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1	RURAL HEALTH CARE AMENDMENTS
2	2000 GENERAL SESSION
3	STATE OF UTAH
4	Sponsor: Ben C. Ferry
5	AN ACT RELATING TO INSURANCE; AMENDING THE NUMBER OF LICENSED BEDS
6	AN INDEPENDENT HOSPITAL MAY HAVE $\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \$
7	This act affects sections of Utah Code Annotated 1953 as follows:
8	AMENDS:
9	31A-8-501, as enacted by Chapter 44, Laws of Utah 1997
10	Be it enacted by the Legislature of the state of Utah:
11	Section 1. Section 31A-8-501 is amended to read:
12	31A-8-501. Access to health care providers.
13	(1) As used in this section:
14	(a) "Class of health care provider" means a health care provider or a health care facility
15	regulated by the state within the same professional, trade, occupational, or certification category
16	established under Title 58, Occupations and Professions, or within the same facility licensure
17	category established under Title 26, Chapter 21, Health Care [Facilities] Facility Licensing and
18	Inspection [and Licensure] Act.
19	(b) "Covered health care services" or "covered services" means health care services for
20	which an enrollee is entitled to receive under the terms of a health maintenance organization
21	contract.
22	(c) "Credentialed staff member" means a health care provider with active staff privileges
23	at an independent hospital or federally qualified health center.
24	(d) "Federally qualified health center" means as defined in the Social Security Act, 42
25	U.S.C. Sec. 1395(x).
26	(e) "Independent hospital" means a general acute hospital that:
27	(i) is licensed pursuant to Title 26, Chapter 21, Health Care [Facilities] Facility Licensing

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28 and Inspection [and Licensure] Act; and 29 (ii) is controlled by a board of directors of which 51% or more reside in the county where 30 the hospital is located and: 31 (A) the board of directors is ultimately responsible for the policy and financial decisions 32 of the hospital; or (B) the hospital is licensed for [45] \hat{h} [70] 60 \hat{h} or fewer beds and is not owned, in whole or 33 33a in part, 34 by an entity that owns or controls a health maintenance organization if the hospital is a contracting 35 facility of the organization. (f) "Noncontracting provider" means an independent hospital, federally qualified health 36 37 center, or credentialed staff member who has not contracted with a health maintenance 38 organization to provide health care services to enrollees of the organization. 39 (2) A health maintenance organization shall pay for covered health care services rendered 40 to an enrollee by an independent hospital, a credentialed staff member at an independent hospital, 41 or a credentialed staff member at his local practice location if: 42 (a) the enrollee lives or resides within 30 paved road miles of the independent hospital; 43 (b) the independent hospital is located in a county with a population density of less than 44 100 people per square mile; and 45 (c) the enrollee has complied with the prior authorization and utilization review 46 requirements otherwise required by the health maintenance organization contract. 47 (3) A health maintenance organization shall pay for covered health care services rendered 48 to an enrollee at a federally qualified health center if: 49 (a) the enrollee lives or resides within 30 paved road miles of a federally qualified health 50 center; 51 (b) the federally qualified health center is located in a county with a population density of 52 less than 100 people per square mile; and 53 (c) the enrollee has complied with the prior authorization and utilization review 54 requirements otherwise required by the health maintenance organization contract. 55 (4) (a) A health maintenance organization shall reimburse a noncontracting provider or the 56 enrollee for covered services rendered pursuant to Subsection (2) a like dollar amount as it pays 57 to contracting providers under a noncapitated arrangement for comparable services. 58 (b) A health maintenance organization shall reimburse a federally qualified health center

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59	or the enrollee for covered services rendered pursuant to Subsection (3) a like amount as paid by
60	the health maintenance organization under a noncapitated arrangement for comparable services
61	to a contracting provider in the same class of health care providers as the provider who rendered
62	the service.
63	(5) A noncontracting provider may only refer an enrollee to another noncontracting
64	provider so as to obligate the enrollee's health maintenance organization to pay for the resulting
65	services if:
66	(a) the noncontracting provider making the referral or the enrollee has received prior
67	authorization from the organization for the referral; or
68	(b) the practice location of the noncontracting provider to whom the referral is made:
69	(i) is located in a county with a population density of less than 100 people per square mile;
70	and
71	(ii) is within 30 paved road miles of:
72	(A) the place where the enrollee lives or resides; or
73	(B) the independent hospital or federally qualified health center at which the enrollee may
74	receive covered services pursuant to Subsection (2) or (3).
75	(6) Notwithstanding this section, a health maintenance organization may contract directly
76	with an independent hospital, federally qualified health center, or credentialed staff member.
76a	Ş Section 2. Effective date.
76b	THIS ACT TAKES EFFECT ON JULY 1, 2001. ş

Legislative Review Note as of 12-13-99 3:32 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel