

1 **REPEAL OF HEALTH AND HUMAN SERVICES REPORTS**
2 **AND EXPIRED OR DISCONTINUED PROGRAMS**

3 2013 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Allen M. Christensen**

6 House Sponsor: Paul Ray

8 **LONG TITLE**

9 **General Description:**

10 This bill repeals Utah Code provisions requiring reports, primarily to various entities of
11 the Utah Legislature, on health and human services issues, and repeals expired or
12 discontinued programs.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ repeals and amends provisions requiring reports, primarily to various entities of the
16 Utah Legislature, on health and human services issues, including expired reporting
17 provisions;
- 18 ▶ repeals the Utah Comprehensive Health Insurance Pool's expired pilot program for
19 hemophilia and bleeding disorders;
- 20 ▶ repeals the Families, Agencies, and Communities Together for Children and Youth
21 At Risk Act (FACT); and
- 22 ▶ makes conforming amendments.

23 **Money Appropriated in this Bill:**

24 None

25 **Other Special Clauses:**

26 None

27 **Utah Code Sections Affected:**

28 AMENDS:

29 **4-3-14**, as last amended by Laws of Utah 2009, Chapter 183

- 30 **26-1-4**, as last amended by Laws of Utah 2012, Chapter 242
- 31 **26-1-36**, as last amended by Laws of Utah 2010, Chapter 287
- 32 **26-1-37**, as last amended by Laws of Utah 2010, Chapter 68
- 33 **26-1-38**, as last amended by Laws of Utah 2012, Chapter 242
- 34 **26-4-28**, as enacted by Laws of Utah 2007, Chapter 205
- 35 **26-18-3**, as last amended by Laws of Utah 2012, Chapters 28 and 242
- 36 **26-18-4**, as last amended by Laws of Utah 2012, Chapter 369
- 37 **26-18-10**, as last amended by Laws of Utah 2012, Chapter 369
- 38 **26-18-103**, as last amended by Laws of Utah 2008, Chapter 382
- 39 **26-18-406**, as enacted by Laws of Utah 2011, Chapter 166
- 40 **26-18-604**, as enacted by Laws of Utah 2011, Chapter 362
- 41 **26-18a-3**, as last amended by Laws of Utah 2012, Chapter 242
- 42 **26-18b-101**, as last amended by Laws of Utah 2012, Chapter 242
- 43 **26-33a-104**, as last amended by Laws of Utah 2011, Chapter 297
- 44 **26-40-103**, as last amended by Laws of Utah 2012, Chapters 28 and 369
- 45 **26-40-109**, as last amended by Laws of Utah 2001, Chapter 53
- 46 **26-47-102**, as last amended by Laws of Utah 2012, Chapter 242
- 47 **26-47-103**, as last amended by Laws of Utah 2012, Chapter 242
- 48 **31A-22-626**, as last amended by Laws of Utah 2001, Chapter 116
- 49 **31A-22-633**, as last amended by Laws of Utah 2005, Chapter 123
- 50 **35A-3-207**, as last amended by Laws of Utah 2008, Chapter 382
- 51 **51-9-201**, as last amended by Laws of Utah 2012, Chapters 90 and 242
- 52 **53A-15-205**, as last amended by Laws of Utah 2011, Chapter 366
- 53 **58-37f-801**, as renumbered and amended by Laws of Utah 2010, Chapter 287
- 54 **58-77-201**, as last amended by Laws of Utah 2008, Chapter 365
- 55 **62A-3-110**, as last amended by Laws of Utah 2012, Chapter 242
- 56 **62A-5-105**, as last amended by Laws of Utah 2009, Chapter 75
- 57 **62A-5a-104**, as last amended by Laws of Utah 2008, Chapter 382

- 58 **62A-15-103**, as last amended by Laws of Utah 2012, Chapter 242
- 59 **62A-15-712**, as last amended by Laws of Utah 2003, Chapter 78
- 60 **63C-8-106**, as last amended by Laws of Utah 2008, Chapter 382
- 61 **63I-1-263 (Effective 05/01/13)**, as last amended by Laws of Utah 2012, Chapters 126,
- 62 206, 347, 369, and 395
- 63 **63J-1-201**, as last amended by Laws of Utah 2012, Chapters 242 and 341

64 REPEALS:

- 65 **26-10b-105**, as renumbered and amended by Laws of Utah 2010, Chapter 340
- 66 **26-18-3.3**, as enacted by Laws of Utah 2011, Chapter 162
- 67 **31A-29-113.5**, as last amended by Laws of Utah 2012, Chapter 242
- 68 **63M-9-101**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 69 **63M-9-102**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 70 **63M-9-103**, as last amended by Laws of Utah 2011, Chapter 366
- 71 **63M-9-104**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 72 **63M-9-201**, as last amended by Laws of Utah 2010, Chapter 286
- 73 **63M-9-202**, as last amended by Laws of Utah 2010, Chapter 286
- 74 **63M-9-203**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 75 **63M-9-301**, as last amended by Laws of Utah 2010, Chapter 324
- 76 **63M-9-401**, as last amended by Laws of Utah 2008, Chapter 3 and renumbered and
- 77 amended by Laws of Utah 2008, Chapter 382
- 78 **63M-9-402**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 79 **63M-9-501**, as renumbered and amended by Laws of Utah 2008, Chapter 382



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

82 Section 1. Section **4-3-14** is amended to read:

83 **4-3-14. Sale of raw milk -- Suspension of producer's permit -- Severability not**
84 **permitted.**

85 (1) As used in this section:

86 (a) "Batch" means all the milk emptied from one bulk tank and bottled in a single day.

87 (b) "Self-owned retail store" means a retail store:

88 (i) of which the producer owns at least 51% of the value of the real property and
89 tangible personal property used in the operations of the retail store; or

90 (ii) for which the producer has the power to vote at least 51% of any class of voting
91 shares or ownership interest in the business entity that operates the retail store.

92 (2) Raw milk may be sold if:

93 (a) the producer obtains a permit from the department to produce milk under
94 Subsection 4-3-8(5);

95 (b) the sale and delivery of the milk is made upon the premises where the milk is
96 produced, except as provided by Subsection (3);

97 (c) it is sold to consumers for household use and not for resale;

98 (d) it is bottled or packaged under sanitary conditions and in sanitary containers on the
99 premises where the milk is produced;

100 (e) it is labeled "raw milk" and meets the labeling requirements under 21 C.F.R. Parts
101 101 and 131 and rules established by the department;

102 (f) it is:

103 (i) cooled to 50 degrees Fahrenheit or a lower temperature within one hour after being
104 drawn from the animal;

105 (ii) further cooled to 41 degrees Fahrenheit within two hours of being drawn from the
106 animal; and

107 (iii) maintained at 41 degrees Fahrenheit or a lower temperature until it is delivered to
108 the consumer;

109 (g) the bacterial count of the milk does not exceed 20,000 colony forming units per
110 milliliter;

111 (h) the bacterial plate count and the coliform count of the milk meet the bacterial and
112 coliform enforcement standards for grade A pasteurized milk;

113 (i) the production of the milk conforms to departmental rules for the production of

- 114 grade A milk;
- 115 (j) all dairy animals on the premises are:
- 116 (i) permanently and individually identifiable; and
- 117 (ii) free of tuberculosis, brucellosis, and other diseases carried through milk; and
- 118 (k) any person on the premises performing any work in connection with the production,
- 119 bottling, handling, or sale of the milk is free from communicable disease.
- 120 (3) A producer may sell raw whole milk at a self-owned retail store, which is properly
- 121 staffed, if, in addition to the requirements of Subsection (2), the producer:
- 122 (a) transports the milk from the premises where the milk is produced to the self-owned
- 123 retail store in a refrigerated truck where the milk is maintained at 41 degrees Fahrenheit or a
- 124 lower temperature;
- 125 (b) retains ownership of the milk until it is sold to the final consumer, including
- 126 transporting the milk from the premises where the milk is produced to the self-owned retail
- 127 store without any:
- 128 (i) intervening storage;
- 129 (ii) change of ownership; or
- 130 (iii) loss of physical control;
- 131 (c) stores the milk at 41 degrees Fahrenheit or a lower temperature in a display case
- 132 equipped with a properly calibrated thermometer at the self-owned retail store;
- 133 (d) places a sign above the display case at the self-owned retail store that reads, "Raw
- 134 Unpasteurized Milk";
- 135 (e) labels the milk with:
- 136 (i) a date, no more than nine days after the milk is produced, by which the milk should
- 137 be sold;
- 138 (ii) the statement "Raw milk, no matter how carefully produced, may be unsafe.";
- 139 (iii) handling instructions to preserve quality and avoid contamination or spoilage; and
- 140 (iv) any other information required by rule;
- 141 (f) refrains from offering the milk for sale until:

142 (i) each batch of milk is tested for standard plate count and coliform count from an
143 official sample taken at the self-owned retail store and tested by a third party certified by the
144 department; and

145 (ii) the test results meet the minimum standards established for those tests;

146 (g) (i) maintains a database of the milk sales; and

147 (ii) makes the database available to the Department of Health during the self-owned
148 retail store's business hours for purposes of epidemiological investigation;

149 (h) refrains from offering any pasteurized milk at the self-owned retail store;

150 (i) ensures that the plant and retail store complies with Title 4, Chapter 5, Utah
151 Wholesome Food Act, and the rules governing food establishments enacted under Section
152 4-5-9;

153 (j) participates in a hazard analysis critical control point system as established by the
154 United States Food and Drug Administration;

155 (k) conducts monthly tests on a sample taken from a batch of milk for:

156 (i) *Listeria monocytogenes*;

157 (ii) *Salmonella typhimurium*;

158 (iii) *Salmonella dublin*;

159 (iv) *Campylobacter jejuni*; and

160 (v) *E. Coli* 0157:H7; and

161 (l) complies with all applicable rules adopted as authorized by this chapter.

162 (4) The person conducting the tests required by Subsection (3) shall send a copy of the
163 test results to the department as soon as the test results are available.

164 (5) (a) The department shall adopt rules, as authorized by Section 4-3-2, governing the
165 sale of raw whole milk at a self-owned retail store.

166 (b) The rules adopted by the department shall include rules regarding:

167 (i) permits;

168 (ii) building and premises requirements;

169 (iii) sanitation and operating requirements, including bulk milk tanks requirements;

- 170 (iv) additional tests, including a test for pathogens;
- 171 (v) frequency of inspections, including random cooler checks;
- 172 (vi) recordkeeping; and
- 173 (vii) packaging and labeling.

