

Senator John L. Valentine proposes the following substitute bill:

**PROSTHETIC LIMB HEALTH INSURANCE**

**PARITY**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: David Litvack**

Senate Sponsor: John L. Valentine

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**LONG TITLE**

**General Description:**

This bill amends the Insurance Code to require an insurer that provides a health benefit plan to offer coverage for prosthetic devices.

**Highlighted Provisions:**

This bill:

- defines terms;
- requires an insurer that provides a health benefit plan to offer at least one plan that provides coverage for prosthetic devices; and
- establishes terms of coverage and minimum requirements relating to the coverage described in this bill.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**31A-22-638**, Utah Code Annotated 1953



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

Section 1. Section **31A-22-638** is enacted to read:

**31A-22-638. Coverage for prosthetic devices.**

(1) For purposes of this section:

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

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

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

(2) (a) Beginning January 1, 2011, an insurer, other than an insurer described in Subsection (2)(b), that provides a health benefit plan shall offer at least one plan, in each market where the insurer offers a health benefit plan, that provides coverage for benefits for prosthetics that includes:

(i) a prosthetic device;

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

(A) formulating its design;

(B) fabrication;

(C) material and component selection;

(D) measurements and fittings;

(E) static and dynamic alignments; and

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

(iii) all materials and components necessary to use the prosthetic device; and

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

(b) Beginning January 1, 2011, an insurer that is subject to Title 49, Chapter 20, Public Employees' Benefit and Insurance Program Act, shall offer to a covered employer at least one plan that provides coverage for prosthetics that complies with Subsections (2)(a)(i) through

57 (iv).

58 (c) At least one of the plans with the prosthetic benefits described in Subsections (2)(a)  
59 and (b) that is offered by an insurer described in this Subsection (2) shall have a coinsurance  
60 rate, that applies to physical injury generally and to prosthetics, of 80% to be paid by the  
61 insurer and 20% to be paid by the insured, if the prosthetic benefit is obtained from a person  
62 that the insurer contracts with or approves.

63 (3) The coverage described in this section:

64 (a) shall, except as otherwise provided in this section, be made subject to cost-sharing  
65 provisions, including dollar limits, deductibles, copayments, and co-insurance, that are not less  
66 favorable to the insured than the cost-sharing provisions of the health benefit plan that apply to  
67 physical illness generally; and

68 (b) may, except as provided in Subsection (4), limit coverage for obtaining a new or  
69 replacement prosthetic device that contains a microprocessor component to no more often than  
70 every three years.

71 (4) The limitation described in Subsection (3)(b) does not apply to replacement of a  
72 prosthetic device if:

73 (a) the replacement:

74 (i) is medically necessary;

75 (ii) is for the purpose of:

76 (A) replacing a lost or stolen prosthetic device;

77 (B) replacing a prosthetic device that is damaged or worn to the point where repair of  
78 the prosthetic device is not a reasonable alternative to replacement of the prosthetic device; or

79 (C) replacing a prosthetic device that no longer fits the person due to a change, whether  
80 surgical or natural, in the person's body, including growth, disease, illness, weight loss, weight  
81 gain, or a medical procedure; and

82 (iii) restores the person to the level of functioning that the person experienced before  
83 the event, described in Subsection (4)(a)(ii)(A) through (C), requiring replacement of the  
84 prosthetic device, occurred; or

85 (b) (i) the only replacement of the prosthetic device that the person received during the  
86 three-year limitation period was for a replacement described in Subsection (4)(a); and

87 (ii) the replacement is medically necessary.

88           (5) If the coverage described in this section is provided through a managed care plan,  
89 offered under Chapter 8, Health Maintenance Organizations and Limited Health Plans, or  
90 under a preferred provider plan under this chapter, the insured shall have access to medically  
91 necessary prosthetic clinical care, and to prosthetic devices and technology, from one or more  
92 Utah prosthetic providers in the managed care plan's provider network.