

OFFICE OF CONSUMER HEALTH

ASSISTANCE

1999 GENERAL SESSION

STATE OF UTAH

Sponsor: Peter C. Knudson

AN ACT RELATING TO INSURANCE; ESTABLISHING THE OFFICE OF CONSUMER HEALTH ASSISTANCE AND ADVISORY COMMITTEE; ESTABLISHING THE DUTIES OF THE OFFICE IN EDUCATING AND ASSISTING HEALTH CARE CONSUMERS; CLARIFYING THE ROLE OF THE COMMISSIONER IN CONSUMER EDUCATION GENERALLY; ~~h~~ ~~[]~~ **REQUIRING** ~~[]~~ ~~[ALLOWING]~~ ~~h~~ INSURERS TO ~~§~~ ~~[ESTABLISH A~~

GRIEVANCE

PROCEDURE]

~~[AND]~~ ~~§~~ INCLUDE A CONSUMER REPRESENTATIVE ON APPEAL BOARDS; EXTENDING RULEMAKING AUTHORITY; AND MAKING CONFORMING AMENDMENTS.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

31A-8-401, as enacted by Chapter 204, Laws of Utah 1986

ENACTS:

31A-2-215, Utah Code Annotated 1953

31A-2-216, Utah Code Annotated 1953

31A-4-116, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **31A-2-215** is enacted to read:

31A-2-215. Consumer education.

(1) In furtherance of the purposes in Section 31A-1-102, the commissioner may educate consumers about insurance and provide consumer assistance.

(2) Consumer education may include:

(a) outreach activities; and

(b) the production or collection and dissemination of educational materials.

28 (3) (a) Consumer assistance may include explaining:

29 (i) the terms of a policy;

30 (ii) a policy's complaint and grievance procedure; and

31 (iii) the fundamentals of self-advocacy.

32 (b) Notwithstanding Subsection (3)(a), consumer assistance may not include testifying or
33 representing a consumer in any grievance, arbitration, judicial, or related proceeding, unless the
34 proceeding is in connection with an enforcement action brought under Section 31A-2-308.

35 (4) The commissioner may adopt rules necessary to implement the requirements of this
36 section.

37 Section 2. Section **31A-2-216** is enacted to read:

38 **31A-2-216. Office of Consumer Health Assistance.**

39 (1) The commissioner shall establish:

40 (a) an Office of Consumer Health Assistance before July 1, 1999; and

41 (b) a committee to advise the commissioner on consumer assistance rendered under this
42 section.

43 (2) The office shall:

44 (a) be a resource for health care consumers concerning health care coverage or the need
45 for such coverage;

46 (b) help health care consumers understand:

47 (i) contractual rights and responsibilities;

48 (ii) statutory protections; and

49 (iii) available remedies;

50 (c) educate health care consumers:

51 (i) by producing or collecting and disseminating educational materials to consumers, health
52 insurers, and health benefit plans; and

53 (ii) through outreach and other educational activities;

54 (d) for health care consumers that have difficulty in accessing their health insurance
55 policies because of language, disability, age, or ethnicity, provide services, directly or through
56 referral, such as:

57 (i) information and referral; and

58 (ii) grievance process initiation;

59 (e) analyze and monitor federal and state consumer health-related statutes, rules, and
60 regulations; and

61 (f) summarize information gathered under this section and make the summaries available
62 to the public, government agencies, and the Legislature.

63 (3) The office may:

64 (a) obtain data from health care consumers as necessary to further the office's duties under
65 this section;

66 (b) investigate complaints and attempt to resolve complaints at the lowest possible level;
67 and

68 (c) assist, ~~but not~~ testify or represent, a consumer in a grievance arbitration
68aa related ~~to~~ ~~judicial, or~~ ~~proceeding~~ ~~in~~ ~~connection with an enforcement action~~

68a ~~to~~ ~~proceeding~~ ~~in~~ ~~connection with an enforcement action~~
69 ~~brought~~ ~~under Section~~

69a ~~31A-2-308~~

69a ~~h~~
70 ~~h~~

71 (4) The commissioner may adopt rules necessary to implement the requirements of this
72 section.

73 Section 3. Section 31A-4-116 is enacted to read:

74 **31A-4-116. Grievance procedures.**

75 **~~§ (1) An insurer shall establish grievance procedures under which an insured may challenge~~**
76 **~~an adverse insurance-related decision of the insurer.~~**

77 **~~— (2) Grievance procedures established under Subsection (1) shall include a complaint~~**
78 **~~resolution body or grievance appeal board that hears appeals and includes at least one consumer~~**
79 **~~representative.] IF AN INSURER HAS ESTABLISHED A COMPLAINT RESOLUTION BODY OR~~**
79a **~~GRIEVANCE APPEAL BOARD, THE BODY OR BOARD SHALL INCLUDE AT LEAST ONE CONSUMER~~**
79b **~~REPRESENTATIVE.~~** §

80 Section 4. Section 31A-8-401 is amended to read:

81 **31A-8-401. Enrollee participation.**

82 Every organization shall provide a reasonable procedure, consistent with Section
83 31A-4-116, for allowing enrollees to participate in matters of policy of the organization and for
84 resolving complaints and grievances initiated by enrollees or providers.

Legislative Review Note

as of 2-2-99 10:43 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel