

PATIENT INFORMATION PROTECTION AMENDMENTS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen H. Urquhart

House Sponsor: _____

LONG TITLE

General Description:

This bill amends the Health Code related to the Medicaid program.

Highlighted Provisions:

This bill:

► requires a health care provider that enters into a provider agreement with the state Medicaid program to purchase insurance that would cover a health data breach; and

► specifies certain coverage requirements that must be maintained by the provider.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

26-18-17, Utah Code Annotated 1953

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

Section 1. Section **26-18-17** is enacted to read:

26-18-17. Medicaid provider -- Data breach insurance.

(1) (a) Beginning July 1, 2013, a health care provider that enters into a provider agreement with the state Medicaid program shall purchase an insurance policy that insures the



28 health care provider for losses incurred as a result of a data breach of electronic medical
29 records stored or accessed by the provider.

30 (b) The data breach insurance required by Subsection (1)(a) shall include coverage for:

31 (i) compliance with data breach notification laws;

32 (ii) securing legal counsel to advise on incident response;

33 (iii) providing credit file monitoring to victims;

34 (iv) hiring forensic experts to investigate the breach, if appropriate;

35 (v) paying regulatory defense and penalties from privacy law violations; and

36 (vi) legal liabilities including those arising from failure to comply with data breach
37 notification laws or privacy policies or to administer a government-mandated identity theft
38 prevention program.

39 (2) The health care provider shall keep the insurance policy required by Subsection (1)
40 in effect during the period of time in which the provider has a provider agreement with the state
41 Medicaid program.

Legislative Review Note
as of 2-12-13 5:39 PM

Office of Legislative Research and General Counsel