

1 **OFFICE OF CONSUMER HEALTH**

2 **ASSISTANCE**

3 1999 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Peter C. Knudson**

6 AN ACT RELATING TO INSURANCE; ESTABLISHING THE OFFICE OF CONSUMER
7 HEALTH ASSISTANCE AND ADVISORY COMMITTEE; ESTABLISHING THE DUTIES OF
8 THE OFFICE IN EDUCATING AND ASSISTING HEALTH CARE CONSUMERS;
9 CLARIFYING THE ROLE OF THE COMMISSIONER IN CONSUMER EDUCATION
10 GENERALLY; REQUIRING INSURERS TO ESTABLISH A GRIEVANCE PROCEDURE
11 AND INCLUDE A CONSUMER REPRESENTATIVE ON APPEAL BOARDS; EXTENDING
12 RULEMAKING AUTHORITY; AND MAKING CONFORMING AMENDMENTS.

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

14 AMENDS:

15 **31A-8-401**, as enacted by Chapter 204, Laws of Utah 1986

16 ENACTS:

17 **31A-2-215**, Utah Code Annotated 1953

18 **31A-2-216**, Utah Code Annotated 1953

19 **31A-4-116**, Utah Code Annotated 1953

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

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

22 **31A-2-215. Consumer education.**

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

25 (2) Consumer education may include:

26 (a) outreach activities; and

27 (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, judicial, or
69 related, unless the proceeding is in connection with an enforcement action brought under Section
70 31A-2-308.

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.

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