

**31A-30-107.3 Discontinuance and nonrenewal limitations and conditions.**

- (1) A carrier that elects to discontinue offering all individual health benefit plans under Subsection 31A-30-107.1(3)(e) is prohibited from writing new business in the individual market in this state for a period of five years beginning on the date of discontinuation of the last individual health benefit plan coverage that is discontinued.
- (2) A carrier that elects to discontinue offering all small employer health benefit plans under Subsection 31A-30-107(3)(e) is prohibited from writing new business in the small group market in this state for a period of five years beginning on the date of discontinuation of the last small employer coverage that is discontinued.
- (3)
  - (a) If the Comprehensive Health Insurance Pool as set forth under Title 31A, Chapter 29, Comprehensive Health Insurance Pool Act, is dissolved or discontinued, or if enrollment is capped or suspended, an individual carrier:
    - (i) may, except as prohibited by Section 31A-30-117, elect to discontinue offering new individual health benefit plans, except to HIPAA eligibles, but shall keep existing individual health benefit plans in effect, except those individual plans that are not renewed under the provisions of Subsection 31A-30-107(2) or 31A-30-107.1(2);
    - (ii) may elect to continue to offer new individual and small employer health benefit plans; or
    - (iii) may elect to discontinue all of the covered carrier's health benefit plans in the individual or small group market under the provisions of Subsection 31A-30-107(3)(e) or 31A-30-107.1(3)(e).
  - (b) A carrier that makes an election under Subsection (3)(a)(i):
    - (i) is prohibited from writing new business:
      - (A) in the individual market in this state; and
      - (B) for a period of five years beginning on the date of discontinuation;
    - (ii) may continue to write new business in the small employer market; and
    - (iii) shall provide written notice of the election under Subsection (3)(a)(i) within two calendar days of the election to the Utah Insurance Department.
  - (c) The prohibition described in Subsection (3)(b)(i) may be waived if the commissioner finds that waiver is in the public interest:
    - (i) to promote competition; or
    - (ii) to resolve inequity in the marketplace.
  - (d) A carrier that makes an election under Subsection (3)(a)(iii) is subject to the provisions of Subsection (1).
- (4) If a carrier is doing business in one established geographic service area of the state, Sections 31A-30-107 and 31A-30-107.1 apply only to the carrier's operations in that geographic service area.
- (5) If a small employer employs less than two eligible employees, a carrier may not discontinue or not renew the health benefit plan until the first renewal date following the beginning of a new plan year, even if the carrier knows as of the beginning of the plan year that the employer no longer has at least two current employees.

Amended by Chapter 341, 2013 General Session