

1 **COMPREHENSIVE HEALTH INSURANCE POOL**

2 **AMENDMENTS**

3 2006 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Peggy Wallace**

6 **Senate Sponsor: Curtis S. Bramble**

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**LONG TITLE**

8 **General Description:**

9 This bill amends the Comprehensive Health Insurance Pool Act.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ removes the term "low cost" from the purpose statement for the high risk pool; and
- 13 ▶ ~~H→~~ [changes mandatory language to permissive language with regard to] Amends

14a language regarding ~~H~~ coinsurance, and

15 maximum out-of-pocket payments for prescription benefits.

16 **Monies Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 None

20 **Utah Code Sections Affected:**

21 AMENDS:

22 **31A-29-102**, as enacted by Chapter 232, Laws of Utah 1990

23 **31A-29-114**, as last amended by Chapter 2, Laws of Utah 2004

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

25 Section 1. Section **31A-29-102** is amended to read:

26 **31A-29-102. Purpose.**



28 The purpose of the Comprehensive Health Insurance Pool Act is to provide [low-cost]  
 29 access to health insurance coverage to residents of Utah who are denied adequate health  
 30 insurance and are considered uninsurable.

31 Section 2. Section **31A-29-114** is amended to read:

32 **31A-29-114. Deductibles -- Copayments.**

33 (1) (a) A pool policy shall impose a deductible on a per calendar year basis.

34 (b) At least two deductible plans shall be offered.

35 (c) The deductible is applied to all of the eligible medical expenses as defined in  
 36 Section 31A-29-113, incurred by the enrollee until the deductible has been satisfied. There are  
 37 no benefits payable before the deductible has been satisfied.

38 (d) The pool may offer separate deductibles for prescription benefits.

39 (2) (a) A mandatory coinsurance requirement [shall] ~~H~~→ [may] shall ←~~H~~ be imposed at the  
 39a rate of at  
 40 least 20% ~~H~~→ , except for a qualified high deductible health plan, ←~~H~~ of eligible medical  
 40a expenses in excess of the mandatory deductible.

41 (b) Any coinsurance imposed under this Subsection (2) shall be designated in the pool  
 42 policy.

43 (3) The board shall establish maximum aggregate out-of-pocket payments for eligible  
 44 medical expenses incurred by the enrollee for each of the deductible plans offered under  
 45 Subsection (1)(b).

46 (4) (a) When the enrollee has incurred the maximum aggregate out-of-pocket payments  
 47 under Subsection (3), the board may establish a coinsurance requirement to be imposed on  
 48 eligible medical expenses in excess of the maximum aggregate out-of-pocket expense.

49 (b) The circumstances in which the coinsurance authorized by this Subsection (4) may  
 50 be imposed shall be designated in the pool policy.

51 (c) The coinsurance authorized by this Subsection (4) may be imposed at a rate not to  
 52 exceed 5% of eligible medical expenses.

53 (5) The limits on maximum aggregate out-of-pocket payments for eligible medical  
 54 expenses incurred by the enrollee under this section [shall] may not include out-of-pocket  
 55 payments for prescription benefits.

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**Legislative Review Note**

as of 12-12-05 6:36 AM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

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**Fiscal Note**  
**Bill Number HB0204**

**Comprehensive Health Insurance Pool Amendments**

*16-Jan-06*

*8:20 AM*

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**State Impact**

No fiscal impact.

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**Individual and Business Impact**

Some enrollees will have lower premiums if the board adopts a large deductible plan.

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**Office of the Legislative Fiscal Analyst**