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**Insurance Revisions**  
 2025 GENERAL SESSION  
 STATE OF UTAH  
**Chief Sponsor: James A. Dunnigan**  
 Senate Sponsor:

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3 **LONG TITLE**4 **General Description:**

5 This bill addresses stop-loss insurance.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ modifies the requirements for a small employer stop-loss insurance contract;
- 9 ▶ regulates with which small employers a stop-loss insurer or reinsurer may enter stop-loss
- 10 insurance contracts;
- 11 ▶ provides a transition period for existing small employer stop-loss insurance contracts; and
- 12 ▶ makes technical and conforming changes.

13 **Money Appropriated in this Bill:**

14 None

15 **Other Special Clauses:**

16 This bill provides a special effective date.

17 **Utah Code Sections Affected:**

18 AMENDS:

19 **31A-43-301**, as last amended by Laws of Utah 2015, Chapter 244

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21 *Be it enacted by the Legislature of the state of Utah:*22 Section 1. Section **31A-43-301** is amended to read:23 **31A-43-301 . Stop-loss insurance standards.**

24 (1) A small employer stop-loss insurance contract shall:

- 25 (a) be issued to the small employer to provide insurance to the group health benefit plan,
- 26 not the employees of the small employer;
- 27 (b) have a contract term with guaranteed rates for at least 12 months, without
- 28 adjustment, unless there is a change in the benefits provided under the small
- 29 employer's health plan during the contract period;
- 30 (c) include both a specific attachment point and an aggregate attachment point in a

- 31 contract;
- 32 (d) align stop-loss plan benefit limitations and exclusions with a small employer's health  
33 plan benefit limitations and exclusions, including any annual or lifetime limits in the  
34 employer's health plan;
- 35 (e) subject to Subsection (4):
- 36 (i) have an annual specific attachment point that is at least [\$10,000] \$30,000; and  
37 [(f)] (ii) have an annual aggregate attachment point that may not be less than [85%]  
38 90% of expected claims;
- 39 [(g)] (f) pay stop-loss claims:
- 40 (i) incurred during the contract period; and  
41 (ii) paid within 12 months after the expiration date of the contract; and
- 42 [(h)] (g) include provisions to cover incurred and unpaid stop-loss claims when the small  
43 employer's stop-loss plan terminates.
- 44 (2) A small employer stop-loss insurance contract [shall] may not:
- 45 (a) include lasering; and  
46 (b) pay claims directly to an individual employee, member, or participant.
- 47 (3) A stop-loss insurer or reinsurer:
- 48 (a) may enter into a small employer stop-loss insurance contract with a small employer  
49 with 15 or more enrolled employees; and
- 50 (b) may not enter into a small employer stop-loss insurance contract with a small  
51 employer with less than 15 enrolled employees.
- 52 (4) A small employer stop-loss insurance contract issued before July 1, 2025, that is  
53 renewed with the same stop-loss insurer or reinsurer that executed that small employer  
54 stop-loss insurance contract shall comply with Subsection (1)(e) by no later than July 1,  
55 2027.
- 56 Section 2. **Effective Date.**
- 57 This bill takes effect on July 1, 2025.