# HEALTH INSURANCE BENEFIT DESIGN

2002 GENERAL SESSION

STATE OF UTAH

## Sponsor: Rebecca D. Lockhart

**This act modifies the Insurance Code. The act amends provisions related to Accident and Health Insurance. The act permits a carrier to offer less or different coverage than the basic benefit package, the minimum standards required by the commissioner of insurance, or any other health insurance mandate required by state law when the Department of Health offers similar coverage as part of a Medicaid waiver. The act requires the Department of Health and the Insurance Commissioner to report to the Legislature on the implementation of the benefit package in the public and private sector and on partnerships between the public and private sector to increase access to health insurance.**

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

ENACTS:

**31A-22-633**, Utah Code Annotated 1953

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

Section 1. Section **31A-22-633** is enacted to read:

**31A-22-633. Exemptions from standards.**

Notwithstanding the provisions of Title 31A, Insurance Code, any accident and health insurer or health maintenance organization may offer a choice of coverage that is less or different than is otherwise required by applicable state law if:

(1) the Department of Health offers a choice of coverage as part of a Medicaid waiver under Title 26, Chapter 18, Medical Assistance Act, which includes:

(a) less or different coverage than the basic coverage;

(b) less or different coverage than is otherwise required in an insurance policy or health maintenance organization contract under applicable state law; or

(c) less or different coverage than required by Subsection 31A-22-605(4)(b); and

(2) the choice of coverage offered by the carrier:

(a) is the same or similar coverage as the coverage offered by the Department of Health

under Subsection (1);

(b) is offered to the same or similar population as the coverage offered by the Department of Health under Subsection (1); and

(c) contains an explanation for each insured of coverage exclusions and limitations;

(3) the commissioner as part of the requirements of Subsection 31A-2-201(7), and the executive director of the Department of Health shall report to the Health and Human Services Interim Committee prior to November 15 of each year concerning:

(a) the number of lives covered under any policy offered under the provisions of this section or under the Medicaid waiver described in Subsection (1);

(b) the claims experienced under the policies or Medicaid programs described in Subsection (3)(a);

(c) any cost shifting to the private sector for care not covered under the programs or policies described in Subsection (3)(a); and

(d) efforts or agreements between the Department of Health, the commissioner, insurers regulated under this chapter, and health care providers regarding combining publicly funded coverage with private, employer-based coverage to increase benefits and health care coverage.