|     | HEALTH INSURANCE PRIOR   |
|-----|--|
|     | AUTHORIZATION AMENDMENTS   |
|     | 2010 GENERAL SESSION   |
|     | STATE OF UTAH  |
|     | Chief Sponsor: Karen Mayne   |
|     | House Sponsor: Merlynn T. Newbold  |
| L   | ONG TITLE  |
| Ge  | eneral Description:  |
|     | This bill amends the Accident and Health Insurance part of the Insurance Code.                         |
| Hi  | ighlighted Provisions:   |
|     | This bill:   |
|     | <ul> <li>requires an accident and health insurer to provide an enrollee with a statement of</li> </ul> |
| pre | eauthorization for a medical procedure in certain circumstances; and                                   |
|     | <ul> <li>clarifies that a statement of preauthorization is not a guarantee of payment by an</li> </ul> |
| ins | surer.   |
| M   | onies Appropriated in this Bill:   |
|     | None   |
| Ot  | ther Special Clauses:  |
|     | None   |
| Ut  | tah Code Sections Affected:  |
| EN  | NACTS:   |
|     | <b>31A-22-638</b> , Utah Code Annotated 1953   |
| Be  | e it enacted by the Legislature of the state of Utah:  |
|     | Section 1. Section <b>31A-22-638</b> is enacted to read:   |
|     | 31A-22-638. Statement of preauthorization.   |



# 

### S.B. 39

## 01-07-10 11:21 AM

| 28  | (1) An insurer who requires preauthorization or preapproval for coverage under                                     |
|-----|--|
| 29  | accident and health insurance shall Ĥ→, beginning January 1, 2011, ←Ĥ provide an enrollee with                     |
| 29a | a statement of preauthorization if:  |
| 30  | (a) the applicable CPT codes have been submitted to the insurer to determine whether a                             |
| 31  | particular procedure is covered under the terms of the accident and health insurance policy;                       |
| 32  | (b) the enrollee has met the requirements for preauthorization of the procedure or                                 |
| 33  | encounter; and   |
| 34  | (c) the enrollee requests a statement of preauthorization.   |
| 35  | (2) A statement of preauthorization under Subsection (1) may be sent:  |
| 36  | (a) by mail; or  |
| 37  | (b) electronically.  |
| 38  | (3) A statement of preauthorization $\hat{S} \rightarrow \underline{Shall \ include \ a \ statement \ that \ the}$ |
| 38a | pre-authorization ←Ŝ is:   |
| 39  | (a) not a guarantee of payment by an insurer; and  |
| 40  | (b) subject to the policy and contract provisions of the accident and health insurance                             |
| 41  | <u>contract.</u>   |
|     |  |

Legislative Review Note as of 12-22-09 7:44 AM

Office of Legislative Research and General Counsel

#### S.B. 39 - Health Insurance Prior Authorization Amendments

## **Fiscal Note**

2010 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 or local governments. Certain businesses may incur costs for notification required in the bill.

1/12/2010, 4:12:39 PM, Lead Analyst: Schoenfeld, J.D./Attny: CJD

Office of the Legislative Fiscal Analyst