

1 CHILDREN'S HEALTH INSURANCE PLAN

2 SIMPLIFIED RENEWAL

3 2010 GENERAL SESSION

4 STATE OF UTAH

5 Chief Sponsor: Merlynn T. Newbold

6 Senate Sponsor: Peter C. Knudson

8 LONG TITLE

9 General Description:

10 This bill establishes a process for simplified renewal of benefits under the Children's
11 Health Insurance Plan.

12 Highlighted Provisions:

13 This bill:

- 14 ▶ requires the Children's Health Insurance Plan to apply for grants to fund a
15 simplified renewal process;
- 16 ▶ if funding is available, requires the Children's Health Insurance Plan to establish a
17 simplified renewal process in which the eligibility worker may, if the applicant
18 provides consent, confirm the adjusted gross income of the applicant from the Utah
19 State Tax Commission; and
- 20 ▶ requires the Utah State Tax Commission to work with the Children's Health
21 Insurance Program to provide the program with access to an applicant's adjusted
22 gross income.

23 Monies Appropriated in this Bill:

24 None

25 Other Special Clauses:

26 None

27 Utah Code Sections Affected:

28 AMENDS:

29 26-40-105, as last amended by Laws of Utah 2008, Chapter 386

30 **59-1-403**, as last amended by Laws of Utah 2009, Chapters 31, 45, 64, 203, and 251



31
32 *Be it enacted by the Legislature of the state of Utah:*

33 Section 1. Section **26-40-105** is amended to read:

34 **26-40-105. Eligibility.**

35 (1) A child is eligible to enroll in the program if the child:

36 (a) is a bona fide Utah resident;

37 (b) is a citizen or legal resident of the United States;

38 (c) is under 19 years of age;

39 (d) does not have access to or coverage under other health insurance, including any

40 coverage available through a parent or legal guardian's employer;

41 (e) is ineligible for Medicaid benefits;

42 (f) resides in a household whose gross family income, as defined by rule, is at or below

43 200% of the federal poverty level; and

44 (g) is not an inmate of a public institution or a patient in an institution for mental
45 diseases.

46 (2) A child who qualifies for enrollment in the program under Subsection (1) may not
47 be denied enrollment due to a diagnosis or pre-existing condition.

48 (3) (a) The department shall determine eligibility and send notification of the
49 eligibility decision within 30 days after receiving the application for coverage.

50 (b) If the department cannot reach a decision because the applicant fails to take a
51 required action, or because there is an administrative or other emergency beyond the
52 department's control, the department shall:

53 (i) document the reason for the delay in the applicant's case record; and

54 (ii) inform the applicant of the status of the application and time frame for completion.

55 (4) The department may not close enrollment in the program for a child who is eligible
56 to enroll in the program under the provisions of Subsection (1).

57 (5) (a) The program shall:

58 (i) apply for grants to make technology system improvements necessary to implement
59 a simplified renewal process in accordance with this Subsection (5); and

60 (ii) if funding is available, implement the simplified renewal process in accordance
61 with this Subsection (5).

62 (b) The simplified renewal process:

63 (i) shall, in accordance with Section 59-1-403, provide an eligibility worker a process
64 in which the eligibility worker:

65 (A) verifies the applicant's identity;

66 (B) gets consent to obtain the applicant's adjusted gross income from the Utah State
67 Tax Commission from:

68 (I) the applicant, if the applicant filed a single tax return; or

69 (II) both parties to a joint return, if the applicant filed a joint tax return; and

70 (C) obtains from the Utah State Tax Commission, the adjusted gross income of the
71 applicant; and

72 (ii) may not change the eligibility requirements for the program.

73 Section 2. Section **59-1-403** is amended to read:

74 **59-1-403. Confidentiality -- Exceptions -- Penalty -- Application to property tax.**

75 (1) (a) Any of the following may not divulge or make known in any manner any
76 information gained by that person from any return filed with the commission:

77 (i) a tax commissioner;

78 (ii) an agent, clerk, or other officer or employee of the commission; or

79 (iii) a representative, agent, clerk, or other officer or employee of any county, city, or
80 town.

81 (b) An official charged with the custody of a return filed with the commission is not
82 required to produce the return or evidence of anything contained in the return in any action or
83 proceeding in any court, except:

84 (i) in accordance with judicial order;

85 (ii) on behalf of the commission in any action or proceeding under:

