

1 **STANDARDS FOR ELECTRONIC EXCHANGE OF**
2 **CLINICAL HEALTH INFORMATION**

3 2008 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Ronda Rudd Menlove**

6 Senate Sponsor: Peter C. Knudson

8 **LONG TITLE**

9 **General Description:**

10 This bill adds to the duties of the Department of Health.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ authorizes the Department of Health to adopt standards for the electronic exchange
14 of clinical health information;

15 ▶ defines terms;

16 ▶ authorizes the department to require individuals who elect to participate in an
17 electronic exchange of clinical health information to use the standards adopted by the
18 department;

19 ▶ requires the department to report to the Legislature's Health and Human Services
20 Interim Committee concerning the adoption of the standards for the electronic
21 exchange of clinical health information; and

22 ▶ coordinates rulemaking authority between the Department of Health and the
23 Insurance Department.

24 **Monies Appropriated in this Bill:**

25 None

26 **Other Special Clauses:**

27 None

28 **Utah Code Sections Affected:**

29 AMENDS:

30 31A-22-614.5, as enacted by Laws of Utah 1993, Chapter 255

31 ENACTS:

32 26-1-37, Utah Code Annotated 1953



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

35 Section 1. Section 26-1-37 is enacted to read:

36 **26-1-37. Duty to establish standards for the electronic exchange of clinical health**
37 **information.**

38 (1) For purposes of this section:

39 (a) "Affiliate" means an organization that directly or indirectly through one or more
40 intermediaries controls, is controlled by, or is under common control with another organization.

41 (b) "Clinical health information" shall be defined by the department by administrative
42 rule adopted in accordance with Subsection (2).

43 (c) "Electronic exchange":

44 (i) includes:

45 (A) the electronic transmission of clinical health data via Internet or extranet; and

46 (B) physically moving clinical health information from one location to another using
47 magnetic tape, disk, or compact disc media; and

48 (ii) does not include exchange of information by telephone or fax.

49 (d) "Health care provider" means a licensing classification that is either:

50 (i) licensed under Title 58, Occupations and Professions, to provide health care; or

51 (ii) licensed under Chapter 21, Health Care Facility Licensing and Inspection Act.

52 (e) "Health care system" shall include:

53 (i) affiliated health care providers;

54 (ii) affiliated third party payers; and

55 (iii) other arrangement between organizations or providers as described by the
56 department by administrative rule.

57 (f) "Third party payer" means:

58 (i) all insurers offering health insurance who are subject to Section 31A-22-614.5; and
59 (ii) the state Medicaid program.

60 (2) (a) In addition to the duties listed in Section 26-1-30, the department shall, in
61 accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act:

62 (i) define:

63 (A) "clinical health information" subject to this section; and

64 (B) "health system arrangements between providers or organizations" as described in
65 Subsection (1)(e)(iii); and

66 (ii) adopt standards for the electronic exchange of clinical health information between
67 health care providers and third party payers that are in compliance with 45 C.F.R. Parts 160,
68 162, and 164, Health Insurance Reform: Security Standards.

69 (b) The department shall coordinate its rule making authority under the provisions of
70 this section with the rule making authority of the Insurance Department under Section
71 31A-22-614.5. The department shall establish procedures for developing the rules adopted
72 under this section, which ensure that the Insurance Department is given the opportunity to
73 comment on proposed rules.

74 (3) (a) Except as provided in Subsection (3)(b), a health care provider or third party
75 payer in Utah is required to use the standards adopted by the department under the provisions
76 of Subsection (2) if the health care provider or third party payer elects to engage in an
77 electronic exchange of clinical health information with another health care provider or third
78 party payer.

79 (b) A health care provider or third party payer is not required to use the standards
80 adopted by the department under the provisions of Subsection (2) if the health care provider or
81 third party payer engage in the electronic exchange of clinical health information within a
82 particular health care system.

83 (4) Nothing in this section shall limit the number of networks eligible to engage in the
84 electronic data interchange of clinical health information using the standards adopted by the
85 department under Subsection (2)(a)(ii).

86 (5) The department shall report on the use of the standards for the electronic exchange
87 of clinical health information to the legislative Health and Human Services Interim Committee
88 no later than October 15, 2008 and no later than every October 15th thereafter. The report
89 shall include publicly available information concerning the costs and savings for the department,
90 third party payers, and health care providers associated with the standards for the electronic
91 exchange of clinical health records.

92 Section 2. Section **31A-22-614.5** is amended to read:

93 **31A-22-614.5. Uniform claims processing -- Electronic exchange of health**
94 **information.**

95 (1) Beginning July 1, 1993, all insurers offering health insurance shall use a uniform
96 claim form and uniform billing and claim codes.

97 (2) The uniform claim forms and billing codes shall be adopted and approved by the
98 commissioner in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act.
99 The commissioner shall consult with the director of the Division of Health Care Financing, the
100 National Uniform Claim Form Task Force, and the National Uniform Billing Committee when
101 adopting the uniform claims and billing codes.

102 (3) (a) (i) Beginning July 1, 1995, all insurers shall offer compatible systems of
103 electronic billing approved by the commissioner in accordance with Title 63, Chapter 46a, Utah
104 Administrative Rulemaking Act.

105 (ii) The systems approved by the commissioner may include monitoring and
106 disseminating information concerning eligibility and coverage of individuals.

107 (iii) The commissioner shall coordinate the administrative rules adopted under the
108 provisions of this section with the administrative rules adopted by the Department of Health for
109 the implementation of the standards for the electronic exchange of clinical health information
110 under Section 26-1-37. The department shall establish procedures for developing the rules
111 adopted under this section, which ensure that the Department of Health is given the opportunity
112 to comment on proposed rules.

113 (b) The commissioner shall regulate any fees charged by insurers to the providers for:

- 114 (i) uniform claim forms [~~or~~];
- 115 (ii) electronic billing[-]; or
- 116 (iii) the electronic exchange of clinical health information permitted by Section 26-1-37.