may collaborate with health insurance
14 3 carriers to do the following, including but not limited to:

- 14 4 a. Design solutions to issues relating to guaranteed

14 5 issuance of insurance, preexisting condition exclusions,
14 6 portability, and allowable pooling and rating classifications.
14 7 b. Formulate principles that ensure fair and appropriate
14 8 practices relating to issues involving individual health care
14 9 policies such as rescission and preexisting condition clauses,
14 10 and that provide for a binding third-party review process to
14 11 resolve disputes related to such issues.
14 12 c. Design affordable, portable health care coverage
14 13 options for low-income children, adults, and families.
14 14 d. Design a proposed premium schedule for health care
14 15 coverage options that are recommended which includes the
14 16 development of rating factors that are consistent with market
14 17 conditions.
14 18 e. Design protocols to limit the transfer from
14 19 employer-sponsored or other private health care coverage to
14 20 state-developed health care coverage plans.

14 21 7. The association shall submit the comprehensive plan
14 22 required by this section to the governor and the general
14 23 assembly by December 15, 2008. The appropriations to cover
14 24 children under the medical assistance, hawk=i, and hawk=i
14 25 expansion programs as provided in this Act and to provide
14 26 related outreach for fiscal year 2009=2010 and fiscal year
14 27 2010=2011 are contingent upon enactment of a comprehensive
14 28 plan during the 2009 regular session of the Eighty-third
14 29 General Assembly that provides health care coverage for all
14 30 children in the state. Enactment of a comprehensive plan
14 31 shall include a determination of what the prospects are of
14 32 federal action which may impact the comprehensive plan and the
14 33 fiscal impact of the comprehensive plan on the state budget.

14 34 Sec. 20. NEW SECTION. 514E.6 IOWA CHOICE HEALTH CARE
14 35 COVERAGE ADVISORY COUNCIL.

15 1 1. The Iowa choice health care coverage advisory council
15 2 is created for the purpose of assisting the association with
15 3 developing a comprehensive health care coverage plan as
15 4 provided in section 514E.5. The advisory council shall make
15 5 recommendations concerning the design and implementation of
15 6 the comprehensive plan including but not limited to a
15 7 definition of what constitutes qualified health care coverage,
15 8 suggestions for the design of health care coverage options,
15 9 and implementation of a health care coverage reporting
15 10 requirement.

15 11 2. The advisory council consists of the following persons
15 12 who are voting members unless otherwise provided:

15 13 a. The two most recent former governors, or if one or both
15 14 of them are unable or unwilling to serve, a person or persons
15 15 appointed by the governor.

15 16 b. Seven members appointed by the director of public
15 17 health:

15 18 (1) A representative of the federation of Iowa insurers.
15 19 (2) A health economist who resides in Iowa.
15 20 (3) Two consumers, one of whom shall be a representative
15 21 of a children's advocacy organization and one of whom shall be
15 22 a member of a minority.
15 23 (4) A representative of organized labor.
15 24 (5) A representative of an organization of employers.
15 25 (6) A representative of the Iowa association of health
15 26 underwriters.

15 27 c. The following members shall be ex officio, nonvoting
15 28 members of the council:

- 15 29 (1) The commissioner of insurance, or a designee.
- 15 30 (2) The director of human services, or a designee.
- 15 31 (3) The director of public health, or a designee.
- 15 32 (4) Four members of the general assembly, one appointed by
15 33 the speaker of the house of representatives, one appointed by
15 34 the minority leader of the house of representatives, one
15 35 appointed by the majority leader of the senate, and one
16 1 appointed by the minority leader of the senate.

16 2 3. The members of the council appointed by the director of
16 3 public health shall be appointed for terms of six years
16 4 beginning and ending as provided in section 69.19. Such a
16 5 member of the board is eligible for reappointment. The
16 6 director shall fill a vacancy for the remainder of the
16 7 unexpired term.

16 8 4. The members of the council shall annually elect one
16 9 voting member as chairperson and one as vice chairperson.
16 10 Meetings of the council shall be held at the call of the
16 11 chairperson or at the request of a majority of the council's
16 12 members.

16 13 5. The members of the council shall not receive
16 14 compensation for the performance of their duties as members
16 15 but each member shall be paid necessary expenses while engaged
16 16 in the performance of duties of the council. Any legislative
16 17 member shall be paid the per diem and expenses specified in
16 18 section 2.10.

16 19 6. The members of the council are subject to and are
16 20 officials within the meaning of chapter 68B.