

1 **HEALTH INSURANCE MANDATES - PILOT**
2 **PROGRAM**

3 2002 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Rebecca D. Lockhart**

6 **This act relates to Health Insurance. The act modifies the Insurance Code to create a pilot**
7 **program which requires accident and health insurance plans offered on a group basis to**
8 **state employees to adopt health insurance mandates proposed for other accident and health**
9 **insurance plans for one year and to report the cost and benefits of the mandate to the**
10 **commissioner of insurance. The act delays the effective date of new insurance mandates for**
11 **other plans until after the one-year pilot program with the state employee group plan. The**
12 **act takes effect on July 1, 2002.**

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

14 ENACTS:

15 **31A-22-605.5**, Utah Code Annotated 1953

16 **49-8-406**, Utah Code Annotated 1953

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

18 Section 1. Section **31A-22-605.5** is enacted to read:

19 **31A-22-605.5. Policy Insurance Mandates Pilot Program.**

20 (1) For purposes of this section "insurance mandate" means a mandatory obligation with
21 respect to coverage, benefits, or **THE NUMBER OR TYPES OF** providers imposed on policies of
21a accident and health insurance.

22 (2) Any law imposed under this title that becomes effective after January 1, 2002, which
23 provides for an insurance mandate does not apply to policies of accident and health insurance
24 under this title until after the completion of the one-year pilot program required in Subsections (3)
25 and (4) of this section.

26 (3) Any policy of accident and health insurance offered on a group basis under Title 49,
27 Chapter 8, Group Insurance Act, must comply, for a period of one year, with the provisions of all



28 insurance mandates which are imposed:

29 (a) on policies of accident and health insurance under this title; and

30 (b) by any law under this title that becomes effective after January 1, 2002.

31 (4) During the one-year pilot program in which the mandatory obligation is imposed under

32 Subsection (3), the accident and health insurer regulated under Title 49, Chapter 8, Group

33 Insurance Act, shall:

34 (a) determine the costs and benefits of the particular mandatory obligation; and

35 (b) report the cost and benefit to the commissioner at the conclusion of the one-year pilot

36 program.

36a **h (5) (a) IF AN INSURER REGULATED UNDER TITLE 49, CHAPTER 8, GROUP INSURANCE**
36b **ACT, CURRENTLY OFFERS BENEFITS WHOSE FEATURES ARE THE SAME AS OR GREATER THAN**
36c **ANY PROPOSED INSURANCE MANDATE, THE INSURER SHALL, PRIOR TO THE PROPOSED**
36d **INSURANCE MANDATE BEING CONSIDERED, PROVIDE THE LEGISLATURE AN ANALYSIS OF ANY**
36e **ADDITIONAL COSTS THE INSURER HAS INCURRED AS A CONSEQUENCE OF OFFERING THE**
36f **BENEFITS.**

36g **(b) IF THE LEGISLATURE IMPOSES THE MANDATE AFTER CONSIDERING THE ANALYSIS**
36h **SUBMITTED UNDER SUBSECTION (a), THE DELAYED EFFECTIVE DATE REQUIRED UNDER**
36i **SUBSECTION (2) AND THE PILOT PROGRAM REQUIRED UNDER SUBSECTION (3) DO NOT APPLY. h**

37 Section 2. Section **49-8-406** is enacted to read:

38 **49-8-406. Insurance mandate pilot program.**

39 A policy of accident and health insurance offered on a group basis under this chapter shall
40 comply with the provisions of Section 31A-22-605.5.

41 Section 3. **Effective date.**

42 This act takes effect on July 1, 2002.

Legislative Review Note
as of 12-5-01 11:27 AM

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

Office of Legislative Research and General Counsel