

30 This chapter is known as the "Integrated Health System Fair Practices Act."

31 Section 2. Section **13-5b-102** is enacted to read:

32 **13-5b-102. Definitions.**

33 For purposes of this chapter:

34 (1) "Affiliate" means an organization that directly or indirectly through one or more
35 intermediaries controls, is controlled by, or is under common control with another
36 organization.

37 (2) "Integrated health system" means an organization that directly, or through an
38 affiliate or subsidiary:

39 (a) owns and operates one or more hospitals in the state; and

40 (b) offers health insurance to residents of the state.

41 (3) "Subsidiary" means an affiliate controlled:

42 (a) by a specified person;

43 (b) directly or indirectly; and

44 (c) through one or more intermediaries.

45 Section 3. Section **13-5b-103** is enacted to read:

46 **13-5b-103. Contract negotiation standards.**

47 (1) An integrated health system shall prohibit any employee or independent contractor
48 of any division, subsidiary, or affiliate engaged in the business of health insurance from
49 negotiating contracts on behalf of the integrated health care system's health care facilities,
50 subject to licensing under Title 26, Chapter 21, Health Care Facility Licensing and Inspection
51 Act, with any other licensed health insurer in the state.

52 (2) An integrated health system shall prohibit the disclosure of contract pricing terms
53 between the integrated health care system's health care facilities and other health insurers with
54 the integrated health care system's divisions, subsidiaries, or affiliates which are engaged in the
55 business of health insurance.