174 (c) (i) The department shall establish a fee for the tests and inspections required by this
175 section and by rule by following the procedures and requirements of Section 63J-1-504.

176 (ii) Notwithstanding Section 63J-1-504, the department shall retain the fees as
177 dedicated credits and may only use the fees to administer and enforce this section.

178 (6) (a) The department shall suspend a permit issued under Section 4-3-8 if a producer
179 violates any provision of this section or any rules adopted as authorized by this section.

180 (b) The department may reissue a permit that has been suspended under Subsection
181 (6)(a) if the producer has complied with all of the requirements of this section and rules
182 adopted as authorized by this section.

183 (7) For ~~[2008 and 2009]~~ 2014 and 2015, the Department of Health and the Department
184 of Agriculture and Food shall report on or before November 30th to the Natural Resources,
185 Agriculture, and Environment Interim Committee ~~[and the Health and Human Services Interim~~
186 ~~Committee]~~ on any health problems resulting from the sale of raw whole milk at self-owned
187 retail stores.

188 (8) (a) If any subsection of this section or the application of any subsection to any
189 person or circumstance is held invalid by a final decision of a court of competent jurisdiction,
190 the remainder of the section may not be given effect without the invalid subsection or
191 application.

192 (b) The provisions of this section may not be severed.

193 Section 2. Section **26-1-4** is amended to read:

194 **26-1-4. Department of Health created -- Policymaking responsibilities --**
195 **Consultation with local health departments -- Committee to evaluate health policies and**
196 **to review federal grants -- Committee responsibilities.**

197 (1) There is created the Department of Health, which has all of the policymaking

198 functions, regulatory and enforcement powers, rights, duties, and responsibilities of the
199 Division of Health, the Board of Health, the State Health Planning Development Agency, and
200 the Office of Health Care Financing. Unless otherwise specifically provided, when reference is
201 made in any statute of this state to the Board of Health, the Division of Health, the State Health
202 Planning Development Agency, or the Office of Health Care Financing, it refers to the
203 department. The department shall assume all of the policymaking functions, powers, rights,
204 duties, and responsibilities over the division, agency, and office previously vested in the
205 Department of Human Services and its executive director.

206 (2) In establishing public health policy, the department shall consult with the local
207 health departments established under Title 26A, Chapter 1, Local Health Departments.

208 (3) (a) As used in this Subsection (3):

209 (i) "Committee" means the committee established under Subsection (3)(b).

210 (ii) "Exempt application" means an application for a federal grant that meets the
211 criteria established under Subsection (3)(c)(iii).

212 (iii) "Expedited application" means an application for a federal grant that meets the
213 criteria established under Subsection (3)(c)(iv).

214 (iv) "Federal grant" means a grant from the federal government that could provide
215 funds for local health departments to help them fulfill their duties and responsibilities.

216 (v) "Reviewable application" means an application for a federal grant that is not an
217 exempt application.

218 (b) The department shall establish a committee consisting of:

219 (i) the executive director, or the executive director's designee;

220 (ii) two representatives of the department, appointed by the executive director; and

221 (iii) three representatives of local health departments, appointed by all local health
222 departments.

223 (c) The committee shall:

224 (i) evaluate:

225 (A) the allocation of public health resources between the department and local health

226 departments; and
227 (B) policies that affect local health departments;
228 (ii) consider policy changes proposed by the department or local health departments;
229 (iii) establish criteria by which an application for a federal grant may be judged to
230 determine whether it should be exempt from the requirements under Subsection (3)(d); and
231 (iv) establish criteria by which an application for a federal grant may be judged to
232 determine whether committee review under Subsection (3)(d)(i) should be delayed until after
233 the application is submitted because the application is required to be submitted under a
234 timetable that makes committee review before it is submitted impracticable if the submission
235 deadline is to be met.
236 (d) (i) The committee shall review the goals and budget for each reviewable
237 application:
238 (A) before the application is submitted, except for an expedited application; and
239 (B) for an expedited application, after the application is submitted but before funds
240 from the federal grant for which the application was submitted are disbursed or encumbered.
241 (ii) Funds from a federal grant pursuant to a reviewable application may not be
242 disbursed or encumbered before the goals and budget for the federal grant are established by:
243 (A) a two-thirds vote of the committee, following the committee review under
244 Subsection (3)(d)(i); or
245 (B) if two-thirds of the committee cannot agree on the goals and budget, the chair of
246 the health advisory council, after consultation with the committee in a manner that the
247 committee determines.
248 (e) An exempt application is exempt from the requirements of Subsection (3)(d).
249 ~~[(f) The committee shall report to the Legislature's Social Services Appropriations~~
250 ~~Subcommittee and Political Subdivisions Interim Committee by November 30 of each year~~
251 ~~regarding implementation of this Subsection (3).]~~
252 ~~[(g)]~~ (f) The department may use money from a federal grant to pay administrative
253 costs incurred in implementing this Subsection (3).

254 Section 3. Section **26-1-36** is amended to read:

255 **26-1-36. Duty to establish program to reduce deaths and other harm from**
256 **prescription opiates used for chronic noncancer pain.**

257 (1) As used in this section, "opiate" means any drug or other substance having an
258 addiction-forming or addiction-sustaining liability similar to morphine or being capable of
259 conversion into a drug having addiction-forming or addiction-sustaining liability.

260 (2) In addition to the duties listed in Section 26-1-30, the department shall develop and
261 implement a two-year program in coordination with the Division of Professional Licensing, the
262 Utah Labor Commission, and the Utah attorney general, to:

263 (a) investigate the causes of and risk factors for death and nonfatal complications of
264 prescription opiate use and misuse in Utah for chronic pain by utilizing the Utah Controlled
265 Substance Database created in Section 58-37f-201;

266 (b) study the risks, warning signs, and solutions to the risks associated with
267 prescription opiate medications for chronic pain, including risks and prevention of misuse and
268 diversion of those medications;

269 (c) provide education to health care providers, patients, insurers, and the general public
270 on the appropriate management of chronic pain, including the effective use of medical
271 treatment and quality care guidelines that are scientifically based and peer reviewed; and

272 (d) educate the public regarding:

273 (i) the purpose of the Controlled Substance Database established in Section
274 58-37f-201; and

275 (ii) the requirement that a person's name and prescription information be recorded on
276 the database when the person fills a prescription for a schedule II, III, IV, or V controlled
277 substance.

278 ~~[(3) The department shall report on the development and implementation of the~~
279 ~~program required in Subsection (2) to the legislative Health and Human Services Interim~~
280 ~~Committee and the legislative Business and Labor Interim Committee no later than the~~
281 ~~November interim meetings in 2008 and 2009. Each report shall include:]~~

282 ~~[(a) recommendations on:]~~
283 ~~[(i) use of the Utah Controlled Substance Database created in Section 58-37f-201 to~~
284 ~~identify and prevent:]~~
285 ~~[(A) misuse of opiates;]~~
286 ~~[(B) inappropriate prescribing; and]~~
287 ~~[(C) adverse outcomes of prescription opiate medications;]~~
288 ~~[(ii) interventions to prevent the diversion of prescription opiate medications; and]~~
289 ~~[(iii) medical treatment and quality care guidelines that are:]~~
290 ~~[(A) scientifically based; and]~~
291 ~~[(B) peer reviewed; and]~~
292 ~~[(b) (i) a measure of results against expectations under the program as of the date of the~~
293 ~~report; and]~~
294 ~~[(ii) an analysis of the application of the program, use of the appropriated funds, and~~
295 ~~the impact and results of the use of the funds:]~~
296 ~~[(4) The report provided under Subsection (3) for the 2008 interim shall also provide a~~
297 ~~final cumulative analysis of the measurable effectiveness of the program implemented under~~
298 ~~this section.]~~

299 Section 4. Section **26-1-37** is amended to read:

300 **26-1-37. Duty to establish standards for the electronic exchange of clinical health**
301 **information.**

302 (1) For purposes of this section:

303 (a) "Affiliate" means an organization that directly or indirectly through one or more
304 intermediaries controls, is controlled by, or is under common control with another
305 organization.

306 (b) "Clinical health information" shall be defined by the department by administrative
307 rule adopted in accordance with Subsection (2).

308 (c) "Electronic exchange":

309 (i) includes:

310 (A) the electronic transmission of clinical health data via Internet or extranet; and
311 (B) physically moving clinical health information from one location to another using
312 magnetic tape, disk, or compact disc media; and
313 (ii) does not include exchange of information by telephone or fax.
314 (d) "Health care provider" means a licensing classification that is either:
315 (i) licensed under Title 58, Occupations and Professions, to provide health care; or
316 (ii) licensed under Chapter 21, Health Care Facility Licensing and Inspection Act.
317 (e) "Health care system" shall include:
318 (i) affiliated health care providers;
319 (ii) affiliated third party payers; and
320 (iii) other arrangement between organizations or providers as described by the
321 department by administrative rule.
322 (f) "Qualified network" means an entity that:
323 (i) is a non-profit organization;
324 (ii) is accredited by the Electronic Healthcare Network Accreditation Commission, or
325 another national accrediting organization recognized by the department; and
326 (iii) performs the electronic exchange of clinical health information among multiple
327 health care providers not under common control, multiple third party payers not under common
328 control, the department, and local health departments.
329 (g) "Third party payer" means:
330 (i) all insurers offering health insurance who are subject to Section 31A-22-614.5; and
331 (ii) the state Medicaid program.
332 (2) (a) In addition to the duties listed in Section 26-1-30, the department shall, in
333 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:
334 (i) define:
335 (A) "clinical health information" subject to this section; and
336 (B) "health system arrangements between providers or organizations" as described in
337 Subsection (1)(e)(iii); and

338 (ii) adopt standards for the electronic exchange of clinical health information between
339 health care providers and third party payers that are for treatment, payment, health care
340 operations, or public health reporting, as provided for in 45 C.F.R. Parts 160, 162, and 164,
341 Health Insurance Reform: Security Standards.

342 (b) The department shall coordinate its rule making authority under the provisions of
343 this section with the rule making authority of the Insurance Department under Section
344 31A-22-614.5. The department shall establish procedures for developing the rules adopted
345 under this section, which ensure that the Insurance Department is given the opportunity to
346 comment on proposed rules.

