

1 **RURAL ACCESS TO HEALTH CARE**

2 **PROVIDERS**

3 2001 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Leonard M. Blackham**

6 **This act modifies the Insurance Code by amending provisions related to access to rural**  
7 **health care providers. The act amends the designation of rural to remote rural. The act**  
8 **takes effect July 1, 2001.**

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

10 AMENDS:

11 **31A-8-501 (Effective 07/01/01)**, as last amended by Chapters 68 and 122, Laws of Utah  
12 2000

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

14 Section 1. Section **31A-8-501 (Effective 07/01/01)** is amended to read:

15 **31A-8-501 (Effective 07/01/01). 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 Facility Licensing and Inspection Act.

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

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

26 (d) "Federally qualified health center" means as defined in the Social Security Act, 42  
27 U.S.C. Sec. 1395(x).

- 28 (e) "Independent hospital" means a general acute hospital that:
- 29 (i) is licensed pursuant to Title 26, Chapter 21, Health Care Facility Licensing and
- 30 Inspection Act; and
- 31 (ii) is controlled by a board of directors of which 51% or more reside in the county where
- 32 the hospital is located and:
- 33 (A) the board of directors is ultimately responsible for the policy and financial decisions
- 34 of the hospital; or
- 35 (B) the hospital is licensed for 60 or fewer beds and is not owned, in whole or in part, by
- 36 an entity that owns or controls a health maintenance organization if the hospital is a contracting
- 37 facility of the organization.
- 38 (f) "Noncontracting provider" means an independent hospital, federally qualified health
- 39 center, or credentialed staff member who has not contracted with a health maintenance
- 40 organization to provide health care services to enrollees of the organization.
- 41 (2) A health maintenance organization shall pay for covered health care services rendered
- 42 to an enrollee by an independent hospital, a credentialed staff member at an independent hospital,
- 43 or a credentialed staff member at his local practice location if:
- 44 (a) the enrollee:
- 45 (i) lives or resides within 30 paved road miles of the independent hospital; or
- 46 (ii) if Subsection (2)(a)(i) does not apply, lives or resides in closer proximity to the
- 47 independent hospital than a contracting hospital;
- 48 (b) the independent hospital is located in a county with a population density of less than
- 49 [~~100~~] 20 people per square mile; and
- 50 (c) the enrollee has complied with the prior authorization and utilization review
- 51 requirements otherwise required by the health maintenance organization contract.
- 52 (3) A health maintenance organization shall pay for covered health care services rendered
- 53 to an enrollee at a federally qualified health center if:
- 54 (a) the enrollee:
- 55 (i) lives or resides within 30 paved road miles of the federally qualified health center; or
- 56 (ii) if Subsection (3)(a)(i) does not apply, lives or resides in closer proximity to the
- 57 federally qualified health center than a contracting provider;
- 58 (b) the federally qualified health center is located in a county with a population density of

59 less than [~~100~~] 20 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) A health maintenance organization shall reimburse a noncontracting provider or the  
63 enrollee for covered services rendered pursuant to Subsection (2) a like dollar amount as it pays  
64 to contracting providers under a noncapitated arrangement for comparable services.

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

70 (5) A noncontracting provider may only refer an enrollee to another noncontracting  
71 provider so as to obligate the enrollee's health maintenance organization to pay for the resulting  
72 services if:

73 (a) the noncontracting provider making the referral or the enrollee has received prior  
74 authorization from the organization for the referral; or

75 (b) the practice location of the noncontracting provider to whom the referral is made:

76 (i) is located in a county with a population density of less than [~~100~~] 20 people per square  
77 mile; and

78 (ii) is within 30 paved road miles of:

79 (A) the place where the enrollee lives or resides; or

80 (B) the independent hospital or federally qualified health center at which the enrollee may  
81 receive covered services pursuant to Subsection (2) or (3).

82 (6) Notwithstanding this section, a health maintenance organization may contract directly  
83 with an independent hospital, federally qualified health center, or credentialed staff member.

84 **Section 2. Effective date.**

85 This act takes effect on July 1, 2001.

**Legislative Review Note**

**as of 1-29-01 11:46 AM**

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

**Office of Legislative Research and General Counsel**