

Senator Todd Weiler proposes the following substitute bill:

HEALTH INSURANCE MANDATE ACCOUNTABILITY

AMENDMENTS

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Todd Weiler

House Sponsor: Evan J. Vickers

LONG TITLE

General Description:

This bill amends the Accident and Health Insurance Policy chapter of the Insurance Code.

Highlighted Provisions:

This bill:

- ▶ applies a health insurance mandate that is enacted by the state after January 1, 2012, to a public school district, charter school, or a state funded institution of higher education;
- ▶ requires the state to evaluate the cost of an insurance mandate enacted after January 1, 2012, for the state employees' risk pool, a public school district, a charter school, and state funded institutions of higher education;
- ▶ requires the state to appropriate the cost of implementing a health insurance mandate enacted after January 1, 2012, to the participating employers in the state employees' risk pools, public school districts, charter schools, and state funded institutions of higher education; and
- ▶ makes technical amendments.

Money Appropriated in this Bill:



26 None

27 **Other Special Clauses:**

28 This bill provides an immediate effective date.

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **31A-22-605.5**, as last amended by Laws of Utah 2008, Chapters 241 and 250

32 **49-20-407**, as last amended by Laws of Utah 2004, Chapter 229

33 ENACTS:

34 **53A-3-431**, Utah Code Annotated 1953

35 **53B-1-101.8**, Utah Code Annotated 1953



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

38 Section 1. Section **31A-22-605.5** is amended to read:

39 **31A-22-605.5. Application.**

40 (1) For purposes of this section "insurance mandate":

41 (a) means a mandatory obligation with respect to coverage, benefits, or the number or
42 types of providers imposed on policies of accident and health insurance; and

43 (b) does not mean;

44 (i) an administrative rule imposing a mandatory obligation with respect to coverage,
45 benefits, or providers unless that mandatory obligation was specifically imposed on policies of
46 accident and health insurance by statute[-]; or

47 (ii) an insurance mandate in an essential health benefits package imposed pursuant to
48 the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, and the Health Care
49 Education Reconciliation Act of 2010, Pub. L. No. 111-152, and federal rules related to their
50 implementation.

51 (2) (a) Notwithstanding the provisions of Subsection 31A-1-103(3)(f), the following
52 shall apply to health coverage offered to the state employees' risk pool under Subsection
53 49-20-202(1)(a):

54 (i) any law [~~imposed~~] enacted under this title that becomes effective after January 1,
55 2002, which provides for an insurance mandate for policies of accident and health insurance;
56 and

57 (ii) in accordance with Section 31A-22-613.5, disclosure requirements for coverage
58 limitations.

59 (b) Notwithstanding the provisions of Subsection 31A-1-103(3)(f), a health insurance
60 mandate enacted under this title after January 1, 2012, shall apply to:

61 (i) health coverage offered to the state employees' risk pool under Subsection
62 49-20-202(1)(a); and

63 (ii) health coverage offered to public school districts, charter schools, and institutions
64 of higher education under Subsection 49-20-201(1)(b).

65 [~~(b)~~] (c) If health coverage offered to the state employees' risk pool under [~~Subsection~~]
66 Subsections 49-20-201(1)(b) and 49-20-202(1)(a) offers coverage in the same manner and to
67 the same extent as the coverage required by [~~the~~] an insurance mandate [~~imposed~~] enacted
68 under this title or coverage that is greater than the insurance mandate [~~imposed~~] enacted under
69 this title, the coverage offered to state employees under [~~Subsection~~] Subsections
70 49-20-201(1)(b) and 49-20-202(1)(a) will be considered in compliance with the insurance
71 mandate.

72 [~~(c)~~] (d) The [~~program~~] programs regulated under [~~Subsection~~] Subsections
73 49-20-201(1)(b) and 49-20-202(1)(a) shall report to the Retirement and Independent Entities
74 Committee created under Section 63E-1-201 by November 30 of each year in which a mandate
75 is [~~imposed~~] enacted under the provisions of this section. The report shall include the costs and
76 benefits of the particular mandatory obligation.

77 (3) (a) An insurance mandate for policies of accident and health insurance enacted
78 under this title after January 1, 2012, shall apply to policies of accident and health insurance
79 offered by a public school district, a charter school, or a state funded institution of higher
80 education that is not insured through the Public Employees' Benefit and Insurance Program.

81 (b) If an insurance mandate for policies of accident and health insurance is enacted
82 under this title after January 1, 2012, the state shall determine whether each entity described in
83 Subsections (2) and (3)(a) offers coverage in the same manner and to the same extent, or
84 greater than the insurance coverage required in the mandate enacted after January 1, 2012.

85 (c) Before enacting an insurance mandate, the state shall, for each entity that does not
86 offer coverage in accordance with Subsection (3)(b):

87 (i) determine the cost to the entity of implementing the insurance mandate; and

88 (ii) appropriate money necessary to fund the full cost to the entity of implementing the
89 insurance mandate.

90 Section 2. Section **49-20-407** is amended to read:

91 **49-20-407. Insurance mandates.**

92 Notwithstanding the provisions of Subsection 31A-1-103(3)(f)[;]:

93 (1) health coverage offered to the state employee risk pool under Subsection
94 49-20-202(1)(a) shall comply with the provisions of Sections 31A-8-501 and 31A-22-605.5;
95 and

96 (2) health coverage offered to public school districts, charter schools, and institutions
97 of higher education under Subsection 49-20-201(1)(b) shall comply with the provisions of
98 Section 31A-22-605.5.

99 Section 3. Section **53A-3-431** is enacted to read:

100 **53A-3-431. Health Insurance Mandates.**

101 A local school board and the governing body of a charter school shall include in an
102 accident and health insurance policy it offers to school district employees, or charter school
103 employees insurance mandates in accordance with Section 31A-22-605.5.

104 Section 4. Section **53B-1-101.8** is enacted to read:

105 **53B-1-101.8. Health Insurance Mandates.**

106 An institution of higher education shall include in an accident and health insurance
107 policy it offers to its employees insurance mandates in accordance with Section 31A-22-605.5

108 Section 5. **Effective date.**

109 If approved by two-thirds of all the members elected to each house, this bill takes effect
110 upon approval by the governor, or the day following the constitutional time limit of Utah
111 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
112 the date of veto override.