347 (3) (a) Except as provided in Subsection (3)(e), a health care provider or third party
348 payer in Utah is required to use the standards adopted by the department under the provisions
349 of Subsection (2) if the health care provider or third party payer elects to engage in an
350 electronic exchange of clinical health information with another health care provider or third
351 party payer.

352 (b) A health care provider or third party payer may disclose information to the
353 department or a local health department, by electronic exchange of clinical health information,
354 as permitted by Subsection 45 C.F.R. 164.512(b).

355 (c) When functioning in its capacity as a health care provider or payer, the department
356 or a local health department may disclose clinical health information by electronic exchange to
357 another health care provider or third party payer.

358 (d) An electronic exchange of clinical health information by a health care provider, a
359 third party payer, the department, or a local health department is a disclosure for treatment,
360 payment, or health care operations if it complies with Subsection (3)(a) or (c) and is for
361 treatment, payment, or health care operations, as those terms are defined in 45 C.F.R. Parts
362 160, 162, and 164.

363 (e) A health care provider or third party payer is not required to use the standards
364 adopted by the department under the provisions of Subsection (2) if the health care provider or
365 third party payer engage in the electronic exchange of clinical health information within a

366 particular health care system.

367 (4) Nothing in this section shall limit the number of networks eligible to engage in the
368 electronic data interchange of clinical health information using the standards adopted by the
369 department under Subsection (2)(a)(ii).

370 (5) The department, a local health department, a health care provider, a third party
371 payer, or a qualified network is not subject to civil liability for a disclosure of clinical health
372 information if the disclosure is in accordance both with Subsection (3)(a) and with Subsection
373 (3)(b), (3)(c), or (3)(d).

374 (6) Within a qualified network, information generated or disclosed in the electronic
375 exchange of clinical health information is not subject to discovery, use, or receipt in evidence
376 in any legal proceeding of any kind or character.

377 ~~[(7) The department shall report on the use of the standards for the electronic exchange
378 of clinical health information to the legislative Health and Human Services Interim Committee
379 no later than October 15 of each year. The report shall include publicly available information
380 concerning the costs and savings for the department, third party payers, and health care
381 providers associated with the standards for the electronic exchange of clinical health records.]~~

382 Section 5. Section **26-1-38** is amended to read:

383 **26-1-38. Local health emergency assistance program.**

384 (1) As used in this section:

385 (a) "Local health department" has the same meaning as defined in Section 26A-1-102.

386 (b) "Local health emergency" means an unusual event or series of events causing or
387 resulting in a substantial risk or substantial potential risk to the health of a significant portion
388 of the population within the boundary of a local health department.

389 (c) "Program" means the local health emergency assistance program that the
390 department is required to establish under this section.

391 (d) "Program fund" means money that the Legislature appropriates to the department
392 for use in the program and other money otherwise made available for use in the program.

393 (2) The department shall establish, to the extent of funds appropriated by the

394 Legislature or otherwise made available to the program fund, a local health emergency
395 assistance program.

396 (3) Under the program, the department shall:

397 (a) provide a method for a local health department to seek reimbursement from the
398 program fund for local health department expenses incurred in responding to a local health
399 emergency;

400 (b) require matching funds from any local health department seeking reimbursement
401 from the program fund;

402 (c) establish a method for apportioning money in the program fund to multiple local
403 health departments when the total amount of concurrent requests for reimbursement by
404 multiple local health departments exceeds the balance in the program fund; and

405 (d) establish by rule other provisions that the department considers necessary or
406 advisable to implement the program.

407 [~~(4) Each September the department shall:~~]

408 [~~(a) submit to the Health and Human Services Interim Committee of the Legislature a
409 written report summarizing program activity, including:~~]

410 [~~(i) a description of the requests for reimbursement from local health departments
411 during the preceding 12 months;~~]

412 [~~(ii) the amount of each reimbursement made from the program fund to local health
413 departments; and]~~

414 [~~(iii) the current balance of the program fund; and]~~

415 [~~(b) submit a copy of the report required under Subsection (4)(a) to the Social Services
416 Appropriations Subcommittee.]~~

417 [(5)] (4) (a) (i) Subject to Subsection [(5)] (4)(a)(ii), the department shall use money in
418 the program fund exclusively for purposes of the program.

419 (ii) The department may use money in the program fund to cover its costs of
420 administering the program.

421 (b) Money that the Legislature appropriates to the program fund is nonlapsing.

422 (c) Any interest earned on money in the program fund shall be deposited to the General
423 Fund.

424 Section 6. Section **26-4-28** is amended to read:

425 **26-4-28. Testing for suspected suicides -- Maintaining information -- Report to**
426 **the Health and Human Services Interim Committee -- Compensation to deputy medical**
427 **examiners.**

428 (1) In all cases where it is suspected that a death resulted from suicide, including
429 assisted suicide, the medical examiner shall endeavor to have the following tests conducted
430 upon samples taken from the body of the deceased:

431 (a) a test that detects all of the substances included in the volatiles panel of the Bureau
432 of Forensic Toxicology within the Department of Health;

433 (b) a test that detects all of the substances included in the drugs of abuse panel of the
434 Bureau of Forensic Toxicology within the Department of Health; and

435 (c) a test that detects all of the substances included in the prescription drug panel of the
436 Bureau of Forensic Toxicology within the Department of Health.

437 (2) The medical examiner shall maintain information regarding the types of substances
438 found present in the samples taken from the body of a person who is suspected to have died as
439 a result of suicide or assisted suicide.

440 [~~(3) (a) Beginning in 2008, on or before November 30 of each year, the Department of~~
441 ~~Health shall present a report on the information described in Subsection (2) to the Health and~~
442 ~~Human Services Interim Committee.]~~

443 [~~(b) The information described in Subsection (3)(a) may not contain any identifying~~
444 ~~information regarding any person to whom the information described in Subsection (2) relates.]~~

445 [(4)] (3) Within funds appropriated by the Legislature for this purpose, the medical
446 examiner shall provide compensation, at a standard rate determined by the medical examiner,
447 to a deputy medical examiner who collects samples for the purposes described in Subsection
448 (1).

449 Section 7. Section **26-18-3** is amended to read:

450 **26-18-3. Administration of Medicaid program by department -- Reporting to the**
451 **Legislature -- Disciplinary measures and sanctions -- Funds collected -- Eligibility**
452 **standards -- Internal audits -- Studies -- Health opportunity accounts.**

453 (1) The department shall be the single state agency responsible for the administration
454 of the Medicaid program in connection with the United States Department of Health and
455 Human Services pursuant to Title XIX of the Social Security Act.

456 (2) (a) The department shall implement the Medicaid program through administrative
457 rules in conformity with this chapter, Title 63G, Chapter 3, Utah Administrative Rulemaking
458 Act, the requirements of Title XIX, and applicable federal regulations.

459 (b) The rules adopted under Subsection (2)(a) shall include, in addition to other rules
460 necessary to implement the program:

461 (i) the standards used by the department for determining eligibility for Medicaid
462 services;

463 (ii) the services and benefits to be covered by the Medicaid program;

464 (iii) reimbursement methodologies for providers under the Medicaid program; and

465 (iv) a requirement that:

466 (A) a person receiving Medicaid services shall participate in the electronic exchange of
467 clinical health records established in accordance with Section 26-1-37 unless the individual
468 opts out of participation;

469 (B) prior to enrollment in the electronic exchange of clinical health records the enrollee
470 shall receive notice of enrollment in the electronic exchange of clinical health records and the
471 right to opt out of participation at any time; and

472 (C) beginning July 1, 2012, when the program sends enrollment or renewal information
473 to the enrollee and when the enrollee logs onto the program's website, the enrollee shall receive
474 notice of the right to opt out of the electronic exchange of clinical health records.

475 (3) (a) The department shall, in accordance with Subsection (3)(b), report to the Social
476 Services Appropriations Subcommittee when the department:

477 (i) implements a change in the Medicaid State Plan;

- 478 (ii) initiates a new Medicaid waiver;
- 479 (iii) initiates an amendment to an existing Medicaid waiver;
- 480 (iv) applies for an extension of an application for a waiver or an existing Medicaid
481 waiver; or
- 482 (v) initiates a rate change that requires public notice under state or federal law.
- 483 (b) The report required by Subsection (3)(a) shall:
 - 484 (i) be submitted to the Social Services Appropriations Subcommittee prior to the
485 department implementing the proposed change; and
 - 486 (ii) include:
 - 487 (A) a description of the department's current practice or policy that the department is
488 proposing to change;
 - 489 (B) an explanation of why the department is proposing the change;
 - 490 (C) the proposed change in services or reimbursement, including a description of the
491 effect of the change;
 - 492 (D) the effect of an increase or decrease in services or benefits on individuals and
493 families;
 - 494 (E) the degree to which any proposed cut may result in cost-shifting to more expensive
495 services in health or human service programs; and
 - 496 (F) the fiscal impact of the proposed change, including:
 - 497 (I) the effect of the proposed change on current or future appropriations from the
498 Legislature to the department;
 - 499 (II) the effect the proposed change may have on federal matching dollars received by
500 the state Medicaid program;
 - 501 (III) any cost shifting or cost savings within the department's budget that may result
502 from the proposed change; and
 - 503 (IV) identification of the funds that will be used for the proposed change, including any
504 transfer of funds within the department's budget.
 - 505 ~~[(4) (a) The Department of Human Services shall report to the Legislative Social~~

506 ~~Services Appropriations Subcommittee no later than December 31, 2010 in accordance with~~
507 ~~Subsection (4)(b):]~~

508 ~~[(b) The report required by Subsection (4)(a) shall include:]~~

509 ~~[(i) changes made by the division or the department beginning July 1, 2010, that effect~~
510 ~~the Medicaid program, a waiver under the Medicaid program, or an interpretation of Medicaid~~
511 ~~services or funding, that relate to care for children and youth in the custody of the Division of~~
512 ~~Child and Family Services or the Division of Juvenile Justice Services;]~~

513 ~~[(ii) the history and impact of the changes under Subsection (4)(b)(i);]~~

514 ~~[(iii) the Department of Human Service's plans for addressing the impact of the~~
515 ~~changes under Subsection (4)(b)(i); and]~~

516 ~~[(iv) ways to consolidate administrative functions within the Department of Human~~
517 ~~Services, the Department of Health, the Division of Child and Family Services, and the~~
518 ~~Division of Juvenile Justice Services to more efficiently meet the needs of children and youth~~
519 ~~with mental health and substance disorder treatment needs:]~~

520 ~~[(5)] (4) Any rules adopted by the department under Subsection (2) are subject to~~
521 ~~review and reauthorization by the Legislature in accordance with Section 63G-3-502.~~

522 ~~[(6)] (5) The department may, in its discretion, contract with the Department of Human~~
523 ~~Services or other qualified agencies for services in connection with the administration of the~~
524 ~~Medicaid program, including:~~

525 ~~(a) the determination of the eligibility of individuals for the program;~~

526 ~~(b) recovery of overpayments; and~~

527 ~~(c) consistent with Section 26-20-13, and to the extent permitted by law and quality~~
528 ~~control services, enforcement of fraud and abuse laws.~~

529 ~~[(7)] (6) The department shall provide, by rule, disciplinary measures and sanctions for~~
530 ~~Medicaid providers who fail to comply with the rules and procedures of the program, provided~~
531 ~~that sanctions imposed administratively may not extend beyond:~~

532 ~~(a) termination from the program;~~

533 ~~(b) recovery of claim reimbursements incorrectly paid; and~~

534 (c) those specified in Section 1919 of Title XIX of the federal Social Security Act.

