

**SECURITY REQUIREMENTS IN USE OF
SOCIAL SECURITY NUMBERS**

2003 GENERAL SESSION

STATE OF UTAH

Sponsor: Sheryl L. Allen

This act modifies the Insurance Code. The act amends provisions related to health insurance. The act prohibits certain accident and health insurers and certain programs offered under the Public Employees' Benefit and Insurance Program Act from displaying Social Security numbers on cards required for an individual to access services. The act provides exceptions. The act requires insurers to comply with the security requirements by July 1, 2004 but permits certain extensions until March 1, 2005.

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

ENACTS:

31A-22-634, Utah Code Annotated 1953

49-20-408, Utah Code Annotated 1953

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

Section 1. Section **31A-22-634** is enacted to read:

31A-22-634. Prohibition against certain use of Social Security number --

Exceptions -- Applicability of section.

(1) As used in this section:

(a) "Insurer" means:

(i) insurers governed by this part as described in Section 31A-22-600, and includes:

(A) a health maintenance organization; and

(B) a third-party administrator that is subject to this title; and

(ii) notwithstanding Subsection 31A-1-103(3)(f) and Section 31A-22-600, a health, dental, medical, Medicare supplement, or conversion program offered under Title 49, Chapter 20, Public Employees' Benefit and Insurance Program Act.

(b) "Publicly display" or "publicly post" means to intentionally communicate or otherwise make available to the general public.

(2) An insurer or its subcontractors, including a pharmacy benefit manager, shall not do any of the following:

(a) publicly display or publicly post in any manner an individual's Social Security number; or

(b) print an individual's Social Security number on any card required for the individual to access products or services provided or covered by the insurer.

(3) This section does not prevent the collection, use, or release of a Social Security number as required by state or federal law, or the use of a Social Security number for internal verification or administrative purposes, or the release of a Social Security number to a health care provider for claims administration purposes, or as part of the verification, eligibility, or payment process.

(4) If a federal law takes effect requiring the United States Department of Health and Human Services to establish a national unique patient health identifier program, an insurer that complies with the federal law shall be considered in compliance with this section.

(5) An insurer must comply with the provisions of this section by July 1, 2004.

(6) (a) An insurer may obtain an extension for compliance with the requirements of this section in accordance with Subsections (6)(b) and (c).

(b) The request for extension:

(i) must be submitted in writing to the department prior to July 1, 2004; and

(ii) must provide an explanation as to why the insurer cannot comply with the requirements of this section by July 1, 2004.

(c) The commissioner shall grant a request for extension:

(i) for a period of time not to exceed March 1, 2005; and

(ii) if the commissioner finds that the explanation provided under Subsection (6)(b)(ii) is a reasonable explanation.

Section 2. Section **49-20-408** is enacted to read:

49-20-408. Prohibition against certain uses of Social Security numbers.

Notwithstanding the provisions of Subsection 31A-1-103(3)(f), health, dental, medical,

Medicare supplement, or conversion coverage offered under Section 49-20-202 shall comply with the provisions of Section 31A-22-634.