

HEALTH INSURANCE MARKET CHOICES

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: James A. Dunnigan

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends the Insurance Code to permit a new health insurance product offering for accident and health insurers and health maintenance organizations.

Highlighted Provisions:

This bill:

▶ provides that an insurer that offers a health benefit plan in the state and is not subject to Chapter 8, Health Maintenance Organizations and Limited Health Plans:

• shall offer at least one health benefit plan that is subject to current requirements for provider reimbursement levels and provider participation; and

• may offer a health benefit plan that is not subject to current provider reimbursement levels and provider participation requirements; and

▶ provides that a health maintenance organization that is subject to Chapter 8, Health Maintenance Organizations and Limited Health Plans:

• shall offer at least one health benefit plan that is subject to current requirements concerning rural health care provider access, limitations on the use of indemnity plans, point of service plans, and scope of basic health care services; and

• may offer a health benefit plan that is not subject to current access to rural health care provider requirements, limitations on the use of indemnity plans, point of service plans, and scope of basic health care services.

Monies Appropriated in this Bill:



28 None

29 **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 ENACTS:

33 **31A-22-618.5**, Utah Code Annotated 1953



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

36 Section 1. Section **31A-22-618.5** is enacted to read:

37 **31A-22-618.5. Health plan offerings.**

38 (1) The purpose of this section is to increase the range of health benefit plans available
39 in the market.

40 (2) A health maintenance organization that is subject to Chapter 8, Health Maintenance
41 Organizations and Limited Health Plans:

42 (a) shall offer to potential purchasers at least one health benefit plan that is subject to
43 the requirements of Chapter 8, Health Maintenance Organizations and Limited Health Plans;

44 and

45 (b) may offer to potential purchasers one or more health benefit plans that:

46 (i) are not subject to one or more of the following:

47 (A) Section 31A-8-501, Access to health care providers;

48 (B) the limitations on insured indemnity benefits in Subsection 31A-8-105(4); or

49 (C) the limitation on point of service products in Subsections 31A-8-408(3) through
50 (6); and

51 (ii) notwithstanding the requirements for coverage of "basic health care services" as
52 defined in Section 31A-8-101 and as required by administrative rule, provide a level of basic
53 health care services consistent with Subsection (4)(b).

54 (3) An insurer that offers health benefit plans and is not subject to Chapter 8, Health
55 Maintenance Organizations and Limited Health Plans:

56 (a) shall offer to potential purchasers at least one health benefit plan that is subject to
57 Section 31A-22-617 or 31A-22-618; and

58 (b) may offer to potential purchasers one or more health benefit plans that:

59 (i) are not subject to one or more of the following:
60 (A) Subsection 31A-22-617(2);
61 (B) Subsection 31A-22-617(7); or
62 (C) Section 31A-22-618; and
63 (ii) are subject to Subsection 31A-8-407(4).
64 (4) (a) Section 31A-8-106 does not prohibit the offer of a health benefit plan under
65 Subsection (2)(b).
66 (b) Notwithstanding the requirements of Subsection 31A-8-101(1), and for purposes of
67 a health benefit plan offered under Subsection (2)(b), basic health care services:
68 (i) shall be established by the commissioner by administrative rule adopted in
69 accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act; and
70 (ii) shall be equivalent to the coverage of health care services required of a health
71 benefit plan offered under Subsection (3)(b).
72 (5) (a) Any difference in price between a health benefit plan offered under Subsections
73 (2)(a) and (b):
74 (i) shall be based on actuarially sound data; and
75 (ii) is subject to Subsection 31A-30-106(1)(f)(ii)(B).
76 (b) Any difference in price between a health benefit plan offered under Subsections
77 (3)(a) and (b):
78 (i) shall be based on actuarially sound data; and
79 (ii) is subject to Subsection 31A-30-106(1)(f)(ii)(B).
80 (6) Nothing in this section limits the number of health benefit plans that an insurer may
81 offer.

Legislative Review Note
as of 1-25-08 3:42 PM

Office of Legislative Research and General Counsel

H.B. 168 - Health Insurance Market Choices

Fiscal Note

2008 General Session
State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