535 [~~8~~] 7 Funds collected as a result of a sanction imposed under Section 1919 of Title
536 XIX of the federal Social Security Act shall be deposited in the General Fund as dedicated
537 credits to be used by the division in accordance with the requirements of Section 1919 of Title
538 XIX of the federal Social Security Act.

539 [~~9~~] 8 (a) In determining whether an applicant or recipient is eligible for a service or
540 benefit under this part or Chapter 40, Utah Children's Health Insurance Act, the department
541 shall, if Subsection [~~9~~] 8(b) is satisfied, exclude from consideration one passenger vehicle
542 designated by the applicant or recipient.

543 (b) Before Subsection [~~9~~] 8(a) may be applied:

544 (i) the federal government shall:

545 (A) determine that Subsection [~~9~~] 8(a) may be implemented within the state's
546 existing public assistance-related waivers as of January 1, 1999;

547 (B) extend a waiver to the state permitting the implementation of Subsection [~~9~~]
548 8(a); or

549 (C) determine that the state's waivers that permit dual eligibility determinations for
550 cash assistance and Medicaid are no longer valid; and

551 (ii) the department shall determine that Subsection [~~9~~] 8(a) can be implemented
552 within existing funding.

553 [~~10~~] 9 (a) For purposes of this Subsection [~~10~~] 9:

554 (i) "aged, blind, or has a disability" means an aged, blind, or disabled individual, as
555 defined in 42 U.S.C. 1382c(a)(1); and

556 (ii) "spend down" means an amount of income in excess of the allowable income
557 standard that shall be paid in cash to the department or incurred through the medical services
558 not paid by Medicaid.

559 (b) In determining whether an applicant or recipient who is aged, blind, or has a
560 disability is eligible for a service or benefit under this chapter, the department shall use 100%
561 of the federal poverty level as:

562 (i) the allowable income standard for eligibility for services or benefits; and
563 (ii) the allowable income standard for eligibility as a result of spend down.
564 [~~(11)~~] (10) The department shall conduct internal audits of the Medicaid program.
565 [~~(12)~~] (11) In order to determine the feasibility of contracting for direct Medicaid
566 providers for primary care services, the department shall:
567 (a) issue a request for information for direct contracting for primary services that shall
568 provide that a provider shall exclusively serve all Medicaid clients:
569 (i) in a geographic area;
570 (ii) for a defined range of primary care services; and
571 (iii) for a predetermined total contracted amount; and
572 (b) by February 1, 2011, report to the Social Services Appropriations Subcommittee on
573 the response to the request for information under Subsection [~~(12)~~] (11)(a).
574 [~~(13)~~] (12) (a) By December 31, 2010, the department shall:
575 (i) determine the feasibility of implementing a three year patient-centered medical
576 home demonstration project in an area of the state using existing budget funds; and
577 (ii) report the department's findings and recommendations under Subsection [~~(13)~~]
578 (12)(a)(i) to the Social Services Appropriations Subcommittee.
579 (b) If the department determines that the medical home demonstration project
580 described in Subsection [~~(13)~~] (12)(a) is feasible, and the Social Services Appropriations
581 Subcommittee recommends that the demonstration project be implemented, the department
582 shall:
583 (i) implement the demonstration project; and
584 (ii) by December 1, 2012, make recommendations to the Social Services
585 Appropriations Subcommittee regarding the:
586 (A) continuation of the demonstration project;
587 (B) expansion of the demonstration project to other areas of the state; and
588 (C) cost savings incurred by the implementation of the demonstration project.
589 [~~(14)~~] (13) (a) The department may apply for and, if approved, implement a

590 demonstration program for health opportunity accounts, as provided for in 42 U.S.C. Sec.
591 1396u-8.

592 (b) A health opportunity account established under Subsection [~~(14)~~] (13)(a) shall be
593 an alternative to the existing benefits received by an individual eligible to receive Medicaid
594 under this chapter.

595 (c) Subsection [~~(14)~~] (13)(a) is not intended to expand the coverage of the Medicaid
596 program.

597 Section 8. Section **26-18-4** is amended to read:

598 **26-18-4. Department standards for eligibility under Medicaid -- Funds for**
599 **abortions.**

600 (1) The department may develop standards and administer policies relating to
601 eligibility under the Medicaid program as long as they are consistent with Subsection
602 26-18-3[~~(9)~~](8). An applicant receiving Medicaid assistance may be limited to particular types
603 of care or services or to payment of part or all costs of care determined to be medically
604 necessary.

605 (2) The department may not provide any funds for medical, hospital, or other medical
606 expenditures or medical services to otherwise eligible persons where the purpose of the
607 assistance is to perform an abortion, unless the life of the mother would be endangered if an
608 abortion were not performed.

609 (3) Any employee of the department who authorizes payment for an abortion contrary
610 to the provisions of this section is guilty of a class B misdemeanor and subject to forfeiture of
611 office.

612 (4) Any person or organization that, under the guise of other medical treatment,
613 provides an abortion under auspices of the Medicaid program is guilty of a third degree felony
614 and subject to forfeiture of license to practice medicine or authority to provide medical services
615 and treatment.

616 Section 9. Section **26-18-10** is amended to read:

617 **26-18-10. Utah Medical Assistance Program -- Policies and standards.**

618 (1) The division shall develop a medical assistance program, which shall be known as
619 the Utah Medical Assistance Program, for low income persons who are not eligible under the
620 state plan for Medicaid under Title XIX of the Social Security Act or Medicare under Title
621 XVIII of that act.

622 (2) Persons in the custody of prisons, jails, halfway houses, and other nonmedical
623 government institutions are not eligible for services provided under this section.

624 (3) The department shall develop standards and administer policies relating to
625 eligibility requirements, consistent with Subsection 26-18-3~~(9)~~(8), for participation in the
626 program, and for payment of medical claims for eligible persons.

627 (4) The program shall be a payor of last resort. Before assistance is rendered the
628 division shall investigate the availability of the resources of the spouse, father, mother, and
629 adult children of the person making application.

630 (5) The department shall determine what medically necessary care or services are
631 covered under the program, including duration of care, and method of payment, which may be
632 partial or in full.

633 (6) The department may not provide public assistance for medical, hospital, or other
634 medical expenditures or medical services to otherwise eligible persons where the purpose of
635 the assistance is for the performance of an abortion, unless the life of the mother would be
636 endangered if an abortion were not performed.

637 (7) The department may establish rules to carry out the provisions of this section.

638 Section 10. Section **26-18-103** is amended to read:

639 **26-18-103. DUR Board -- Responsibilities.**

640 The board shall:

641 (1) develop rules necessary to carry out its responsibilities as defined in this part;

642 (2) oversee the implementation of a Medicaid retrospective and prospective DUR
643 program in accordance with this part, including responsibility for approving provisions of
644 contractual agreements between the Medicaid program and any other entity that will process
645 and review Medicaid drug claims and profiles for the DUR program in accordance with this

646 part;

647 (3) develop and apply predetermined criteria and standards to be used in retrospective
648 and prospective DUR, ensuring that the criteria and standards are based on the compendia, and
649 that they are developed with professional input, in a consensus fashion, with provisions for
650 timely revision and assessment as necessary. The DUR standards developed by the board shall
651 reflect the local practices of physicians in order to monitor:

652 (a) therapeutic appropriateness;

653 (b) overutilization or underutilization;

654 (c) therapeutic duplication;

655 (d) drug-disease contraindications;

656 (e) drug-drug interactions;

657 (f) incorrect drug dosage or duration of drug treatment; and

658 (g) clinical abuse and misuse;

659 (4) develop, select, apply, and assess interventions and remedial strategies for
660 physicians, pharmacists, and recipients that are educational and not punitive in nature, in order
661 to improve the quality of care;

662 (5) disseminate information to physicians and pharmacists to ensure that they are aware
663 of the board's duties and powers;

664 (6) provide written, oral, or electronic reminders of patient-specific or drug-specific
665 information, designed to ensure recipient, physician, and pharmacist confidentiality, and
666 suggest changes in prescribing or dispensing practices designed to improve the quality of care;

667 (7) utilize face-to-face discussions between experts in drug therapy and the prescriber
668 or pharmacist who has been targeted for educational intervention;

669 (8) conduct intensified reviews or monitoring of selected prescribers or pharmacists;

670 (9) create an educational program using data provided through DUR to provide active
671 and ongoing educational outreach programs to improve prescribing and dispensing practices,
672 either directly or by contract with other governmental or private entities;

673 (10) provide a timely evaluation of intervention to determine if those interventions

674 have improved the quality of care;

675 (11) publish an annual report, subject to public comment prior to its issuance, and
676 submit that report to the United States Department of Health and Human Services by
677 December 1 of each year. That report shall also be submitted to [~~legislative leadership,~~] the
678 executive director, the president of the Utah Pharmaceutical Association, and the president of
679 the Utah Medical Association by December 1 of each year. The report shall include:

- 680 (a) an overview of the activities of the board and the DUR program;
- 681 (b) a description of interventions used and their effectiveness, specifying whether the
682 intervention was a result of underutilization or overutilization of drugs, without disclosing the
683 identities of individual physicians, pharmacists, or recipients;
- 684 (c) the costs of administering the DUR program;
- 685 (d) any fiscal savings resulting from the DUR program;
- 686 (e) an overview of the fiscal impact of the DUR program to other areas of the Medicaid
687 program such as hospitalization or long-term care costs;
- 688 (f) a quantifiable assessment of whether DUR has improved the recipient's quality of
689 care;
- 690 (g) a review of the total number of prescriptions, by drug therapeutic class;
- 691 (h) an assessment of the impact of educational programs or interventions on
692 prescribing or dispensing practices; and
- 693 (i) recommendations for DUR program improvement;

