

Effective 5/10/2016

49-20-401 Program -- Powers and duties.

- (1) The program shall:
- (a) act as a self-insurer of employee benefit plans and administer those plans;
 - (b) enter into contracts with private insurers or carriers to underwrite employee benefit plans as considered appropriate by the program;
 - (c) indemnify employee benefit plans or purchase commercial reinsurance as considered appropriate by the program;
 - (d) provide descriptions of all employee benefit plans under this chapter in cooperation with covered employers;
 - (e) process claims for all employee benefit plans under this chapter or enter into contracts, after competitive bids are taken, with other benefit administrators to provide for the administration of the claims process;
 - (f) obtain an annual actuarial review of all health and dental benefit plans and a periodic review of all other employee benefit plans;
 - (g) consult with the covered employers to evaluate employee benefit plans and develop recommendations for benefit changes;
 - (h) annually submit a budget and audited financial statements to the governor and Legislature which includes total projected benefit costs and administrative costs;
 - (i) maintain reserves sufficient to liquidate the unrevealed claims liability and other liabilities of the employee benefit plans as certified by the program's consulting actuary;
 - (j) submit, in advance, its recommended benefit adjustments for state employees to:
 - (i) the Legislature; and
 - (ii) the executive director of the state Department of Human Resource Management;
 - (k) determine benefits and rates, upon approval of the board, for multiemployer risk pools, retiree coverage, and conversion coverage;
 - (l) determine benefits and rates based on the total estimated costs and the employee premium share established by the Legislature, upon approval of the board, for state employees;
 - (m) administer benefits and rates, upon ratification of the board, for single employer risk pools;
 - (n) request proposals for provider networks or health and dental benefit plans administered by third party carriers at least once every three years for the purposes of:
 - (i) stimulating competition for the benefit of covered individuals;
 - (ii) establishing better geographical distribution of medical care services; and
 - (iii) providing coverage for both active and retired covered individuals;
 - (o) offer proposals which meet the criteria specified in a request for proposals and accepted by the program to active and retired state covered individuals and which may be offered to active and retired covered individuals of other covered employers at the option of the covered employer;
 - (p) perform the same functions established in Subsections (1)(a), (b), (e), and (h) for the Department of Health if the program provides program benefits to children enrolled in the Utah Children's Health Insurance Program created in Title 26, Chapter 40, Utah Children's Health Insurance Act;
 - (q) establish rules and procedures governing the admission of political subdivisions or educational institutions and their employees to the program;
 - (r) contract directly with medical providers to provide services for covered individuals;
 - (s) take additional actions necessary or appropriate to carry out the purposes of this chapter;
 - (t)

- (i) require state employees and their dependents to participate in the electronic exchange of clinical health records in accordance with Section 26-1-37 unless the enrollee opts out of participation; and
 - (ii) prior to enrolling the state employee, each time the state employee logs onto the program's website, and each time the enrollee receives written enrollment information from the program, provide notice to the enrollee of the enrollee's participation in the electronic exchange of clinical health records and the option to opt out of participation at any time; and
 - (u) provide services for drugs or medical devices at the request of a procurement unit, as that term is defined in Section 63G-6a-104, that administers benefits to program recipients who are not covered by Title 26, Utah Health Code.
- (2)
- (a) Funds budgeted and expended shall accrue from rates paid by the covered employers and covered individuals.
 - (b) Administrative costs shall be approved by the board and reported to the governor and the Legislature.
- (3) The Department of Human Resource Management shall include the benefit adjustments described in Subsection (1)(j) in the total compensation plan recommended to the governor required under Subsection 67-19-12(5)(a).

Amended by Chapter 279, 2016 General Session