

Representative Rebecca D. Lockhart proposes the following substitute bill:

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



26 maintenance organization contract under applicable state law; or
27 (c) less or different coverage than required by Subsection 31A-22-605(4)(b); and
28 (2) the choice of coverage offered by the carrier:
29 (a) is the same or similar coverage as the coverage offered by the Department of Health
30 under Subsection (1);
31 (b) is offered to the same or similar population as the coverage offered by the Department
32 of Health under Subsection (1); and
33 (c) contains an explanation for each insured of coverage exclusions and limitations.
34 (3) The commissioner as part of the requirements of Subsection 31A-2-201(7), and the
35 executive director of the Department of Health shall report to the Health and Human Services
36 Interim Committee prior to November 15 of each year concerning:
37 (a) the number of lives covered under any policy offered under the provisions of this
38 section or under the medicaid waiver described in Subsection (1);
39 (b) the claims experienced under the policies or medicaid programs described in
40 Subsection (3)(a);
41 (c) any cost shifting to the private sector for care not covered under the programs or
42 policies described in Subsection (3)(a); and
43 (d) efforts or agreements between the Department of Health, the commissioner, insurers
44 regulated under this chapter, and health care providers regarding combining publicly funded
45 coverage with private, employer based coverage to increase benefits and health care coverage.