694 (12) develop a working agreement with related boards or agencies, including the State
695 Board of Pharmacy, Physicians' Licensing Board, and SURS staff within the division, in order
696 to clarify areas of responsibility for each, where those areas may overlap;

697 (13) establish a grievance process for physicians and pharmacists under this part, in
698 accordance with Title 63G, Chapter 4, Administrative Procedures Act;

699 (14) publish and disseminate educational information to physicians and pharmacists
700 concerning the board and the DUR program, including information regarding:

- 701 (a) identification and reduction of the frequency of patterns of fraud, abuse, gross

702 overuse, inappropriate, or medically unnecessary care among physicians, pharmacists, and
703 recipients;

704 (b) potential or actual severe or adverse reactions to drugs;

705 (c) therapeutic appropriateness;

706 (d) overutilization or underutilization;

707 (e) appropriate use of generics;

708 (f) therapeutic duplication;

709 (g) drug-disease contraindications;

710 (h) drug-drug interactions;

711 (i) incorrect drug dosage and duration of drug treatment;

712 (j) drug allergy interactions; and

713 (k) clinical abuse and misuse;

714 (15) develop and publish, with the input of the State Board of Pharmacy, guidelines
715 and standards to be used by pharmacists in counseling Medicaid recipients in accordance with
716 this part. The guidelines shall ensure that the recipient may refuse counseling and that the
717 refusal is to be documented by the pharmacist. Items to be discussed as part of that counseling
718 include:

719 (a) the name and description of the medication;

720 (b) administration, form, and duration of therapy;

721 (c) special directions and precautions for use;

722 (d) common severe side effects or interactions, and therapeutic interactions, and how to
723 avoid those occurrences;

724 (e) techniques for self-monitoring drug therapy;

725 (f) proper storage;

726 (g) prescription refill information; and

727 (h) action to be taken in the event of a missed dose; and

728 (16) establish procedures in cooperation with the State Board of Pharmacy for
729 pharmacists to record information to be collected under this part. The recorded information

730 shall include:

- 731 (a) the name, address, age, and gender of the recipient;
- 732 (b) individual history of the recipient where significant, including disease state, known
733 allergies and drug reactions, and a comprehensive list of medications and relevant devices;
- 734 (c) the pharmacist's comments on the individual's drug therapy;
- 735 (d) name of prescriber; and
- 736 (e) name of drug, dose, duration of therapy, and directions for use.

737 Section 11. Section **26-18-406** is amended to read:

738 **26-18-406. Medicaid waiver for community service pilot program.**

739 (1) For purposes of this section, "community service pilot program" is a program in
740 which the department:

- 741 (a) identifies less than 100 Medicaid recipients who are capable of providing
742 community services to others;
- 743 (b) exempts a Medicaid recipient who is not capable of providing community services
744 from the requirements of the community service pilot program;
- 745 (c) identifies community services that the department will recognize for purposes of the
746 pilot program; and
- 747 (d) requires an individual identified under Subsection (1)(a) who is receiving Medicaid
748 services to perform a certain number of hours of community service as a condition of receiving
749 Medicaid benefits.

750 (2) ~~[(a)]~~ The department shall develop a proposal to amend the state Medicaid plan to
751 include a community service pilot program.

752 ~~[(b) The department shall present the proposal for the community service pilot program~~
753 ~~to the Legislative Health and Human Services Interim Committee on or before November 30,~~
754 ~~2011.]~~

755 (3) The department shall, by January 1, 2012, apply for a Medicaid waiver with the
756 Centers for Medicare and Medicaid Services within the United States Department of Health
757 and Human Services to implement a community service pilot program within the state

758 Medicaid plan.

759 Section 12. Section **26-18-604** is amended to read:

760 **26-18-604. Division duties -- Reporting.**

761 (1) The division shall:

762 (a) develop and implement procedures relating to Medicaid funds and medical or
763 hospital assistance funds to ensure that providers do not receive:

764 (i) duplicate payments for the same goods or services;

765 (ii) payment for goods or services by resubmitting a claim for which:

766 (A) payment has been disallowed on the grounds that payment would be a violation of
767 federal or state law, administrative rule, or the state plan; and

768 (B) the decision to disallow the payment has become final;

769 (iii) payment for goods or services provided after a recipient's death, including payment
770 for pharmaceuticals or long-term care; or

771 (iv) payment for transporting an unborn infant;

772 (b) consult with the Centers for Medicaid and Medicare Services, other states, and the
773 Office of Inspector General for Medicaid Services, if one is created by statute, to determine and
774 implement best practices for discovering and eliminating fraud, waste, and abuse of Medicaid
775 funds and medical or hospital assistance funds;

776 (c) actively seek repayment from providers for improperly used or paid:

777 (i) Medicaid funds; and

778 (ii) medical or hospital assistance funds;

779 (d) coordinate, track, and keep records of all division efforts to obtain repayment of the
780 funds described in Subsection (1)(c), and the results of those efforts;

781 (e) keep Medicaid pharmaceutical costs as low as possible by actively seeking to obtain
782 pharmaceuticals at the lowest price possible, including, on a quarterly basis for the
783 pharmaceuticals that represent the highest 45% of state Medicaid expenditures for
784 pharmaceuticals and on an annual basis for the remaining pharmaceuticals:

785 (i) tracking changes in the price of pharmaceuticals;

- 786 (ii) checking the availability and price of generic drugs;
- 787 (iii) reviewing and updating the state's maximum allowable cost list; and
- 788 (iv) comparing pharmaceutical costs of the state Medicaid program to available
- 789 pharmacy price lists; and
- 790 (f) provide training, on an annual basis, to the employees of the division who make
- 791 decisions on billing codes, or who are in the best position to observe and identify upcoding, in
- 792 order to avoid and detect upcoding.

793 ~~[(2) At the October 2011 interim meeting of the Health and Human Services Interim~~
 794 ~~Committee, the division shall report on the measures taken by the division to correct the~~
 795 ~~problems identified in, and to implement the recommendations made in, the December 2010~~
 796 ~~Performance Audit of Utah Medicaid Provider Cost Control published by the Office of~~
 797 ~~Legislative Auditor General.]~~

798 ~~[(3) Beginning in 2012, the division shall annually, before September 1, report to and~~
 799 ~~provide the Health and Human Services Interim Committee with information, including~~
 800 ~~statistical information, for the preceding fiscal year, regarding:]~~

801 (2) Each year, the division shall report the following to the Social Services
 802 Appropriations Subcommittee:

- 803 (a) incidents of improperly used or paid Medicaid funds and medical or hospital
- 804 assistance funds;
- 805 (b) division efforts to obtain repayment from providers of the funds described in
- 806 Subsection ~~[(3)]~~ (2)(a);
- 807 (c) all repayments made of funds described in Subsection ~~[(3)]~~ (2)(a), including the
- 808 total amount recovered; and
- 809 (d) the division's compliance with the recommendations made in the December 2010
- 810 Performance Audit of Utah Medicaid Provider Cost Control published by the Office of
- 811 Legislative Auditor General.

812 Section 13. Section **26-18a-3** is amended to read:

813 **26-18a-3. Purpose of committee.**

814 (1) The committee shall work to:
815 (a) provide financial assistance for initial medical expenses of children who need organ
816 transplants;
817 (b) obtain the assistance of volunteer and public service organizations; and
818 (c) fund activities as the committee designates for the purpose of educating the public
819 about the need for organ donors.

820 (2) (a) The committee is responsible for awarding financial assistance funded by the
821 restricted account.

822 (b) The financial assistance awarded by the committee under Subsection (1)(a) shall be
823 in the form of interest free loans. The committee may establish terms for repayment of the
824 loans, including a waiver of the requirement to repay any awards if, in the committee's
825 judgment, repayment of the loan would impose an undue financial burden on the recipient.

826 (c) In making financial awards under Subsection (1)(a), the committee shall consider:
827 (i) need;
828 (ii) coordination with or enhancement of existing services or financial assistance,
829 including availability of insurance or other state aid;
830 (iii) the success rate of the particular organ transplant procedure needed by the child;
831 and
832 (iv) the extent of the threat to the child's life without the organ transplant.

833 (3) The committee may only provide the assistance described in this section to children
834 who have resided in Utah, or whose legal guardians have resided in Utah for at least six months
835 prior to the date of assistance under this section.

836 (4) (a) The committee may expend up to 5% of its annual appropriation for
837 administrative costs associated with the allocation of funds from the restricted account.

838 (b) The administrative costs shall be used for the costs associated with staffing the
839 committee and for State Tax Commission costs in implementing Section 59-10-1308.

840 ~~[(5) The committee shall make an annual report to the Social Services Appropriations~~
841 ~~Subcommittee regarding the programs and services funded by contributions to the restricted~~

842 account.]

843 Section 14. Section **26-18b-101** is amended to read:

844 **26-18b-101. Organ Donation Contribution Fund created.**

845 (1) (a) There is created a restricted special revenue fund known as the Organ Donation
846 Contribution Fund.

847 (b) The Organ Donation Contribution Fund shall consist of:

848 (i) private contributions;

849 (ii) donations or grants from public or private entities;

850 (iii) voluntary donations collected under Sections 41-1a-230.5 and 53-3-214.7; and

851 (iv) interest and earnings on fund money.

852 (c) The cost of administering the Organ Donation Contribution Fund shall be paid from
853 money in the fund.

854 (2) The Department of Health shall:

855 (a) administer the funds deposited in the Organ Donation Contribution Fund; and

856 (b) select qualified organizations and distribute the funds in the Organ Donation
857 Contribution Fund in accordance with Subsection (3)~~;~~and].

858 ~~[(c) make an annual report on the fund to the Social Services Appropriations~~
859 ~~Subcommittee.]~~

860 (3) (a) The funds in the Organ Donation Contribution Fund may be distributed to a
861 selected organization that:

862 (i) promotes and supports organ donation;

863 (ii) assists in maintaining and operating a statewide organ donation registry; and

864 (iii) provides donor awareness education.