- 86 (A) this title; or
- 87 (B) other law under which persons are required to file returns with the commission;
- 88 (iii) on behalf of the commission in any action or proceeding to which the commission
- 89 is a party; or
- 90 (iv) on behalf of any party to any action or proceeding under this title if the report or
- 91 facts shown by the return are directly involved in the action or proceeding.
- 92 (c) Notwithstanding Subsection (1)(b), a court may require the production of, and may
- 93 admit in evidence, any portion of a return or of the facts shown by the return, as are
- 94 specifically pertinent to the action or proceeding.
- 95 (2) This section does not prohibit:
- 96 (a) a person or that person's duly authorized representative from receiving a copy of
- 97 any return or report filed in connection with that person's own tax;
- 98 (b) the publication of statistics as long as the statistics are classified to prevent the
- 99 identification of particular reports or returns; and
- 100 (c) the inspection by the attorney general or other legal representative of the state of
- 101 the report or return of any taxpayer:
- 102 (i) who brings action to set aside or review a tax based on the report or return;
- 103 (ii) against whom an action or proceeding is contemplated or has been instituted under
- 104 this title; or
- 105 (iii) against whom the state has an unsatisfied money judgment.
- 106 (3) (a) Notwithstanding Subsection (1) and for purposes of administration, the
- 107 commission may by rule, made in accordance with Title 63G, Chapter 3, Utah Administrative
- 108 Rulemaking Act, provide for a reciprocal exchange of information with:
- 109 (i) the United States Internal Revenue Service; or
- 110 (ii) the revenue service of any other state.
- 111 (b) Notwithstanding Subsection (1) and for all taxes except individual income tax and
- 112 corporate franchise tax, the commission may by rule, made in accordance with Title 63G,
- 113 Chapter 3, Utah Administrative Rulemaking Act, share information gathered from returns and

114 other written statements with the federal government, any other state, any of the political
115 subdivisions of another state, or any political subdivision of this state, except as limited by
116 Sections 59-12-209 and 59-12-210, if the political subdivision, other state, or the federal
117 government grant substantially similar privileges to this state.

118 (c) Notwithstanding Subsection (1) and for all taxes except individual income tax and
119 corporate franchise tax, the commission may by rule, in accordance with Title 63G, Chapter 3,
120 Utah Administrative Rulemaking Act, provide for the issuance of information concerning the
121 identity and other information of taxpayers who have failed to file tax returns or to pay any tax
122 due.

123 (d) Notwithstanding Subsection (1), the commission shall provide to the Solid and
124 Hazardous Waste Control Board executive secretary, as defined in Section 19-6-102, as
125 requested by the executive secretary, any records, returns, or other information filed with the
126 commission under Chapter 13, Motor and Special Fuel Tax Act, or Section 19-6-410.5
127 regarding the environmental assurance program participation fee.

128 (e) Notwithstanding Subsection (1), at the request of any person the commission shall
129 provide that person sales and purchase volume data reported to the commission on a report,
130 return, or other information filed with the commission under:

131 (i) Chapter 13, Part 2, Motor Fuel; or

132 (ii) Chapter 13, Part 4, Aviation Fuel.

133 (f) Notwithstanding Subsection (1), upon request from a tobacco product
134 manufacturer, as defined in Section 59-22-202, the commission shall report to the
135 manufacturer:

136 (i) the quantity of cigarettes, as defined in Section 59-22-202, produced by the
137 manufacturer and reported to the commission for the previous calendar year under Section
138 59-14-407; and

139 (ii) the quantity of cigarettes, as defined in Section 59-22-202, produced by the
140 manufacturer for which a tax refund was granted during the previous calendar year under
141 Section 59-14-401 and reported to the commission under Subsection 59-14-401(1)(a)(v).

142 (g) Notwithstanding Subsection (1), the commission shall notify manufacturers,
143 distributors, wholesalers, and retail dealers of a tobacco product manufacturer that is
144 prohibited from selling cigarettes to consumers within the state under Subsection
145 59-14-210(2).

146 (h) Notwithstanding Subsection (1), the commission may:

147 (i) provide to the Division of Consumer Protection within the Department of
148 Commerce and the attorney general data:

149 (A) reported to the commission under Section 59-14-212; or

150 (B) related to a violation under Section 59-14-211; and

151 (ii) upon request provide to any person data reported to the commission under
152 Subsections 59-14-212(1)(a) through (c) and Subsection 59-14-212(1)(g).

153 (i) Notwithstanding Subsection (1), the commission shall, at the request of a
154 committee of the Legislature, Office of the Legislative Fiscal Analyst, or Governor's Office of
155 Planning and Budget, provide to the committee or office the total amount of revenues
156 collected by the commission under Chapter 24, Radioactive Waste Facility Tax Act, for the
157 time period specified by the committee or office.

158 (j) Notwithstanding Subsection (1), the commission shall make the directory required
159 by Section 59-14-603 available for public inspection.

160 (k) Notwithstanding Subsection (1), the commission may share information with
161 federal, state, or local agencies as provided in Subsection 59-14-606(3).

162 (l) (i) Notwithstanding Subsection (1), the commission shall provide the Office of
163 Recovery Services within the Department of Human Services any relevant information
164 obtained from a return filed under Chapter 10, Individual Income Tax Act, regarding a
165 taxpayer who has become obligated to the Office of Recovery Services.

166 (ii) The information described in Subsection (3)(l)(i) may be provided by the Office of
167 Recovery Services to any other state's child support collection agency involved in enforcing
168 that support obligation.

