

1 **PROSTHETIC LIMB HEALTH INSURANCE**

2 **PARITY**

3 2009 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: David Litvack**

6 Senate Sponsor: John L. Valentine

7
8 **LONG TITLE**

9 **General Description:**

10 This bill amends the Insurance Code to require ~~H→~~ [~~accident and health insurers~~] a health
10a benefit plan ~~←H~~ to provide
11 coverage for prosthetic devices.

12 **Highlighted Provisions:**

13 This bill:

14 ▶ defines terms;

15 ▶ requires ~~H→~~ [~~accident and health insurers~~] a health benefit plan ~~←H~~ to provide
15a coverage for prosthetic devices; and

16 ▶ establishes the terms of coverage and the minimum requirements for access to
17 providers.

18 **Monies Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 None

22 **Utah Code Sections Affected:**

23 ENACTS:

24 **31A-22-636**, Utah Code Annotated 1953

25
26 *Be it enacted by the Legislature of the state of Utah:*

27 Section 1. Section **31A-22-636** is enacted to read:



28 **31A-22-636. Coverage for prosthetic devices.**

29 (1) For purposes of this section:

30 (a) "Orthotic device" means a rigid or semirigid device supporting a weak or deformed
 31 leg, foot, arm, hand, back, or neck, or restricting or eliminating motion in a diseased or injured
 32 leg, foot, arm, hand, back, or neck.

33 (b) (i) "Prosthetic device" means an artificial limb device or appliance designed to
 34 replace in whole or in part an arm or a leg.

35 (ii) "Prosthetic device" does not include an orthotic device.

36 (2) Beginning July 1, 2009, ~~H~~→ [an accident and health insurance policy that provides
 37 coverage for hospital, medical, or surgical expenses] health benefit plan ~~←H~~ shall provide coverage
 37a for benefits for

38 ~~H~~→ [prosthetics] prosthetic devices ~~←H~~ that:

39 (a) at a minimum, equals the coverage provided for under the federal Medicare
 40 program pursuant to 42 U.S.C. Secs. 1395k, 1395l, and 1395m and 42 C.F.R 414.202, 414.210,
 41 and 414.228 as applicable to this section; and

42 (b) includes:

43 (i) all services and supplies necessary for the effective use of a prosthetic device,
 44 including:

45 (A) formulating its design;

46 (B) fabrication;

47 (C) material and component selection;

48 (D) measurements and fittings;

49 (E) static and dynamic alignments; and

50 (F) instructing the patient in the use of the device;

51 (ii) all materials and components necessary to use the device; and

52 (iii) any repair or replacement of a prosthetic device that is determined medically
 53 necessary to restore or maintain the ability to complete activities of daily living or essential
 54 job-related activities and that is not solely for comfort or convenience.

55 (3) The coverage required by this section:

56 (a) may ~~H~~→ , except as otherwise provided in this section ~~←H~~ be made subject to ~~H~~→ [;
 56a and no more restrictive than, the provisions of an accident
 57 and health insurance policy that apply to other benefits under the policy] cost-sharing provisions,
 57a including dollar limits, deductibles, and coinsurance, that are not less favorable to the insured
 57b than the cost-sharing provisions of the health benefit plan that apply to physical illness
 57c generally ~~←H~~ :

58 (b) may impose a copayment and coinsurance amounts on a prosthetic device, not to

59 exceed the copayment or coinsurance amounts imposed under Part B of the Medicare
60 fee-for-service program; H→ and ←H

61 (c) shall reimburse for a prosthetic device at no less than the fee schedule amount for
62 the prosthetic device under the federal Medicare reimbursement schedule H→ [;

63 ~~—— (d) may not impose any annual or lifetime dollar maximum on coverage for prosthetic~~
64 ~~devices other than an annual or lifetime dollar maximum that applies in the aggregate to all~~
65 ~~terms and services covered under the policy; and~~

66 ~~—— (e) does not apply to a policy that provides benefits solely for:~~

67 ~~—— (i) accident only coverage;~~

68 ~~—— (ii) a specific disease;~~

69 ~~—— (iii) hospital indemnity;~~

70 ~~—— (iv) Medicare supplement;~~

71 ~~—— (v) long-term care;~~

72 ~~—— (vi) disability income replacement;~~

73 ~~—— (vii) dental;~~

74 ~~—— (viii) vision; or~~

75 ~~—— (ix) a limited health plan offered under Chapter 8, Health Maintenance Organizations~~
76 ~~and Limited Health Plans] ←H .~~

77 (4) If coverage is provided through a managed care plan, offered under Chapter 8,
78 Health Maintenance Organizations and Limited Health Plans, or under a preferred provider
79 plan under this chapter, the insured shall have access to medically necessary clinical care and to
80 prosthetic devices and technology from not less than two distinct Utah prosthetic providers in
81 the managed care plan's provider network.

Legislative Review Note
as of 1-5-09 3:54 PM

Office of Legislative Research and General Counsel

H.B. 89 - Prosthetic Limb Health Insurance Parity

Fiscal Note

2009 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Local governments may have increased costs for medical insurance. Individuals may benefit from by requiring coverage of prosthetic devices to health insurance providers. Additionally, individuals who purchase health insurance may experience increased costs as well. Businesses may be impacted due to required coverage of prosthetic devices for individuals.
