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DRUGS AMENDMENTS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Peter C. Knudson

House Sponsor: _____

LONG TITLE

General Description:

This bill amends the Accident and Health Insurance part of the Insurance Code.

Highlighted Provisions:

This bill:

- ▶ amends provisions that are permitted for accident and health insurance policies; and
- ▶ prohibits an insurer from requiring a cancer patient to pay more for chemotherapy

treatment that is administered orally rather than intravenously.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

31A-22-613, as last amended by Laws of Utah 2005, Chapter 78

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

Section 1. Section **31A-22-613** is amended to read:

31A-22-613. Permitted provisions for accident and health insurance policies.

The following provisions may be contained in an accident and health insurance policy, but if they are in that policy, they shall conform to at least the minimum requirements for the



28 policyholder in this section.

29 (1) Any provision respecting change of occupation may provide only for a lower
30 maximum benefit payment and for reduction of loss payments proportionate to the change in
31 appropriate premium rates, if the change is to a higher rated occupation, and this provision
32 shall provide for retroactive reduction of premium rates from the date of change of occupation
33 or the last policy anniversary date, whichever is the more recent, if the change is to a lower
34 rated occupation.

35 (2) Section 31A-22-405 applies to misstatement of age in accident and health policies,
36 with the appropriate modifications of terminology.

37 (3) Any policy which contains a provision establishing, as an age limit or otherwise, a
38 date after which the coverage provided by the policy is not effective, and if that date falls
39 within a period for which a premium is accepted by the insurer or if the insurer accepts a
40 premium after that date, the coverage provided by the policy continues in force, subject to any
41 right of cancellation, until the end of the period for which the premium was accepted. This
42 Subsection (3) does not apply if the acceptance of premium would not have occurred but for a
43 misstatement of age by the insured.

44 (4) (a) If an insured is otherwise eligible for maternity benefits, a policy may not
45 contain language which requires an insured to obtain any additional preauthorization or
46 preapproval for customary and reasonable maternity care expenses or for the delivery of the
47 child after an initial preauthorization or preapproval has been obtained from the insurer for
48 prenatal care. A requirement for notice of admission for delivery is not a requirement for
49 preauthorization or preapproval, however, the maternity benefit may not be denied or
50 diminished for failure to provide admission notice. The policy may not require the provision of
51 admission notice by only the insured patient.

52 (b) This Subsection (4) does not prohibit an insurer from:

53 (i) requiring a referral before maternity care can be obtained;

54 (ii) specifying a group of providers or a particular location from which an insured is
55 required to obtain maternity care; or

56 (iii) limiting reimbursement for maternity expenses and benefits in accordance with the
57 terms and conditions of the insurance contract so long as such terms do not conflict with
58 Subsection (4)(a).

- 59 (5) An insurer may only represent that a policy:
60 (a) offers a vision benefit if the policy:
61 (i) charges a premium for the benefit; and
62 (ii) provides reimbursement for materials or services provided under the policy; and
63 (b) covers laser vision correction, whether photorefractive keratectomy, laser assisted
64 in-situ keratomelusis, or related procedure, if the policy:
65 (i) charges a premium for the benefit; and
66 (ii) the procedure is at least a partially covered benefit.
67 (6) For any accident and health insurance policy that takes effect or is renewed after
68 July 1, 2009, coverage for orally administered cancer chemotherapy treatments under a policy
69 of accident and health insurance may not be subject to dollar limits, copayments, or deductibles
70 that are less favorable to the insured than the dollar limits, copayments, or deductibles that
71 apply to coverage for cancer chemotherapy treatments that are administered intravenously or by
72 injection under the policy of accident or health insurance.

Legislative Review Note
as of 2-12-09 8:23 AM

Office of Legislative Research and General Counsel