

Representative Ronda Rudd Menlove proposes the following substitute bill:

1 **INSURANCE COVERAGE FOR AMINO ACID-BASED**
2 **FORMULA**

3 2011 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Carol Spackman Moss**

6 Senate Sponsor: Peter C. Knudson

7
8 **LONG TITLE**

9 **General Description:**

10 This bill amends the Insurance Code to allow an option to provide coverage for the use
11 of an amino acid-based elemental formula, regardless of the delivery method of the
12 formula, for the diagnosis or treatment of an eosinophilic gastrointestinal disorder.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ defines terms;
- 16 ▶ provides that a health benefit plan may provide coverage for the use of an amino
17 acid-based elemental formula, regardless of the delivery method of the formula, for
18 the diagnosis or treatment of an eosinophilic gastrointestinal disorder if a licensed
19 physician issues a written order stating that the formula is medically necessary;
- 20 ▶ grants rulemaking authority to the Insurance Commissioner;
- 21 ▶ provides that the coverage described in this bill may be similar to, or identical to,
22 the coverage provided for other illnesses or diseases; and
- 23 ▶ makes technical changes.

24 **Money Appropriated in this Bill:**

25 None



26 **Other Special Clauses:**

27 None

28 **Utah Code Sections Affected:**

29 ENACTS:

30 **31A-22-640**, Utah Code Annotated 1953



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

32 Section 1. Section **31A-22-640** is enacted to read:

33 **31A-22-640. Insurance coverage for amino acid-based formula.**

34 (1) As used in this section:

35 (a) "Amino acid-based elemental formula" means a nutrition formula:

36 (i) made from individual non-allergenic amino acids that are broken down to enhance
37 absorption and digestion; and

38 (ii) designed for individuals who have a dysfunctional gastrointestinal tract and are
39 unable to tolerate and absorb whole foods or formulas composed of whole proteins, fats, or
40 carbohydrates.

41 (b) (i) "Eosinophilic gastrointestinal disorder" means a disorder characterized by
42 having above normal amounts of eosinophils in one or more specific places anywhere in the
43 digestive system.

44 (ii) "Eosinophilic gastrointestinal disorder" includes:

45 (A) eosinophilic esophagitis;

46 (B) eosinophilic gastritis;

47 (C) eosinophilic gastroenteritis;

48 (D) eosinophilic enteritis; and

49 (E) eosinophilic colitis.

50 (2) A health benefit plan may provide coverage for the use of an amino acid-based
51 elemental formula, regardless of the delivery method of the formula, for the diagnosis or
52 treatment of an eosinophilic gastrointestinal disorder if a licensed physician issues a written
53 order stating that the use of an amino acid-based elemental formula is medically necessary.

54 (3) The commissioner shall make rules, in accordance with Title 63G, Chapter 3, Utah
55 Administrative Rulemaking Act, that set minimum standards for the optional coverage
56

57 described in Subsection (2).

58 (4) The rules described in Subsection (3) may require that all cost sharing provisions

59 for the coverage described in Subsection (2), including deductibles, coinsurance, annual

60 maximums, and lifetime maximums, are similar to, or identical to, the coverage provided for

61 other illnesses or diseases.

FISCAL NOTE

H.B. 233 1st Sub. (Buff)

SHORT TITLE: Insurance Coverage for Amino Acid-based Formula

SPONSOR: Menlove, R.

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill will incur a one-time cost for rule development by the Insurance Department of \$9,900 General Fund.

STATE BUDGET DETAIL TABLE

	FY 2011	FY 2012	FY 2013
Revenue	\$0	\$0	\$0
Expenditure:			
General Fund, One-Time	\$0	\$9,900	\$0
Total Expenditure	\$0	\$9,900	\$0
Net Impact, All Funds (Rev.-Exp.)	\$0	(\$9,900)	\$0
Net Impact, General/Education Funds	\$0	(\$9,900)	\$0

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs for local governments.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill likely will not result in direct, measurable expenditures by Utah residents or businesses.