

26 (a) "affiliated health care insurer" means a health maintenance organization as defined
27 in Section 31A-8-101 or an insurer offering health care insurance as defined in Section
28 31A-1-301 that is under the same or substantially the same ownership or control as a hospital;

29 (b) "discount" means:

30 (i) any fee reduction given to an affiliated health care insurer that is based on the
31 volume of participating consumers;

32 (ii) any rebates;

33 (iii) half backs;

34 (iv) internal transfers; or

35 (v) any other mechanism that has the effect in whole or in part, of reducing the actual
36 fee paid to or ultimately received by a hospital for a service in comparison to the price charged
37 for the same service to one or more nonaffiliated insurers;

38 (c) "hospital" means a general acute hospital or specialty hospital licensed under this
39 chapter;

40 (d) "patient" means any natural person who, as a result of a diagnosis, illness, or injury,
41 needs treatment of a unique service from a hospital;

42 (e) "service area" means the geographic area from which a hospital derives 80% of its
43 total patient admissions; and

44 (f) "unique service" means the following services which are available only at a single
45 hospital within that hospital's service area:

46 (i) newborn intensive care unit level III and level IV neonatology services;

47 (ii) cardiothoracic services including thoracic surgery, vascular surgeries, and
48 electrophysiology;

49 (iii) pediatric intensive care services;

50 (iv) oncology services;

51 (v) high-risk obstetrical services; and

52 (vi) neuro surgery.

53 (2) (a) Each hospital that offers a unique service shall:

54 (i) offer the unique service to all patients, including subscribers of any health care
55 insurance as defined in Section 31A-1-301 authorized to be sold in the state, or a health
56 maintenance organization;

57 (ii) for any patient who is not a recipient of the state Medicaid program, offer the
58 unique service at the universal rate established in accordance with Subsection (3); and

59 (iii) offer any discount in compliance with Subsection (2)(b).

60 (b) (i) If a hospital offers a discount for a unique service to an affiliated health care
61 insurer, the hospital shall offer the same discount on the same basis to any patient or health
62 care insurer.

63 (ii) Subsection (2)(b)(i) does not apply to a patient who is a recipient of the state
64 Medicaid program.

65 (3) (a) Each hospital offering a unique service shall establish a universal rate for the
66 service in accordance with this Subsection (3).

67 (b) Hospitals shall establish a universal rate by adopting the state Medicaid program's
68 reimbursement rate for that service plus 20%.

69 (4) Hospitals performing a unique service in a county of the first class as defined in
70 Section 17-50-501 are exempt from this section.

71 (5) A hospital subject to this section shall:

72 (a) annually certify to the department that the hospital has complied with this section;
73 and

74 (b) provide timely and accurate information on any discounts given for a service upon
75 the request of the department.

76 (6) In addition to the penalty in Section 26-21-16, a hospital that knowingly or with
77 conscious disregard violates this section may be subject to:

78 (a) contractual damages that are otherwise available;

79 (b) other civil remedies that are not based on this chapter, including Title 13, Chapter
80 5, Unfair Practices Act and Title 76, Chapter 10, Part 9, Trade and Commerce; and

81 (c) other criminal penalties that are not based on this chapter.

82 **Section 2. Purpose statement.**

83 The purpose of this legislation is to:

84 (1) provide improved access to health care services for Utah citizens who reside in
85 geographic areas of the state in which only one hospital offers a unique health care service;

86 (2) permit and encourage fair and effective competition between health care insurers;

87 (3) prevent monopolistic practices; and

88 (4) continue to assure that organizations offering health benefit plans within this state
89 are financially and administratively sound and able to deliver benefits as promised.

90 Section 3. **Effective date.**

91 If approved by two-thirds of all the members elected to each house, this act takes effect
92 upon approval by the governor, or the day following the constitutional time limit of Utah
93 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
94 the date of veto override.