

31A-34-108 Powers of and restrictions on alliances.

- (1) An alliance may only exercise the powers necessary to:
 - (a) make health insurance available to its members and enrollees from multiple unaffiliated insurers through the use of coordinated actuarial models, coordinated underwriting, or coordinated marketing methodologies; and
 - (b) subject to Subsection (3)(d), make available to its members other related insurance products and services, including dental, vision, and life insurance.
- (2) In addition to the powers granted to a nonprofit corporation in Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, or to the powers of a trust under common law, the powers of an alliance include:
 - (a) setting reasonable fees and conditions for membership, which may vary by group size, to reflect reasonable and necessary costs incurred in administering the alliance;
 - (b) providing or contracting for premium collection services consistent with the requirements of Title 31A, Chapter 25, Third Party Administrators; or
 - (c) contracting with qualified independent third parties for any service necessary to carry out the powers and duties authorized or required by this chapter.
- (3) Notwithstanding Subsection (1), an alliance may not:
 - (a) purchase health care services;
 - (b) assume risk for the cost or provision of health services;
 - (c) contract with health care providers for the provision of health care services to enrollees; or
 - (d) condition alliance membership on the purchase or subscription of a product or service other than health insurance.

Amended by Chapter 300, 2000 General Session