865 (b) An organization that meets the criteria of Subsections (3)(a)(i) through (iii) may
866 apply to the Department of Health, in a manner prescribed by the department, to receive a
867 portion of the money contained in the Organ Donation Contribution Fund.

868 Section 15. Section **26-33a-104** is amended to read:

869 **26-33a-104. Purpose, powers, and duties of the committee.**

870 (1) The purpose of the committee is to direct a statewide effort to collect, analyze, and
871 distribute health care data to facilitate the promotion and accessibility of quality and
872 cost-effective health care and also to facilitate interaction among those with concern for health
873 care issues.

874 (2) The committee shall:

875 (a) develop and adopt by rule, following public hearing and comment, a health data
876 plan that shall among its elements:

877 (i) identify the key health care issues, questions, and problems amenable to resolution
878 or improvement through better data, more extensive or careful analysis, or improved
879 dissemination of health data;

880 (ii) document existing health data activities in the state to collect, organize, or make
881 available types of data pertinent to the needs identified in Subsection (2)(a)(i);

882 (iii) describe and prioritize the actions suitable for the committee to take in response to
883 the needs identified in Subsection (2)(a)(i) in order to obtain or to facilitate the obtaining of
884 needed data, and to encourage improvements in existing data collection, interpretation, and
885 reporting activities, and indicate how those actions relate to the activities identified under
886 Subsection (2)(a)(ii);

887 (iv) detail the types of data needed for the committee's work, the intended data
888 suppliers, and the form in which such data are to be supplied, noting the consideration given to
889 the potential alternative sources and forms of such data and to the estimated cost to the
890 individual suppliers as well as to the department of acquiring these data in the proposed
891 manner; the plan shall reasonably demonstrate that the committee has attempted to maximize
892 cost-effectiveness in the data acquisition approaches selected;

893 (v) describe the types and methods of validation to be performed to assure data validity
894 and reliability;

895 (vi) explain the intended uses of and expected benefits to be derived from the data
896 specified in Subsection (2)(a)(iv), including the contemplated tabulation formats and analysis
897 methods; the benefits described shall demonstrably relate to one or more of the following:

898 (A) promoting quality health care;
899 (B) managing health care costs; or
900 (C) improving access to health care services;
901 (vii) describe the expected processes for interpretation and analysis of the data flowing
902 to the committee; noting specifically the types of expertise and participation to be sought in
903 those processes; and
904 (viii) describe the types of reports to be made available by the committee and the
905 intended audiences and uses;
906 (b) have the authority to collect, validate, analyze, and present health data in
907 accordance with the plan while protecting individual privacy through the use of a control
908 number as the health data identifier;
909 (c) evaluate existing identification coding methods and, if necessary, require by rule
910 that health data suppliers use a uniform system for identification of patients, health care
911 facilities, and health care providers on health data they submit under this chapter; and
912 ~~[(d) report biennially to the governor and the Legislature on how the committee is~~
913 ~~meeting its responsibilities under this chapter; and]~~
914 ~~[(e)]~~ (d) advise, consult, contract, and cooperate with any corporation, association, or
915 other entity for the collection, analysis, processing, or reporting of health data identified by
916 control number only in accordance with the plan.
917 (3) The committee may adopt rules to carry out the provisions of this chapter in
918 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
919 (4) Except for data collection, analysis, and validation functions described in this
920 section, nothing in this chapter shall be construed to authorize or permit the committee to
921 perform regulatory functions which are delegated by law to other agencies of the state or
922 federal governments or to perform quality assurance or medical record audit functions that
923 health care facilities, health care providers, or third party payors are required to conduct to
924 comply with federal or state law. The committee may not recommend or determine whether a
925 health care provider, health care facility, third party payor, or self-funded employer is in

926 compliance with federal or state laws including federal or state licensure, insurance,
927 reimbursement, tax, malpractice, or quality assurance statutes or common law.

928 (5) Nothing in this chapter shall be construed to require a data supplier to supply health
929 data identifying a patient by name or describing detail on a patient beyond that needed to
930 achieve the approved purposes included in the plan.

931 (6) No request for health data shall be made of health care providers and other data
932 suppliers until a plan for the use of such health data has been adopted.

933 (7) If a proposed request for health data imposes unreasonable costs on a data supplier,
934 due consideration shall be given by the committee to altering the request. If the request is not
935 altered, the committee shall pay the costs incurred by the data supplier associated with
936 satisfying the request that are demonstrated by the data supplier to be unreasonable.

937 (8) After a plan is adopted as provided in Section 26-33a-106.1, the committee may
938 require any data supplier to submit fee schedules, maximum allowable costs, area prevailing
939 costs, terms of contracts, discounts, fixed reimbursement arrangements, capitations, or other
940 specific arrangements for reimbursement to a health care provider.

941 (9) The committee may not publish any health data collected under Subsection (8) that
942 would disclose specific terms of contracts, discounts, or fixed reimbursement arrangements, or
943 other specific reimbursement arrangements between an individual provider and a specific
944 payer.

945 (10) Nothing in Subsection (8) shall prevent the committee from requiring the
946 submission of health data on the reimbursements actually made to health care providers from
947 any source of payment, including consumers.

948 Section 16. Section **26-40-103** is amended to read:

949 **26-40-103. Creation and administration of the Utah Children's Health Insurance**
950 **Program.**

951 (1) There is created the Utah Children's Health Insurance Program to be administered
952 by the department in accordance with the provisions of:

953 (a) this chapter; and

954 (b) the State Children's Health Insurance Program, 42 U.S.C. Sec. 1397aa et seq.

955 (2) The department shall:

956 (a) prepare and submit the state's children's health insurance plan before May 1, 1998,
957 and any amendments to the federal Department of Health and Human Services in accordance
958 with 42 U.S.C. Sec. 1397ff; and

959 (b) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
960 Rulemaking Act regarding:

961 (i) eligibility requirements consistent with Subsection 26-18-3~~(9)~~(8);

962 (ii) program benefits;

963 (iii) the level of coverage for each program benefit;

964 (iv) cost-sharing requirements for enrollees, which may not:

965 (A) exceed the guidelines set forth in 42 U.S.C. Sec. 1397ee; or

966 (B) impose deductible, copayment, or coinsurance requirements on an enrollee for
967 well-child, well-baby, and immunizations;

968 (v) the administration of the program; and

969 (vi) a requirement that:

970 (A) enrollees in the program shall participate in the electronic exchange of clinical
971 health records established in accordance with Section 26-1-37 unless the enrollee opts out of
972 participation;

973 (B) prior to enrollment in the electronic exchange of clinical health records the enrollee
974 shall receive notice of the enrollment in the electronic exchange of clinical health records and
975 the right to opt out of participation at any time; and

976 (C) beginning July 1, 2012, when the program sends enrollment or renewal information
977 to the enrollee and when the enrollee logs onto the program's website, the enrollee shall receive
978 notice of the right to opt out of the electronic exchange of clinical health records.

979 Section 17. Section **26-40-109** is amended to read:

980 **26-40-109. Evaluation.**

981 ~~(1)~~ The department shall develop performance measures and annually evaluate the

982 program's performance.

983 ~~[(2) The department shall report annually on its evaluation to the Health and Human~~
984 ~~Services Interim Committee of the Legislature before November 1.]~~

985 Section 18. Section **26-47-102** is amended to read:

986 **26-47-102. Prescription Drug Assistance Program.**

987 (1) No later than October 1, 2003, the department shall implement a Prescription Drug
988 Assistance Program. The program shall assist persons seeking information about how to obtain
989 prescription drugs at a reduced price or no cost. The program shall:

990 (a) collect eligibility and enrollment information about programs that make
991 prescription drugs available to consumers at a reduced price or no cost;

992 (b) provide information collected under Subsection (1)(a) to consumers upon request
993 via a toll-free phone line, the Internet, and mail;

994 (c) inform pharmacists and other health care providers of the Prescription Drug
995 Assistance Program; and

996 (d) assist consumers in completing applications to participate in programs identified
997 under Subsection (1)(a).

998 (2) Any pharmaceutical manufacturer, distributor, or wholesaler operating in the state
999 shall:

1000 (a) notify the department of any program operated by it to provide prescription drugs to
1001 consumers at a reduced price or no cost; and

1002 (b) provide the department with information about eligibility, enrollment, and benefits.

1003 (3) Pharmacies, as defined in Title 58, Chapter 17b, Pharmacy Practice Act, shall
1004 notify their patients of the Prescription Drug Assistance Program. This notification shall
1005 include displaying the program's toll-free number, and may include distributing a brochure or
1006 oral communication.

1007 (4) The department may accept grants, gifts, and donations of money or property for
1008 use by the Prescription Drug Assistance Program.

1009 ~~[(5) The department shall report to the Health and Human Services Interim Committee~~

1010 ~~and the Social Services Appropriations Subcommittee on the performance of the Prescription~~
1011 ~~Drug Assistance Program prior to the 2004 and 2005 Annual General Sessions of the~~
1012 ~~Legislature.]~~

1013 Section 19. Section **26-47-103** is amended to read:

1014 **26-47-103. Department to award grants for assistance to persons with bleeding**
1015 **disorders.**

1016 (1) For purposes of this section:

1017 (a) "Hemophilia services" means a program for medical care, including the costs of
1018 blood transfusions, and the use of blood derivatives and blood clotting factors.

1019 (b) "Person with a bleeding disorder" means a person:

1020 (i) who is medically diagnosed with hemophilia or a bleeding disorder;

1021 (ii) who is not eligible for Medicaid or the Children's Health Insurance Program; and

1022 (iii) who has either:

1023 (A) insurance coverage that excludes coverage for hemophilia services;

1024 (B) exceeded the person's insurance plan's annual maximum benefits;

1025 (C) exceeded the person's annual or lifetime maximum benefits payable under Title
1026 31A, Chapter 29, Comprehensive Health Insurance Pool Act; or

1027 (D) insurance coverage available under either private health insurance, Title 31A,
1028 Chapter 29, Comprehensive Health Insurance Pool Act, Utah mini COBRA coverage under
1029 Section 31A-22-722, or federal COBRA coverage, but the premiums for that coverage are
1030 greater than a percentage of the person's annual adjusted gross income as established by the
1031 department by administrative rule.

1032 (2) (a) Within appropriations specified by the Legislature for this purpose, the
1033 department shall make grants to public and nonprofit entities who assist persons with bleeding
1034 disorders with the cost of obtaining hemophilia services or the cost of insurance premiums for
1035 coverage of hemophilia services.

