State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Insurance Department

TODD E. KISER
Insurance Commissioner

January 14, 2014

Utah State Senate
320 State Capitol
Salt Lake City, Utah 84114

Dear Member of the Utah Senate:

During its 2014 General Session the Utah Legislature will consider the Utah Comprehensive Health Insurance Pool, more commonly known as HIPUtah, funding.

As HIPUtah enters its 23rd year it marks a time of change. The Affordable Care Act (ACA) assures guaranteed coverage for all health insurance applicants. Beginning in 2014, health insurance companies may no longer deny coverage because of an applicant's preexisting condition. As such, HIPUtah's mission to provide a safety net for persons who could not obtain health coverage through traditional channels is now being addressed through the ACA. In January 2014, the Utah Federally Facilitated Marketplace, known as the Marketplace will be available to HIPUtah enrollees.

In July 2013, the HIPUtah Board approved the transition of HIPUtah enrollees into the Marketplace and therefore terminated coverage under the program effective December 31, 2013. The Board further approved to request your consideration to delay the sunset of the Utah Comprehensive Health Insurance Act until the 2015 General Session of the Utah State Legislature.

HIPUtah will need to maintain its funding through the end of 2014 in order to cover its claims that have been incurred but not reported. To assist you in your understanding of HIPUtah's closure, I am providing you and all members of the Legislature with the Fiscal Year 2013 Annual Report to the Utah State Legislature. This report was prepared at the direction of the Board of Directors of HIPUtah to comply with Utah Code Annotated Subsection 31A-29-106(2)(a).

If you need additional information regarding HIPUtah, please call 801-538-3804 and my secretary will arrange a time for us to speak. You may also contact the Executive Director of HIPUtah, Tomi Ossana, at 801-485-2830.

Sincerely,

Todd Kiser
Insurance Commissioner

Cc: Tomi Jean Ossana