Effective 5/4/2022
31A-30-103 Definitions.
    As used in this chapter:
(1) "Actuarial certification" means a written statement by a member of the American Academy of Actuaries or other individual approved by the commissioner that a covered carrier is in compliance with this chapter, based upon the examination of the covered carrier, including review of the appropriate records and of the actuarial assumptions and methods used by the covered carrier in establishing premium rates for applicable health benefit plans.
(2) "Affiliate" or "affiliated" means a person who directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, a specified person.
(3) "Base premium rate" means, for each class of business as to a rating period, the lowest premium rate charged or that could have been charged under a rating system for that class of business by the covered carrier to covered insureds with similar case characteristics for health benefit plans with the same or similar coverage.
(4)
  (a) "Bona fide employer association" means an association of employers:
    (i) that meets the requirements of Section 31A-22-505;
    (ii) in which the employers of the association, either directly or indirectly, exercise control over the plan;
    (iii) that is organized:
      (A) based on a commonality of interest between the employers and their employees that participate in the plan by some common economic or representation interest or genuine organizational relationship unrelated to the provision of benefits; and
      (B) to act in the best interests of its employers to provide benefits for the employer's employees and their spouses and dependents, and other benefits relating to employment; and
    (iv) whose association sponsored health plan complies with 45 C.F.R. 146.121.
  (b) The commissioner shall consider the following with regard to determining whether an association of employers is a bona fide employer association under Subsection (4)(a):
    (i) how association members are solicited;
    (ii) who participates in the association;
    (iii) the process by which the association was formed;
    (iv) the purposes for which the association was formed, and what, if any, were the pre-existing relationships of its members;
    (v) the powers, rights and privileges of employer members; and
    (vi) who actually controls and directs the activities and operations of the benefit programs.
(5) "Carrier" means a person that provides health insurance in this state including:
  (a) an insurance company;
  (b) a prepaid hospital or medical care plan;
  (c) a health maintenance organization;
  (d) a multiple employer welfare arrangement; and
  (e) another person providing a health insurance plan under this title.
(6)
  (a) Except as provided in Subsection (6)(b), "case characteristics" means demographic or other objective characteristics of a covered insured that are considered by the carrier in determining premium rates for the covered insured.
  (b) "Case characteristics" do not include:
    (i) duration of coverage since the policy was issued;

(ii) claim experience; and
(iii) health status.
(7) "Class of business" means all or a separate grouping of covered insureds that is permitted by the commissioner in accordance with Section 31A-30-105.
(8) "Covered carrier" means an individual carrier or small employer carrier subject to this chapter.
(9) "Covered individual" means an individual who is covered under a health benefit plan subject to this chapter.
(10) "Covered insureds" means small employers and individuals who are issued a health benefit plan that is subject to this chapter.
(11) "Dependent" means an individual to the extent that the individual is defined to be a dependent by:
  (a) the health benefit plan covering the covered individual; and
  (b)Chapter 22, Part 6, Accident and Health Insurance.
(12) "Established geographic service area" means a geographical area approved by the commissioner within which the carrier is authorized to provide coverage.
(13) "Index rate" means, for each class of business as to a rating period for covered insureds with similar case characteristics, the arithmetic average of the applicable base premium rate and the corresponding highest premium rate.
(14) "Individual carrier" means a carrier that provides coverage on an individual basis through a health benefit plan regardless of whether:
  (a) coverage is offered through:
    (i) an association;
    (ii) a trust;
    (iii) a discretionary group; or
    (iv) other similar groups; or
  (b) the policy or contract is situated out-of-state.
(15) "Individual conversion policy" means a conversion policy issued to:
  (a) an individual; or
  (b) an individual with a family.
(16) "New business premium rate" means, for each class of business as to a rating period, the lowest premium rate charged or offered, or that could have been charged or offered, by the carrier to covered insureds with similar case characteristics for newly issued health benefit plans with the same or similar coverage.
(17) "Premium" means money paid by covered insureds and covered individuals as a condition of receiving coverage from a covered carrier, including fees or other contributions associated with the health benefit plan.
(18)
  (a) "Rating period" means the calendar period for which premium rates established by a covered carrier are assumed to be in effect, as determined by the carrier.
  (b) A covered carrier may not have:
    (i) more than one rating period in any calendar month; and
    (ii) no more than 12 rating periods in any calendar year.
(19) "Small employer carrier" means a carrier that provides health benefit plans covering eligible employees of one or more small employers in this state, regardless of whether:
  (a) coverage is offered through:
    (i) an association;
    (ii) a trust;
    (iii) a discretionary group; or

(iv) other similar grouping; or
(b) the policy or contract is situated out-of-state.

Amended by Chapter 198, 2022 General Session