1036 (b) Applicants for grants under this section:

1037 (i) shall be submitted to the department in writing; and

- 1038 (ii) shall comply with Subsection (3).
- 1039 (3) Applications for grants under this section shall include:
- 1040 (a) a statement of specific, measurable objectives, and the methods to be used to assess
- 1041 the achievement of those objectives;
- 1042 (b) a description of the personnel responsible for carrying out the activities of the grant
- 1043 along with a statement justifying the use of any grant funds for the personnel;
- 1044 (c) letters and other forms of evidence showing that efforts have been made to secure
- 1045 financial and professional assistance and support for the services to be provided under the
- 1046 grant;
- 1047 (d) a list of services to be provided by the applicant;
- 1048 (e) the schedule of fees to be charged by the applicant; and
- 1049 (f) other provisions as determined by the department.
- 1050 (4) The department may accept grants, gifts, and donations of money or property for
- 1051 use by the grant program.
- 1052 (5) ~~[(a)]~~ The department shall establish rules in accordance with Title 63G, Chapter 3,
- 1053 Utah Administrative Rulemaking Act, governing the application form, process, and criteria it
- 1054 will use in awarding grants under this section.
- 1055 ~~[(b) The department shall submit an annual report on the implementation of the grant~~
- 1056 ~~program.]~~
- 1057 ~~[(i) by no later than November 1; and]~~
- 1058 ~~[(ii) to the Health and Human Services Interim Committee and the Social Services~~
- 1059 ~~Appropriations Subcommittee.]~~
- 1060 Section 20. Section **31A-22-626** is amended to read:
- 1061 **31A-22-626. Coverage of diabetes.**
- 1062 (1) As used in this section, "diabetes" includes individuals with:
- 1063 (a) complete insulin deficiency or type 1 diabetes;
- 1064 (b) insulin resistant with partial insulin deficiency or type 2 diabetes; and
- 1065 (c) elevated blood glucose levels induced by pregnancy or gestational diabetes.

1066 (2) The commissioner shall establish, by rule, minimum standards of coverage for
1067 diabetes for accident and health insurance policies that provide a health insurance benefit
1068 before July 1, 2000.

1069 (3) In making rules under Subsection (2), the commissioner shall require rules:

1070 (a) with durational limits, amount limits, deductibles, and coinsurance for the treatment
1071 of diabetes equitable or identical to coverage provided for the treatment of other illnesses or
1072 diseases; and

1073 (b) that provide coverage for:

1074 (i) diabetes self-management training and patient management, including medical
1075 nutrition therapy as defined by rule, provided by an accredited or certified program and referred
1076 by an attending physician within the plan and consistent with the health plan provisions for
1077 self-management education:

1078 (A) recognized by the federal Health Care Financing Administration; or

1079 (B) certified by the Department of Health; and

1080 (ii) the following equipment, supplies, and appliances to treat diabetes when medically
1081 necessary:

1082 (A) blood glucose monitors, including those for the legally blind;

1083 (B) test strips for blood glucose monitors;

1084 (C) visual reading urine and ketone strips;

1085 (D) lancets and lancet devices;

1086 (E) insulin;

1087 (F) injection aides, including those adaptable to meet the needs of the legally blind, and
1088 infusion delivery systems;

1089 (G) syringes;

1090 (H) prescriptive oral agents for controlling blood glucose levels; and

1091 (I) glucagon kits.

1092 ~~[(4) (a) Before October 1, 2003, the commissioner shall report to the Health and~~
1093 ~~Human Services Interim Committee on the effects of Section 31A-22-626. The report shall be~~

1094 ~~based on three years of data and shall include, to the extent possible:]~~

1095 ~~[(i) a review of the rules established under Subsection (3);]~~

1096 ~~[(ii) the change in availability of coverage resulting from this section;]~~

1097 ~~[(iii) the extent to which persons have been benefitted by the provisions of this section;~~

1098 ~~and]~~

1099 ~~[(iv) the impact of this section on premiums.]~~

1100 ~~[(b) The Legislature shall consider the results of the report under Subsection (4)(a)~~

1101 ~~when determining whether to reauthorize the provisions of this section.]~~

1102 Section 21. Section **31A-22-633** is amended to read:

1103 **31A-22-633. Exemptions from standards.**

1104 Notwithstanding the provisions of Title 31A, Insurance Code, any accident and health
1105 insurer or health maintenance organization may offer a choice of coverage that is less or
1106 different than is otherwise required by applicable state law if:

1107 (1) the Department of Health offers a choice of coverage as part of a Medicaid waiver
1108 under Title 26, Chapter 18, Medical Assistance Act, which includes:

1109 (a) less or different coverage than the basic coverage;

1110 (b) less or different coverage than is otherwise required in an insurance policy or health
1111 maintenance organization contract under applicable state law; or

1112 (c) less or different coverage than required by Subsection 31A-22-605(4)(b); and

1113 (2) the choice of coverage offered by the carrier:

1114 (a) is the same or similar coverage as the coverage offered by the Department of Health
1115 under Subsection (1);

1116 (b) is offered to the same or similar population as the coverage offered by the
1117 Department of Health under Subsection (1); and

1118 (c) contains an explanation for each insured of coverage exclusions and limitations[;].

1119 ~~[(3) the commissioner and the executive director of the Department of Health shall~~

1120 ~~report to the Health and Human Services Interim Committee prior to November 15 of each year~~
1121 ~~concerning:]~~

1122 ~~[(a) the number of lives covered under any policy offered under the provisions of this~~
1123 ~~section or under the Medicaid waiver described in Subsection (1);]~~

1124 ~~[(b) the claims experienced under the policies or Medicaid programs described in~~
1125 ~~Subsection (3)(a);]~~

1126 ~~[(c) any cost shifting to the private sector for care not covered under the programs or~~
1127 ~~policies described in Subsection (3)(a); and]~~

1128 ~~[(d) efforts or agreements between the Department of Health, the commissioner,~~
1129 ~~insurers regulated under this chapter, and health care providers regarding combining publicly~~
1130 ~~funded coverage with private, employer-based coverage to increase benefits and health care~~
1131 ~~coverage.]~~

1132 Section 22. Section **35A-3-207** is amended to read:

1133 **35A-3-207. Community-based prevention programs.**

1134 (1) As used in this section:

1135 (a) "political subdivision" means a town, city, county, or school district;

1136 (b) "qualified sponsor" means a:

1137 (i) political subdivision;

1138 (ii) community nonprofit, religious, or charitable organization;

1139 (iii) regional or statewide nonprofit organization; or

1140 (iv) private for profit or nonprofit child care organization with experience and expertise
1141 in operating community-based prevention programs described in Subsection (2) and that are
1142 licensed under Title 62A, Chapter 2, Licensure of Programs and Facilities.

1143 (2) Within appropriations from the Legislature, the department may provide grants to
1144 qualified sponsors for community-based prevention programs that:

1145 (a) support parents in their primary care giving role to children;

1146 (b) provide positive alternatives to idleness for school-aged children when school is not
1147 in session; and

1148 (c) support other community-based prevention programs.

1149 (3) In awarding grants under this section, the department shall:

- 1150 (a) request proposals for funding from potential qualified sponsors; and
- 1151 (b) comply with the requirements of Subsection (4).
- 1152 (4) In awarding these grants, the department shall ensure that each dollar of funds from
- 1153 political subdivisions or private funds is matched for each dollar received from the department.
- 1154 The value of in-kind contributions such as materials, supplies, paid labor, volunteer labor, and
- 1155 the incremental increase in building maintenance and operation expenses incurred attributable
- 1156 to the prevention program may be considered in meeting this match requirement.
- 1157 (5) In awarding a grant under this section, the department shall consider:
- 1158 (a) the cash portion of the proposed match in relation to the financial resources of the
- 1159 qualified sponsor; and
- 1160 (b) the extent to which the qualified sponsor has:
- 1161 (i) consulted and collaborated with parents of children who are likely to participate,
- 1162 local parent-teacher organizations, and other parent organizations~~[, and the appropriate local~~
- 1163 ~~interagency council established under Section 63M-9-301];~~
- 1164 (ii) identified at risk factors that will be ameliorated through the proposed prevention
- 1165 program;
- 1166 (iii) identified protective factors and developmental assets that will be supported and
- 1167 strengthened through the proposed prevention program; and
- 1168 (iv) the financial support of parents and the organizations specified in Subsection
- 1169 (5)(b)(i).
- 1170 (6) At least 50 percent of the grants awarded under this section shall be awarded to
- 1171 organizations described in Subsection (1)(b)(iv).
- 1172 (7) No federal funds shall be used as matching funds under this act.
- 1173 Section 23. Section **51-9-201** is amended to read:
- 1174 **51-9-201. Creation of Tobacco Settlement Restricted Account.**
- 1175 (1) There is created within the General Fund a restricted account known as the
- 1176 "Tobacco Settlement Restricted Account."
- 1177 (2) The account shall earn interest.

1178 (3) The account shall consist of:
1179 (a) on and after July 1, 2007, 60% of all funds of every kind that are received by the
1180 state that are related to the settlement agreement that the state entered into with leading tobacco
1181 manufacturers on November 23, 1998; and
1182 (b) interest earned on the account.
1183 (4) To the extent that funds will be available for appropriation in a given fiscal year,
1184 those funds shall be appropriated from the account in the following order:
1185 (a) \$66,600 to the Office of the Attorney General for ongoing enforcement and defense
1186 of the Tobacco Settlement Agreement;
1187 (b) \$18,500 to the State Tax Commission for ongoing enforcement of business
1188 compliance with the Tobacco Tax Settlement Agreement;
1189 (c) \$10,452,900 to the Department of Health for the Children's Health Insurance
1190 Program created in Section 26-40-103 and for restoration of dental benefits in the Children's
1191 Health Insurance Program;
1192 (d) \$3,847,100 to the Department of Health for alcohol, tobacco, and other drug
1193 prevention, reduction, cessation, and control programs that promote unified messages and
1194 make use of media outlets, including radio, newspaper, billboards, and television, and with a
1195 preference in funding given to tobacco-related programs;
1196 (e) \$193,700 to the Administrative Office of the Courts and \$2,325,400 to the
1197 Department of Human Services for the statewide expansion of the drug court program;
1198 (f) \$4,000,000 to the State Board of Regents for the University of Utah Health Sciences
1199 Center to benefit the health and well-being of Utah citizens through in-state research,
1200 treatment, and educational activities; and
1201 (g) any remaining funds as directed by the Legislature through appropriation.
1202 [~~(5) Each state agency identified in Subsection (4) shall provide an annual report on the~~
1203 ~~program and activities funded under Subsection (4) to:]~~
1204 [~~(a) the Health and Human Services Interim Committee no later than September 1;~~
1205 ~~and]~~

1206 [~~(b) the Social Services Appropriations Subcommittee.~~]

1207 Section 24. Section **53A-15-205** is amended to read:

1208 **53A-15-205. Disability Determination Services Advisory Council -- Membership**
1209 **-- Duties -- Requirements for DDDS.**

1210 (1) As used in this section, "council" means the Disability Determination Services
1211 Advisory Council created in Subsection (2).

