

HF 2635 • Iowa

A bill for an act relating to health carriers standards of conduct; utilization review organizations, artificial intelligence, audits, and prior authorizations; certificate of need processes; and including applicability provisions. (Formerly HF 2438.) Effective date: 07/01/2026.

Passed Both Chambers

Risk: Medium

Comprehensive

Effective: Jan 01, 2027 | Last Action (May 13, 2026): Signed by Governor. H.J. 05/13.

Summary

This bill regulates health carriers' conduct, focusing on AI in prior authorizations and certificate of need processes. Effective July 1, 2026.

Business Impact

If you operate a utilization review organization in Iowa, you must ensure AI is not the sole basis for denying prior authorizations by 2026 or face penalties.

Key Provisions

- Verification needed on AI reliance for medical necessity decisions.
- Includes provisions on certificate of need processes.

Compliance Checklist

- Ensure AI is not the sole basis for denying prior authorizations based on medical necessity. | Who: Utilization review organizations | Penalty: Potential suspension of authority to conduct utilization reviews.
- Implement electronic submission processes for prior authorization requests. | Who: Health care providers | Penalty: Non-compliance may lead to delays in authorization.

Industries Affected

Health Insurance

Health Care Providers

Healthcare

Topics

AI Healthcare

Comprehensive AI

Bill Sponsors

Name	Party	Role
Health And Human Services		Sponsor

Roll Call Votes

Date	Description	Yea	Nay	Result
2026-03-05	Shall the bill pass?	87	0	Passed
2026-03-04	Shall the bill pass?	44	0	Passed
2026-03-03	Shall the bill pass?	94	1	Passed

Official Source

<https://www.legis.iowa.gov/legislation/BillBook?ga=91&ba;=HF2635>

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