

**MINUTES OF THE HOUSE BUSINESS AND LABOR
STANDING COMMITTEE**
Room W010, West Office Building, State Capitol Complex
February 1, 2005

Members Present: Rep. Stephen D. Clark, Chair
Rep. Jim Dunnigan, Vice Chair
Rep. J. Stuart Adams
Rep. Jackie Biskupski
Rep. Carl W. Duckworth
Rep. Craig A. Frank
Rep. Neil A Hansen
Rep. Todd E. Kiser
Rep. Michael T. Morley
Rep. Curtis Oda
Rep. Gordon E. Snow
Rep. Scott L. Wyatt

Members Absent Rep. David Clark

Staff Present: Mark Steinagel, Policy Analyst
Linda Error, Committee Secretary

Note: List of visitors and a copy of handouts are filed with committee minutes.

Rep. Dunnigan called the meeting to order at 8:32 a.m.

MOTION: Rep. Morley moved to approve the minutes of the January 28, 2005 meeting. The motion passed unanimously, with Rep. Adams, Rep. Biskupski, and Rep. S. Clark absent for the vote.

Rep. Dunnigan relinquished the chair to Rep. Snow.

H.B. 70 Health Discount Program Consumer Protection Act (Rep. J. Dunnigan)

Rep. Dunnigan explained the bill with the assistance of Suzette Green-Wright and Joe Christensen from the Utah Insurance Department.

Rep. Frank moved to amend the bill as follows:

1. Page 6, Lines 166 through 169:

166 For purposes of this chapter:

167 (1) "Fee" means any periodic charge for use of a discount program.

(2) "Health care provider" means a health care provider as defined in Section 78-14-3 who:

(a) is practicing within the scope of the provider's license; and

(b) ~~{any person that}~~ has agreed either directly or
168 indirectly, by contract or any other arrangement with a health discount program operator,
to

169 provide a discount to enrollees of a health discount program.

RENUMBER REMAINING SUBSECTIONS

2. *Page 6, Line 172:*

172 access to health care providers who agree to provide a discount for
~~{medical}~~ health care services.

3. *Page 6, Line 182:*

182 (d) place your name on and market or promote a health discount program in this
state. =

(4)"Value-added benefit" means a discount offering with no additional charge made
by a health insurer or health maintenance organization that is licensed under this
title, in connection with existing contracts with the health insurer or health
maintenance organization.

4. *Page 7, Lines 201 through 203:*

201 (m) Chapters 28 and 29; and
202 ~~{(n) Chapter 33, Workers' Compensation Fund; and~~
203 ~~(o)}~~ (n) Chapters 35 through 38.

5. *Page 10, Line 278:*

278 "premium," {enrollment,} and "preferred provider";

6. *Page 10, Lines 290 through 291:*

290 (i) in writing in at least {12} 10 -point type {or} and no smaller

than the largest type on the page {if

291 type appears on the page that is larger than 12-point type ; and

7. Page 10, Line 294:

294 (A) the program is not a {comprehensive} health insurance policy;

8. Page 10, Line 306 through Page 11, Line 307:

306 (1) (a) Health discount program operators must provide to each purchaser
or potential {enrollee} purchaser a copy

307 of the terms of the discount program {prior to} at the time of purchase. =

(b) For purposes of this section "purchaser" means the employer in an employer sponsored plan, or an individual purchasing outside of an employer relationship.

9. Page 11, Line 310:

310 {methods for calculating discounts} , cancellation procedures and corresponding
refund requests.

10. Page 11, Lines 312 through 313:

312 (3) A contract must be signed by the {enrollee} purchaser acknowledging
the terms before any fees

313 are collected.

11. Page 11, Lines 334 through 335:

334 (b) The commissioner must approve any changes in forms that required approval
under

335 Section 31A-8a-203. =

(3) A health insurer or health maintenance organization licensed under this title shall annually file with the Accident and Health Data Survey, a list of all value added benefits offered at no cost to its enrollees.

The motion to amend passed unanimously, with Rep. S. Clark absent for the vote.

Spoke for the bill: Gina Dalton, Utah Association of Health Underwriters

MOTION: Rep. Kiser moved to pass the bill out favorably as amended. The motion passed unanimously, with Rep. Adams and Rep. S. Clark absent for the vote.

Rep. Dunnigan resumed the chair.

H.B. 209 Administrative Rules - Impact on Small Businesses (Rep. G. Hughes)

Rep. Hughes explained the bill with the assistance of Robin Riggs, Vice President, Salt Lake Chamber of Commerce.

MOTION: Rep. Wyatt moved to amend the bill as follows:

12. Page 3, Lines 83 through 84:

~~83 (18) "Small business" means a business employing fewer than 100 persons or a~~
~~84 business with less than \$2,000,000 in annual gross receipts.~~

renumber accordingly

13. Page 4, Lines 108 through 109:

108 (4) Prior to filing a rule with the division, the department head shall consider and
109 comment on the fiscal impact a rule may have on businesses , including small
businesses .

14. Page 4, Lines 116 through 119:

116 (ii) local governments; ~~{and}~~
117 (iii) ~~small~~ businesses , including small businesses ; and
~~{118 (iv) business in general; and}~~
119 ~~{+}~~ ~~{(iii)}~~ ~~{+}~~ ~~{(v)}~~ (iv) other persons;

SUBSTITUTE

MOTION: Rep. Frank moved to amend the bill as follows:

1. Page 3, Lines 83 through 84:

83 (18) "Small business" means a business employing fewer than ~~{100}~~ 50
persons ~~{or a~~
84 business with less than \$2,000,000 in annual gross receipts .

The substitute motion to amend passed with Rep. Wyatt voting in opposition.

Spoke for the bill: Ron Casper, National Federation of Independent Business
 Jim Olson, Utah Food Industry

MOTION: Rep. Frank moved to pass the bill out favorably as amended. The motion passed unanimously.

S.B. 37 Motor Vehicle Business Regulation Act Amendments (*Sen. D. Eastman*)

Sen. Eastman explained the bill with the assistance of Wayne Jones, Executive Director, Independent Auto Dealers Association.

Spoke for the bill: Craig Bickmore, Executive Director, Utah Automobile Dealers Association

Rep. Kiser distributed an email that he had received from David Hale, insurance agent.

MOTION: Rep. Wyatt moved to adjourn the meeting. The motion passed unanimously.

Rep. Dunnigan adjourned the meeting at 9:46 a.m.

Rep. Stephen D. Clark, Chair