

1                   **INSURANCE COVERAGE FOR EOSINOPHILIC**  
2                   **GASTROINTESTINAL DISORDERS AND**  
3                   **SHORT BOWEL SYNDROME**

4                   2009 GENERAL SESSION

5                   STATE OF UTAH

6                   **Chief Sponsor: Christine A. Johnson**

7                   Senate Sponsor: Gregory S. Bell

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9                   **LONG TITLE**

10                  **General Description:**

11                  This bill amends the Accident and Health Insurance part of the Insurance Code to  
12                  provide coverage for eosinophilic gastrointestinal disorders and short bowel syndrome.

13                  **Highlighted Provisions:**

14                  This bill:

- 15                  ▶ defines terms;
- 16                  ▶ requires that a health benefit plan shall provide coverage for the use of an amino  
17                  acid-based elemental formula, regardless of the delivery method of the formula, for  
18                  the diagnoses or treatment of an eosinophilic gastrointestinal disorder or short  
19                  bowel syndrome if a licensed physician issues a written order stating that the  
20                  formula is medically necessary;
- 21                  ▶ grants rulemaking authority to the Insurance Commissioner; and
- 22                  ▶ requires the coverage described in this bill to be similar to, or identical to, the  
23                  coverage provided for other illnesses or diseases.

24                  **Monies Appropriated in this Bill:**

25                  None

26                  **Other Special Clauses:**

27                  None



28 **Utah Code Sections Affected:**

29 ENACTS:

30 **31A-22-636**, Utah Code Annotated 1953



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

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

34 **31A-22-636. Insurance coverage for eosinophilic gastrointestinal disorders and**  
35 **short bowel syndrome.**

36 (1) As used in this section:

37 (a) "Amino acid-based elemental formula" means a nutrition formula:

38 (i) made from individual non-allergenic amino acids that are broken down to enhance  
39 absorption and digestion; and

40 (ii) designed for individuals who have a dysfunctional or shortened gastrointestinal  
41 tract and are unable to tolerate and absorb whole foods or formulas composed of whole  
42 proteins, fats, or carbohydrates.

43 (b) (i) "Eosinophilic gastrointestinal disorder" means a disorder characterized by  
44 having above normal amounts of eosinophils in one or more specific places anywhere in the  
45 digestive system.

46 (ii) "Eosinophilic gastrointestinal disorder" includes:

47 (A) eosinophilic esophagitis;

48 (B) eosinophilic gastritis;

49 (C) eosinophilic gastroenteritis;

50 (D) eosinophilic enteritis; and

51 (E) eosinophilic colitis.

52 (c) "Short bowel syndrome" means malabsorption of nutrients resulting from  
53 anatomical or functional loss of a significant length of the small intestine.

54 (2) A health benefit plan shall provide coverage for the use of an amino acid-based  
55 elemental formula, regardless of the delivery method of the formula, for the diagnoses or  
56 treatment of an eosinophilic gastrointestinal disorder or short bowel syndrome if a licensed  
57 physician issues a written order stating that the use of an amino acid-based elemental formula  
58 is medically necessary.

59           (3) The commissioner shall make rules, in accordance with Title 63G, Chapter 3, Utah  
60 Administrative Rulemaking Act, that set minimum standards for the coverage described in  
61 Subsection (2).

62           (4) The rules described in Subsection (3) shall require that all cost sharing provisions  
63 for the coverage described in Subsection (2), including deductibles, coinsurance, annual  
64 maximums, and lifetime maximums are similar to, or identical to, the coverage provided for  
65 other illnesses or diseases.

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**Legislative Review Note**  
as of 1-20-09 6:41 AM

**Office of Legislative Research and General Counsel**

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**Fiscal Note****H.B. 124 - Insurance Coverage for Eosinophilic Gastrointestinal Disorders  
and Short Bowel Syndrome**

2009 General Session

State of Utah

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**State Impact**

Enactment of this bill will require an additional appropriation of \$340,000 from various funds as shown in the table in order to pay for increased coverage of Eosinophilic Gastrointestinal Disorders and Short Bowel Syndrome.

	<u>2009</u> <u>Approp.</u>	<u>2010</u> <u>Approp.</u>	<u>2011</u> <u>Approp.</u>	<u>2009</u> <u>Revenue</u>	<u>2010</u> <u>Revenue</u>	<u>2011</u> <u>Revenue</u>
General Fund	\$0	\$164,200	\$164,200	\$0	\$0	\$0
General Fund Restricted	\$0	\$25,800	\$25,800	\$0	\$0	\$0
Uniform School Fund	\$0	\$15,800	\$15,800	\$0	\$0	\$0
Transportation Fund	\$0	\$25,100	\$25,100	\$0	\$0	\$0
Transportation Fund Restricted	\$0	\$5,000	\$5,000	\$0	\$0	\$0
Federal Funds	\$0	\$67,700	\$67,700	\$0	\$0	\$0
Federal Mineral Lease	\$0	\$800	\$800	\$0	\$0	\$0
Dedicated Credits	\$0	\$21,000	\$21,000	\$0	\$0	\$0
Trust Funds	\$0	\$11,000	\$11,000	\$0	\$0	\$0
Transfers	\$0	\$3,600	\$3,600	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$340,000</b>	<b>\$340,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Individual, Business and/or Local Impact**

Local governments may be impacted if they provide health insurances to employees. Businesses that purchase health insurance may see increase in the cost of insurance. Individuals may benefit from the additional coverage that is provided under the proposed change in statute.