

**HEALTHCARE COMPACT**

2012 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: J. Stuart Adams**

House Sponsor: Bradley M. Daw

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**LONG TITLE**

**General Description:**

This bill enacts a Health Care Compact.

**Highlighted Provisions:**

This bill:

- ▶ adopts the Health Care Compact;
- ▶ defines terms;
- ▶ joins an interstate Advisory Health Care Commission; ~~§~~ [and] ~~§~~
- ▶ pledges to take joint and separate action to secure the consent of the United States

Congress to the compact in order to return the authority to regulate health care to the member states, consistent with the goals and principles articulated in the compact ~~§~~ [·] ; and

▶ sunsets the compact on July 1, ~~§~~ [2017] [2013] 2014 ~~§~~ . ~~§~~

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

~~§~~ → **AMENDS:**

63I-1-263, as last amended by Laws of Utah 2011, Chapters 199, 370, 408, and 411 ~~§~~

**ENACTS:**

**63M-1-2507**, Utah Code Annotated 1953

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

~~§~~ → **Section 1. Section 63I-1-263 is amended to read: ~~§~~**

S.B. 208



26b **§→63I-1-263. Repeal dates, Titles 63A to 63M.**

26c (1) Section 63A-4-204, authorizing the Risk Management Fund to provide coverage to any  
26d public school district which chooses to participate, is repealed July 1, 2016.

26e (2) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2016.

26f (3) Section 63C-8-106, rural residency training program, is repealed July 1, 2015.

26g (4) Title 63C, Chapter 13, Prison Relocation and Development Authority Act, is repealed  
26h July 1, 2014.

26i (5) Subsection 63G-6-502(5)(b)(ii) authorizing certain transportation agencies to award a  
26j contract for a design-build transportation project in certain circumstances, is repealed July 1, 2015.

26k (6) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1, 2020.

26l (7) The Resource Development Coordinating Committee, created in Section 63J-4-501, is  
26m repealed July 1, 2015.

26n (8) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

26o (9) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone Act, is repealed  
26p January 1, 2021.

26q (b) Subject to Subsection (9)(c), Sections 59-7-610 and 59-10-1007 regarding tax credits for  
26r certain persons in recycling market development zones, are repealed for taxable years beginning on or  
26s after January 1, 2012.

26t (c) A person may not claim a tax credit under Section 59-7-610 or 59-10-1007:

26u (i) for the purchase price of machinery or equipment described in Section 59-7-610 or  
26v 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2012; or

26w (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if the  
26x expenditure is made on or after January 1, 2012.

26y (d) Notwithstanding Subsections (9)(b) and (c), a person may carry forward a tax credit in  
26z accordance with Section 59-7-610 or 59-10-1007 if:

26aa (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

26ab (ii) (A) for the purchase price of machinery or equipment described in Section 59-7-610 or  
26ac 59-10-1007, the machinery or equipment is purchased on or before December 31, 2011; or

26ad (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the  
26ae expenditure is made on or before December 31, 2011.

26af (10) ~~Ĥ→~~ (a) ~~←Ĥ~~ Section 63M-1-2507, Health Care Compact is repealed on July 1, ~~Ĥ→~~ [2017]  
26af1 [2013] 2014.

26af2 (b) (i) The Legislature shall, before reauthorizing the Health Care Compact:

26af3 (A) direct the Health System Reform Task Force to evaluate the issues listed in Subsection  
26af4 (10)(b)(ii), and by January 1, 2013 develop and recommend criteria for the Legislature to use to  
26af5 negotiate the terms of the Health Care Compact; and

26af6 (B) prior to July 1, 2014, seek amendments to the Health Care Compact among the member  
26af7 states that the Legislature determines are appropriate after considering the recommendations of the

26af8 **Health System Reform Task Force.**

26af9 **(ii) The Health System Reform Task Force shall evaluate and develop criteria for**  
 26af10 **the Legislature regarding:**

26af11 **(A) the impact of the Supreme Court ruling on the Affordable Care Act;**

26af12 **(B) whether Utah is likely to be required to implement any part of the Affordable Care Act**  
 26af13 **prior to negotiating the compact with the federal government, such as Medicaid expansion in 2014,**

26af14 **(C) whether the compact's current funding formula, based on adjusted 2010 state**  
 26af15 **expenditures, is the best formula for Utah and other state compact members to use for establishing the**  
 26af16 **block grants from the federal government;**

26af17 **(D) whether the compact's calculation of current year inflation adjustment factor, without**  
 26af18 **consideration of the regional medical inflation rate in the current year, is adequate to protect the state**  
 26af19 **from increased costs associated with administering a state based Medicaid and a state based Medicare**  
 26af20 **program;**

26af21 **(E) whether the state has the flexibility it needs under the compact to implement and fund**  
 26af22 **state based initiatives, or whether the compact requires uniformity across member states that does not**  
 26af23 **benefit Utah;**

26af24 **(F) whether the state has the option under the compact to refuse to take over the federal**  
 26af25 **Medicare program;**

26af26 **(G) whether a state based Medicare program would provide better benefits to the elderly and**  
 26af27 **disabled citizens of the state than a federally run Medicare program;**

26af28 **(H) whether the state has the infrastructure necessary to implement and administer a better**  
 26af29 **state based Medicare program; [and]**

26af30 **(I) whether the compact appropriately delegates policy decisions between the legislative and**  
 26af31 **executive branches of government regarding the development and implementation of the compact with**  
 26af32 **other states and the federal government [;] ; and**

26af33 **(J) the impact on public health activities, including communicable disease surveillance and**  
 26af34 **epidemiology. ←Ĥ**

26ag **(11) The Crime Victim Reparations Board, created in Section 63M-7-504, is repealed July 1,**  
 26ah **2017.**

26ai **[~~(11)~~] (12) Title 63M, Chapter 8, Utah Commission for Women and Families Act, is**  
 26aj **repealed July 1, 2011.**

26ak **[~~(12)~~] (13) Title 63M, Chapter 9, Families, Agencies, and Communities Together**  
 26al **for Children and Youth At Risk Act, is repealed July 1, 2016.**

26am **[~~(13)~~] (14) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2012. ←Ŝ**  
 27 **Section 1. Section 63M-1-2507 is enacted to read:**

152 which are:

153 (a) to secure the right of the member states to regulate health care in their respective  
154 states pursuant to this compact and to suspend the operation of any conflicting federal laws,  
155 rules, regulations, and orders within their states; and

156 (b) to secure federal funding for member states that choose to invoke their authority  
157 under this compact, as prescribed by Section 5 of this compact.

158 **Sec. 8. Amendments.**

159 The member states, by unanimous agreement, may amend this compact from time to  
160 time without the prior consent or approval of Congress and any amendment shall be effective  
161 unless, within one year, the Congress disapproves that amendment. Any state may join this  
162 compact after the date on which Congress consents to the compact by adoption into law under  
163 its state constitution.

164 **Sec. 9. Withdrawal; Dissolution.**

165 Any member state may withdraw from this compact by adopting a law to that effect, but  
166 no such withdrawal shall take effect until six months after the governor of the withdrawing  
167 member state has given notice of the withdrawal to the other member states. A withdrawing  
168 state shall be liable for any obligations that it may have incurred prior to the date on which its  
169 withdrawal becomes effective. This compact shall be dissolved upon the withdrawal of all but  
170 one of the member states.

170a **§→ Sec. 10. Sunset. ←§**

170b **§→ This compact sunsets on July 1, 2017. ←§**

**Legislative Review Note**  
as of 2-7-12 8:42 AM

**Office of Legislative Research and General Counsel**