

**MINUTES OF THE SENATE NATURAL RESOURCES, AGRICULTURE, AND
ENVIRONMENT STANDING COMMITTEE**
415 State Capitol, Utah State Capitol Complex
March 1, 2013

Members Present: Sen. Scott K. Jenkins, Chair
 Sen. Allen M. Christensen
 Sen. Jim Dabakis
 Sen. David P. Hinkins
 Sen. Peter C. Knudson
 Sen. Ralph Okerlund
 Sen. Evan Vickers

Staff Present: Mr. J Brian Allred, Policy Analyst
 Ms. Lorna Wells, Secretary

A list of visitors and a copy of handouts are filed with the committee minutes.

Chair Jenkins called the meeting to order at 4:09 p.m.

S.B. 244 Utah Department of Agriculture and Food Amendments (*Sen. D. Hinkins*)

Sen. Hinkins introduced and presented the bill.

MOTION: Sen. Hinkins moved to replace S.B. 244 with 1st Sub. S.B. 244. The motion passed unanimously with Sens. Christensen, Dabakis, and Knudson absent for the vote.

Spoke in favor of the bill: Mr. Kyle Stephens - Deputy Commissioner, Utah Department of Agriculture and Food

MOTION: Sen Vickers moved to pass 1st Sub. S.B. 244 out favorably. The motion passed unanimously with Sen. Dabakis absent for the vote.

Approval of Minutes

MOTION: Sen. Christensen moved to approve the minutes of the February 25, 2013 and February 27, 2013 meetings. The motion passed unanimously.

S.B. 242 Health Insurance Market Amendments (*Sen. L. Hillyard*)

MOTION: Sen. Knudson moved to amend S.B. 242 as follows:

1. *Page 2, Lines 43 through 44:*

- 43 participation on an insurer's provider panel **;**
 (A) without first providing the physician with the due
44 process protections required by this section **;** **or**

(B) in violation of Subsection (3) .

2. *Page 3, Lines 59 through 66:*

59 (3) (a) ~~[[A health insurer shall include a physician on its panel of providers for~~
60 ~~the~~
61 ~~insurer's health benefit plans if the physician meets educational, training, and~~
62 ~~experience~~
63 ~~requirements, and has demonstrated current competence.~~
64 ~~—(b)]] A health insurer shall apply reasonable, nondiscriminatory standards for the~~
65 ~~evaluation of a physician's qualifications~~ ~~[[under this Subsection (3)]]~~ **for**
66 ~~inclusion on an insurer's provider panel~~ . The decision to include a
67 ~~physician on an insurer's provider panel shall be based on an objective evaluation of the~~
68 ~~physician's qualifications.~~ **training, experience, and competency.** ~~free of~~
69 ~~anticompetitive intent or purpose.~~
70 ~~[[-(c)]]~~ **(b)** ~~A health insurer shall not consider any of the following with~~
71 ~~regard to determining~~

The motion passed unanimously.

Spoke to the bill: Mr. Kelly Atkinson, Executive Director, Utah Health Insurance

Spoke in favor of the bill: Ms. Michelle McComber, Chief Executive Officer, Utah
 Medical Association
 Dr. Brian Hales, President, Utah Medical Association
 Dr. Ronald Ruff, Radiologist, Mountain Medical Physician
 Specialists
 Dr. Michael Webb, Radiologist, Mountain Medical Physician
 Specialists

Spoke in opposition to the bill: Mr. Travis Wood, Utah Health Plans
 Dr. Tim Pearson, Chief Executive Officer, Intermountain Urban
 North Region & Intermountain McKay-Dee Hospital
 Mr. Dan Liljenquist, Director, Intermountain Health Care
 Mr. David C. Gessel, Vice President, Utah Hospital Association

MOTION: Sen. Knudson moved to go to the next item on the agenda.

SUBSTITUTE MOTION: Sen. Okerlund moved to pass the bill out favorably as amended.
The motion passed with Sens. Hinkins and Knudson voting in
opposition and Sen. Christensen absent for the vote.

S.B. 252 Hospital Credentialing Amendments (Sen. R. Okerlund)

MOTION: Sen. Okerlund moved to amend S.B. 252 as follows:

1. Page 4, Lines 115 through 119:

115 (7) A hospital or integrated health system that violates the provisions of this section:
116 (a) has violated standards of operation for the hospital; **and**
117 (b) may be held liable to the physician in a private right of action for the violations,
118 including proximately caused damages [~~;~~ **and**
119 —(c) may be subject to regulatory action by the department.]] .

2. Page 5, Line 123:

123 association with a group holding the contract. =
(9) Nothing in this section prohibits a hospital from entering into an exclusive
contract for services that are performed in the hospital if the exclusive contract is
between the hospital and a physician or physician group that is not employed by:
(i) the hospital; or
(ii) an integrated health system affiliated with the hospital.

The motion passed with Sen. Hinkins voting in opposition and Sen. Christensen absent for the vote.

Sen. Okerlund introduced and explained this bill.

Spoke in favor of the bill: Ms. Michelle McComber, Chief Executive Officer, Utah
Medical Association
Mr. Brian Hales, President, Utah Medical Association
Dr. Ronald Ruff, Radiologist, Mountain Medical Physician
Specialists

Spoke in opposition to the bill: Mr. Alan Dayton, Lobbyist, Intermountain Health Care
Mr. David Gessel, Vice President, Utah Hospital Association

MOTION: Sen. Christensen moved to pass the bill out favorably as amended. The motion passed with Sen. Jenkins voting in opposition.

S.B. 254 Penalty for Well Drilling Without a License (Sen. W. Harper)

Sen. Harper introduced and explained this bill.

Spoke to the bill: Mr. Boyd Clayton, Utah Division of Water Rights

MOTION: Sen. Christensen moved to pass the bill out favorably. The motion passed unanimously.

**H.B. 142 Public Lands Policy Coordinating Office Amendments (*Rep. R. Barrus*)
(**Sen. R. Okerlund**)**

Rep. Barrus introduced and explained this bill.

MOTION: Sen. Okerlund moved to pass the bill out favorably. The motion passed with Sen. Hinkins absent for the vote.

MOTION: Sen. Christensen moved to adjourn. The motion passed unanimously.

Chair Jenkins adjourned the meeting at 6:10 p.m.

Minutes were reported by Lorna Wells, Secretary

Sen. Scott K. Jenkins, Committee Chair