

1 **INSURANCE DEPARTMENT - HEALTH**

2 **POLICY RESPONSIBILITIES**

3 2000 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Rebecca D. Lockhart**

6 AN ACT RELATING TO INSURANCE; REQUIRING THE INSURANCE COMMISSIONER
7 TO PREPARE AN ANNUAL EVALUATION OF THE STATE'S HEALTH INSURANCE
8 INDUSTRY; ELIMINATING THE HEALTH POLICY COMMISSION; AND PROVIDING AN
9 EFFECTIVE DATE.

10 This act affects sections of Utah Code Annotated 1953 as follows:

11 AMENDS:

12 **31A-2-201**, as last amended by Chapter 316, Laws of Utah 1994

13 **63-55-263**, as last amended by Chapters 13, 122 and 270, Laws of Utah 1998

14 REPEALS:

15 **63C-3-101**, as enacted by Chapter 293, Laws of Utah 1994

16 **63C-3-102**, as enacted by Chapter 293, Laws of Utah 1994

17 **63C-3-103**, as last amended by Chapter 10, Laws of Utah 1997

18 **63C-3-104**, as last amended by Chapter 21, Laws of Utah 1999

19 **63C-3-105**, as enacted by Chapter 293, Laws of Utah 1994

20 *Be it enacted by the Legislature of the state of Utah:*

21 Section 1. Section **31A-2-201** is amended to read:

22 **31A-2-201. General duties and powers.**

23 (1) The commissioner shall administer and enforce this title.

24 (2) The commissioner has all powers specifically granted, and all further powers that are
25 reasonable and necessary to enable him to perform the duties imposed by this title.

26 (3) (a) The commissioner may make rules to implement the provisions of this title
27 according to the procedures and requirements of Title 63, Chapter 46a, Utah Administrative

28 Rulemaking Act.

29 (b) In addition to the notice requirements of Section 63-46a-4, the commissioner shall
30 provide notice under Section 31A-2-303 of hearings concerning insurance department rules.

31 (4) (a) The commissioner shall issue prohibitory, mandatory, and other orders as necessary
32 to secure compliance with this title. An order by the commissioner is not effective unless the
33 order:

34 (i) is in writing; and

35 (ii) is signed by the commissioner or under the commissioner's authority.

36 (b) On request of any person who would be affected by an order under Subsection (4)(a),
37 the commissioner may issue a declaratory order to clarify the person's rights or duties.

38 (5) (a) The commissioner may hold informal adjudicative proceedings and public
39 meetings, for the purpose of investigation, ascertainment of public sentiment, or informing the
40 public.

41 (b) No effective rule or order may result from informal hearings and meetings unless the
42 requirement of a hearing under Section 31A-2-301 is satisfied.

43 (6) The commissioner shall inquire into violations of this title and may conduct any
44 examinations and investigations of insurance matters, in addition to examinations and
45 investigations expressly authorized, that he considers proper to determine:

46 (a) whether or not any person has violated any provision of this title; or

47 (b) to secure information useful in the lawful administration of any provision of this title.

48 (7) (a) Each year, the commissioner shall:

49 (i) conduct an evaluation of the state's health insurance industry; and

50 (ii) report the findings of the evaluation to the Health and Human Services Interim
51 Committee before July 31.

52 (b) The evaluation shall:

53 (i) analyze the effectiveness of the insurance regulations and statutes in promoting a
54 healthy, competitive health insurance industry by assessing such things as the marketing of
55 individual and group products, rate charges, market share charges, and accessibility;

56 (ii) assess complaint ratios and trends within the health insurance industry; and

57 (iii) contain recommendations for action to improve the overall effectiveness of the health
58 insurance market, administrative rules, and statutes.

59 Section 2. Section **63-55-263** is amended to read:

60 **63-55-263. Repeal dates, Titles 63, 63A, and 63C.**

61 (1) (a) Title 63, Chapter 25a, Part 1, Commission on Criminal and Juvenile Justice, is
62 repealed July 1, 2002.

63 (b) Title 63, Chapter 25a, Part 3, Sentencing Commission, is repealed January 1, 2002.

64 (2) The Crime Victims' Reparations Board, created in Section 63-25a-404, is repealed July
65 1, 2007.

66 (3) The Resource Development Coordinating Committee, created in Section 63-28a-2, is
67 repealed July 1, 2004.

68 (4) Title 63, Chapter 38c, State Appropriations and Tax Limitation Act, is repealed July
69 1, 2005.

70 (5) Title 63, Chapter 75, Families, Agencies, and Communities Together for Children and
71 Youth At Risk Act, is repealed July 1, 2001.

72 (6) Title 63, Chapter 88, Navajo Trust Fund, is repealed July 1, 2000.

73 (7) Sections 63A-4-204 and 63A-4-205, authorizing the Risk Management Fund to provide
74 coverage to nonstate entities, are repealed July 1, 2001.

75 (8) Title 63A, Chapter 7, Utah Sports Authority Act, is repealed July 1, 2003.

76 (9) Title 63A, Chapter 10, State Olympic Coordination Act, is repealed July 1, 2003.

77 [~~(10) The Utah Health Policy Commission, created in Title 63C, Chapter 3, is repealed~~
78 ~~July 1, 2001.~~]

79 [(H)] (10) The Utah Pioneer Sesquicentennial Celebration Coordinating Council created
80 in Section 63C-5-102 is repealed June 30, 1998.

81 Section 3. **Repealer.**

82 This act repeals:

83 Section **63C-3-101, Creation of Health Policy Commission.**

84 Section **63C-3-102, Goal of commission.**

85 Section **63C-3-103, Membership -- Appointment -- Terms -- Per diem and expenses**
86 **-- Quorum.**

87 Section **63C-3-104, Duties of commission.**

88 Section **63C-3-105, Staffing.**

89 Section 4. **Effective date.**

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This act takes effect on July 1, 2000.

Legislative Review Note
as of 1-14-00 1:32 PM

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

Office of Legislative Research and General Counsel