169 (m) (i) Notwithstanding Subsection (1), upon request from the state court

170 administrator, the commission shall provide to the state court administrator, the name,
171 address, telephone number, county of residence, and Social Security number on resident
172 returns filed under Chapter 10, Individual Income Tax Act.

173 (ii) The state court administrator may use the information described in Subsection
174 (3)(m)(i) only as a source list for the master jury list described in Section 78B-1-106.

175 (n) Notwithstanding Subsection (1), the commission shall at the request of a
176 committee, commission, or task force of the Legislature provide to the committee,
177 commission, or task force of the Legislature any information relating to a tax imposed under
178 Chapter 9, Taxation of Admitted Insurers, relating to the study required by Section 59-9-101.

179 (o) (i) As used in this Subsection (3)(o), "office" means the:

180 (A) Office of the Legislative Fiscal Analyst; or

181 (B) Office of Legislative Research and General Counsel.

182 (ii) Notwithstanding Subsection (1) and except as provided in Subsection (3)(o)(iii),
183 the commission shall at the request of an office provide to the office all information:

184 (A) gained by the commission; and

185 (B) required to be attached to or included in returns filed with the commission.

186 (iii) (A) An office may not request and the commission may not provide to an office a
187 person's:

188 (I) address;

189 (II) name;

190 (III) Social Security number; or

191 (IV) taxpayer identification number.

192 (B) The commission shall in all instances protect the privacy of a person as required
193 by Subsection (3)(o)(iii)(A).

194 (iv) An office may provide information received from the commission in accordance
195 with this Subsection (3)(o) only:

196 (A) as:

197 (I) a fiscal estimate;

198 (II) fiscal note information; or
199 (III) statistical information; and
200 (B) if the information is classified to prevent the identification of a particular return.

201 (v) (A) A person may not request information from an office under Title 63G, Chapter
202 2, Government Records Access and Management Act, or this section, if that office received
203 the information from the commission in accordance with this Subsection (3)(o).

204 (B) An office may not provide to a person that requests information in accordance
205 with Subsection (3)(o)(v)(A) any information other than the information the office provides in
206 accordance with Subsection (3)(o)(iv).

207 (p) Notwithstanding Subsection (1), the commission may provide to the governing
208 board of the agreement or a taxing official of another state, the District of Columbia, the
209 United States, or a territory of the United States:

210 (i) the following relating to an agreement sales and use tax:

211 (A) information contained in a return filed with the commission;

212 (B) information contained in a report filed with the commission;

213 (C) a schedule related to Subsection (3)(p)(i)(A) or (B); or

214 (D) a document filed with the commission; or

215 (ii) a report of an audit or investigation made with respect to an agreement sales and
216 use tax.

217 (q) Notwithstanding Subsection (1), the commission may provide information
218 concerning a taxpayer's state income tax return or state income tax withholding information to
219 the Driver License Division if the Driver License Division:

220 (i) requests the information; and

221 (ii) provides the commission with a signed release form from the taxpayer allowing the
222 Driver License Division access to the information.

223 (r) Notwithstanding Subsection (1), the commission shall provide to the Utah State
224 911 Committee the information requested by the Utah State 911 Committee under Subsection
225 53-10-602(3).

226 (s) Notwithstanding Subsection (1), the commission may provide to the Utah
227 Educational Savings Plan Trust information related to a resident or nonresident individual's
228 contribution to a Utah Educational Savings Plan account as designated on the resident or
229 nonresident's individual income tax return under Section 59-10-1313.

230 (t) Notwithstanding Subsection (1), the commission shall provide an eligibility worker
231 with the Children's Health Insurance Program with the adjusted gross income of an individual
232 if:

233 (i) an eligibility worker with the Children's Health Insurance Program requests the
234 information from the Utah State Tax Commission; and

235 (ii) the eligibility worker has complied with the identity verification and consent
236 provisions of Section 26-40-105.

237 (4) (a) Reports and returns shall be preserved for at least three years.

238 (b) After the three-year period provided in Subsection (4)(a) the commission may
239 destroy a report or return.

240 (5) (a) Any person who violates this section is guilty of a class A misdemeanor.

241 (b) If the person described in Subsection (5)(a) is an officer or employee of the state,
242 the person shall be dismissed from office and be disqualified from holding public office in this
243 state for a period of five years thereafter.

244 (c) Notwithstanding Subsection (5)(a) or (b), an office that requests information in
245 accordance with Subsection (3)(o)(iii) or a person that requests information in accordance
246 with Subsection (3)(o)(v):

247 (i) is not guilty of a class A misdemeanor; and

248 (ii) is not subject to:

249 (A) dismissal from office in accordance with Subsection (5)(b); or

250 (B) disqualification from holding public office in accordance with Subsection (5)(b).

251 (6) Except as provided in Section 59-1-404, this part does not apply to the property
252 tax.