

**CONSUMER-FOCUSED HEALTH DELIVERY AND PAYMENT  
DEMONSTRATION PROJECT**

2013 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Stewart Barlow**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill directs the Insurance Department to develop a demonstration project on the subject of consumer-focused health care delivery and payment reform.

**Highlighted Provisions:**

This bill:

- ▶ instructs the Insurance Department to work with health insurers to develop a demonstration project for consumer-focused health care delivery and payment reform and to apply for available health care innovation grants to implement and expand the demonstration project; and

- ▶ requires the Insurance Department to report to the Health System Reform Task Force regarding the progress towards consumer-focused health delivery and payment reform by January 1, 2015.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**31A-22-641**, Utah Code Annotated 1953



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

Section 1. Section **31A-22-641** is enacted to read:

**31A-22-641. Consumer-focused health care delivery and payment reform demonstration project.**

(1) The Legislature finds that:

(a) current health care delivery and payment systems do not provide system wide incentives for the competitive delivery and pricing of health care services to consumers;

(b) there is a compelling state interest to encourage consumers to seek high quality, low cost care and educate themselves about health care options;

(c) some health care providers and health care payers have developed consumer-focused ideas for health care delivery and payment system reform, but lack the critical number of patient lives and payer involvement to accomplish system-wide consumer-focused reform; and

(d) there is a compelling state interest to encourage as many health care providers and health care payers to join together and coordinate efforts at consumer-focused health care delivery and payment reform that would provide to consumers enrolled in a high-deductible health plan:

(i) greater choice in health care options;

(ii) improved services through competition; and

(iii) more affordable options for care.

(2) (a) The insurance department shall convene a meeting of health care providers and health care payers for the purpose of coordinating a demonstration project for consumer-focused health care delivery and payment reform.

(b) Participation in the coordination efforts by health care providers and health care payers is voluntary, but encouraged.

(3) The commissioner shall facilitate a coordinated demonstration project for consumer-focused health care delivery reform and consumer-focused health care payment reform between one or more health care providers and one or more health care payers that elect to participate in the demonstration project by:

(a) consulting with health care providers and health care payers who elect to join

59 together in a consumer-based reform demonstration project;

60 (b) applying for health care innovation grants and other assistance that may be  
61 available for demonstrating consumer-focused improvements to health care delivery and  
62 payment; and

63 (c) adopting administrative rules in accordance with Title 63G, Chapter 3, Utah  
64 Administrative Rulemaking Act, as necessary, to develop, oversee, and implement the  
65 demonstration project.

66 (4) The commissioner shall report to the Health System Reform Task Force by January  
67 1, 2015, regarding the progress toward coordination of consumer-focused health care system  
68 payment and delivery reform.

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**Legislative Review Note**  
as of 2-11-13 6:43 AM

**Office of Legislative Research and General Counsel**