

1 **RURAL ACCESS TO HEALTH CARE**

2 **PROVIDERS**

3 2000 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Brad King**

6 AN ACT RELATING TO HEALTH; EXPANDING THE HEALTH CARE PROVIDERS WHO
7 MAY RENDER SERVICES TO A HEALTH MAINTENANCE ORGANIZATION ENROLLEE;
8 AND PERMITTING A NONCONTRACTING PROVIDER TO REFER AN ENROLLEE TO A
9 CONTRACTING PROVIDER.

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

11 AMENDS:

12 **31A-8-501**, as enacted by Chapter 44, Laws of Utah 1997

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

14 Section 1. Section **31A-8-501** is amended to read:

15 **31A-8-501. Access to health care providers.**

16 (1) As used in this section:

17 (a) "Class of health care provider" means a health care provider or a health care facility
18 regulated by the state within the same professional, trade, occupational, or certification category
19 established under Title 58, Occupations and Professions, or within the same facility licensure
20 category established under Title 26, Chapter 21, Health Care Facilities [~~Inspection and Licensure~~]
21 Licensing and Inspection Act.

22 (b) "Covered health care services" or "covered services" means health care services for
23 which an enrollee is entitled to receive under the terms of a health maintenance organization
24 contract.

25 (c) "Credentialed staff member" means a health care provider with active staff privileges
26 at an independent hospital or federally qualified health center.

27 (d) "Federally qualified health center" means as defined in the Social Security Act, 42

28 U.S.C. Sec. 1395(x).

29 (e) "Independent hospital" means a general acute hospital that:

30 (i) is licensed pursuant to Title 26, Chapter 21, Health Care Facilities [~~Inspection and~~
31 ~~Licensure~~] Licensing and Inspection Act; and

32 (ii) is controlled by a board of directors of which 51% or more reside in the county where
33 the hospital is located and:

34 (A) the board of directors is ultimately responsible for the policy and financial decisions
35 of the hospital; or

36 (B) the hospital is licensed for 45 or fewer beds and is not owned, in whole or in part, by
37 an entity that owns or controls a health maintenance organization if the hospital is a contracting
38 facility of the organization.

39 (f) "Noncontracting provider" means an independent hospital, federally qualified health
40 center, [~~or~~] credentialed staff member, or noncredentialed provider who has not contracted with
41 a health maintenance organization to provide health care services to enrollees of the organization.

42 (g) "Noncredentialed provider" means a health care provider licensed in accordance with
43 Title 58, Occupations and Professions, who does not have active staff privileges at an independent
44 hospital for some reason other than the denial, suspension, or termination of those privileges by
45 the hospital.

46 (2) A health maintenance organization shall pay for covered health care services rendered
47 to an enrollee by an independent hospital, a credentialed staff member at an independent hospital,
48 or a credentialed staff member at his local practice location if:

49 (a) the enrollee lives or resides within 30 paved road miles of the independent hospital;

50 (b) the independent hospital is located in a county with a population density of less than
51 100 people per square mile; and

52 (c) the enrollee has complied with the prior authorization and utilization review
53 requirements otherwise required by the health maintenance organization contract.

54 (3) A health maintenance organization shall pay for covered health care services rendered
55 to an enrollee at a federally qualified health center if:

56 (a) the enrollee lives or resides within 30 paved road miles of a federally qualified health
57 center;

58 (b) the federally qualified health center is located in a county with a population density of

59 less than 100 people per square mile; and

60 (c) the enrollee has complied with the prior authorization and utilization review
61 requirements otherwise required by the health maintenance organization contract.

62 (4) A health maintenance organization shall pay for covered health care services rendered
63 to an enrollee by a noncredentialed provider at his local practice location if:

64 (a) the enrollee lives or resides within 30 paved road miles of the noncredentialed
65 provider's local practice location;

66 (b) the noncredentialed provider's local practice location is in a county with a population
67 density of less than 100 people per square mile;

68 (c) the noncredentialed provider is within a class of health care providers covered by the
69 contract; and

70 (d) the enrollee has complied with the prior authorization and utilization requirements
71 otherwise required by the health maintenance organization contract.

72 ~~[(4)]~~ (5) (a) A health maintenance organization shall reimburse a noncontracting provider
73 or the enrollee for covered services rendered pursuant to Subsection (2) a like dollar amount as it
74 pays to contracting providers under a noncapitated arrangement for comparable services.

75 (b) A health maintenance organization shall reimburse a federally qualified health center
76 or the enrollee for covered services rendered pursuant to Subsection (3) a like amount as paid by
77 the health maintenance organization under a noncapitated arrangement for comparable services
78 to a contracting provider in the same class of health care providers as the provider who rendered
79 the service.

80 (c) A health maintenance organization shall reimburse a noncredentialed provider or the
81 enrollee for covered services rendered pursuant to Subsection (4) a like amount as paid by the
82 health maintenance organization under a noncapitated arrangement for comparable services to a
83 contracting provider in the same class of health care providers as the provider who rendered the
84 service.

85 (6) (a) A noncontracting provider may directly refer an enrollee to a contracting provider.

86 ~~[(5)]~~ (b) A noncontracting provider may only refer an enrollee to another noncontracting
87 provider so as to obligate the enrollee's health maintenance organization to pay for the resulting
88 services if:

89 ~~[(a)]~~ (i) the noncontracting provider making the referral or the enrollee has received prior

90 authorization from the organization for the referral; or
91 [~~(b)~~] (ii) the practice location of the noncontracting provider to whom the referral is made:
92 [~~(i)~~] (A) is located in a county with a population density of less than 100 people per square
93 mile; and
94 [~~(i)~~] (B) is within 30 paved road miles of:
95 [~~(A)~~] (I) the place where the enrollee lives or resides; or
96 [~~(B)~~] (II) the independent hospital or federally qualified health center at which the enrollee
97 may receive covered services pursuant to Subsection (2) or (3).
98 [~~(6)~~] (7) Notwithstanding this section, a health maintenance organization may contract
99 directly with an independent hospital, federally qualified health center, or credentialed staff
100 member.

Legislative Review Note
as of 1-27-00 1:48 PM

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

Office of Legislative Research and General Counsel