1212 (2) There is created the Disability Determination Services Advisory Council to act as
1213 an advisory council to the State Board of Education regarding the Division of Disability
1214 Determination Services (DDDS) established under Chapter 24, Part 5, Division of Disability
1215 Determination Services.

1216 (3) The council is composed of the following members:

1217 (a) the administrator of DDDS;

1218 (b) a representative of the United States Department of Health and Human Services,
1219 Social Security Administration, appointed by the board; and

1220 (c) nine persons, appointed by the board in accordance with Subsections (5) and (6),
1221 who represent a cross section of:

1222 (i) persons with disabilities;

1223 (ii) advocates for persons with disabilities;

1224 (iii) health care providers;

1225 (iv) representatives of allied state and local agencies; and

1226 (v) representatives of the general public.

1227 (4) The members appointed under Subsections (3)(a) and (3)(b) serve as nonvoting
1228 members of the council.

1229 (5) In appointing the members described in Subsection (3)(c), the board shall:

1230 (a) solicit nominations from organizations and agencies that represent the interests of
1231 members described in that subsection; and

1232 (b) make every effort to create a balance in terms of geography, sex, race, ethnicity,
1233 and type of both mental and physical disabilities.

1234 (6) (a) In making initial appointments of members described in Subsection (3)(c), the
1235 board shall appoint three members for two-year terms, three members for four-year terms, and
1236 three members for six-year terms. All subsequent appointments are for four years.

1237 (b) The board shall fill any vacancy that occurs on the council for any reason by
1238 appointing a person for the unexpired term of the vacated member.

1239 (c) Council members are eligible for one reappointment and serve until their successors
1240 are appointed.

1241 (7) Five voting members of the council constitute a quorum. The action of a majority
1242 of a quorum represents the action of the council.

1243 (8) Members of the council serve without compensation but may be reimbursed for
1244 expenses incurred in the performance of their official duties.

1245 (9) (a) The council shall annually elect a chairperson from among the membership
1246 described, and shall adopt bylaws governing its activities.

1247 (b) The chairperson shall set the meeting agenda.

1248 (10) The council shall:

1249 (a) advise DDDS and the Social Security Administration regarding its practices and
1250 policies on the determination of claims for Social Security disability benefits;

1251 (b) participate in the development of new internal practices and procedures of DDDS
1252 and policies of the Social Security Administration regarding the evaluation of disability claims;

1253 (c) recommend changes to practices and policies to ensure that DDDS is responsive to
1254 individuals with a disability;

1255 (d) review the DDDS budget to ensure that it is adequate to effectively evaluate
1256 disability claims and to meet the needs of persons with disabilities who have claims pending
1257 with DDDS; and

1258 (e) review and recommend changes to policies and practices of allied state and federal
1259 agencies, health care providers, and private community organizations.

1260 (11) The council shall annually report to the board[, the governor, and the Legislative
1261 Health and Human Services Interim Committee] regarding its activities.

1262 (12) (a) To assist the council in its duties, DDDS shall provide the necessary staff
1263 assistance to enable the council to make timely and effective recommendations.

1264 (b) Staff assistance may include:

1265 (i) distributing meeting agendas;

1266 (ii) advising the chairpersons of the council regarding relevant items for council
1267 discussion; and

1268 (iii) providing reports, documents, budgets, memorandums, statutes, and regulations
1269 regarding the management of DDDS.

1270 (c) Staff assistance shall include maintaining minutes.

1271 Section 25. Section **58-37f-801** is amended to read:

1272 **58-37f-801. Pilot program for real-time reporting for controlled substance**
1273 **database -- Statewide implementation.**

1274 (1) As used in this section:

1275 (a) "Pilot area" means the areas of the state that the division determines to operate the
1276 pilot program in, under Subsection (3), which may include:

1277 (i) the entire state; or

1278 (ii) geographical areas within the state.

1279 (b) "Pilot program" means the pilot program described in this section.

1280 (2) There is established a pilot program for real-time reporting of data to, and access to
1281 data from, the database by a pharmacy, a pharmaceutical facility, or a prescribing practitioner
1282 beginning on July 1, 2010, and ending on July 1, 2012.

1283 (3) In addition to fulfilling the requirements relating to the database on a statewide
1284 basis, the division shall, in accordance with Subsection (4), upgrade, administer, and direct the
1285 functioning of the database in geographical areas specified by the division, or on a statewide
1286 basis, in a manner that provides for real-time reporting of information entered into, and
1287 accessed from, the database by a pharmacy or pharmaceutical facility.

1288 (4) The division shall, under state procurement laws, and with the technical assistance
1289 of the Department of Technology Services, contract with a private entity to upgrade, operate,

1290 and maintain the database in the pilot area.

1291 (5) (a) All provisions and requirements of the statewide database, described in the
1292 other parts of this chapter, are applicable to the database in the pilot area, to the extent that they
1293 do not conflict with the requirements of this section.

1294 (b) For purposes of the other parts of this chapter, and this section, the database in the
1295 pilot area is considered part of the statewide database.

1296 (6) A pharmacy or pharmaceutical facility shall cooperate with the division, or the
1297 division's designee, to provide real-time submission of, and access to, information for the
1298 database:

1299 (a) in the pilot area; and

1300 (b) when the division implements the pilot program as a permanent program under
1301 Subsection ~~[(10)]~~ (9), on a statewide basis.

1302 (7) The penalties and enforcement provisions described in the other parts of this
1303 chapter apply to enforce the provisions of this section in relation to a pharmacy or
1304 pharmaceutical facility that is located in, or operates in, the pilot area.

1305 (8) The division may make rules, in accordance with Title 63G, Chapter 3, Utah
1306 Administrative Rulemaking Act, to provide for the real-time reporting of, and access to,
1307 information in accordance with the requirements of this section.

1308 ~~[(9) During the Legislature's 2009 interim, the division shall report to the Health and
1309 Human Services Interim Committee regarding:]~~

1310 ~~[(a) the implementation, operation, and impact of the pilot program established in this
1311 section;]~~

1312 ~~[(b) the progress made by the division in implementing the pilot program on a
1313 statewide basis;]~~

1314 ~~[(c) the advisability of, and projected costs of, implementing the pilot program on a
1315 statewide basis; and]~~

1316 ~~[(d) the use of the database by prescribing practitioners.]~~

1317 ~~[(10)]~~ (9) The division shall, on or before July 1, 2012, implement the pilot program as

1318 a permanent program on a statewide basis.

1319 ~~[(11)]~~ (10) (a) The division shall, through the private entity contracted with under
1320 Subsection (4), provide, free of charge, to a pharmacy or pharmaceutical facility that is required
1321 to comply with Subsection (6), software, software installation assistance, and training, that will
1322 enable the pharmacy or pharmaceutical facility to comply with Subsection (6).

1323 (b) Notwithstanding Subsection ~~[(11)]~~ (10)(a), a pharmacy or pharmaceutical facility
1324 required to comply with Subsection (6) may, instead of accepting installation of the software
1325 provided by the division under Subsection ~~[(11)]~~ (10)(a), modify its own software in order to
1326 comply with the requirements of Subsection (6), if the modification is made:

1327 (i) except as provided in Subsection ~~[(11)]~~ (10)(d), at the expense of the pharmacy or
1328 pharmaceutical facility;

1329 (ii) in consultation with the division; and

1330 (iii) within six months after the division notifies the pharmacy or pharmaceutical
1331 facility, in writing, of the division's intention to install the software described in Subsection
1332 ~~[(11)]~~ (10)(a).

1333 (c) The division shall, through the private entity contracted with under Subsection (4),
1334 cooperate with a pharmacy or pharmaceutical facility that is required to comply with
1335 Subsection (6), to ensure that the installation and operation of the software described in
1336 Subsection ~~[(11)]~~ (10)(a), or the provision of information from the pharmacy or pharmaceutical
1337 facility to the database:

1338 (i) complies with the security standards described in 45 C.F.R. Parts 160, 162, and 164,
1339 Health Insurance Reform: Security Standards;

1340 (ii) does not interfere with the proper functioning of the pharmacy's or pharmaceutical
1341 facility's software or computer system; and

1342 (iii) in order to minimize changes in existing protocols, provides, to the extent
1343 practicable, for the transmission of data in the same manner that pharmacies currently transmit
1344 information to insurance companies.

1345 (d) The division may, within funds appropriated by the Legislature for this purpose,

1346 reimburse a pharmacy for all or part of the costs of the in-house programing described in
1347 Subsection [~~(11)~~] (10)(b), if:

- 1348 (i) the pharmacy requests the reimbursement, in writing;
- 1349 (ii) the pharmacy provides proof of the costs for the in-house programming to the
1350 division;

1351 (iii) the pharmacy requests the reimbursement prior to a deadline established by the
1352 division; and

1353 (iv) except as provided in Subsection [~~(11)~~] (10)(e), the division pays an equal
1354 reimbursement amount to each pharmacy that complies with Subsections [~~(11)~~] (10)(d)(i)
1355 through (iii).

1356 (e) The division may reimburse a pharmacy described in Subsection [~~(11)~~] (10)(d)(iv)
1357 for an amount that is less than the reimbursement paid to other pharmacies described in
1358 Subsection [~~(11)~~] (10)(d)(iv), if:

1359 (i) the proof of costs for in-house programming provided by the pharmacy establishes a
1360 cost less than the amount reimbursed to the other pharmacies; and

1361 (ii) the amount reimbursed to the pharmacy is equal to the amount established by the
1362 proof of costs for in-house programming submitted by the pharmacy.

1363 (f) Notwithstanding any other provision of this section, the division may, by rule, allow
1364 up to 24 hours for the reporting of data to the database by a non-resident pharmacy, as defined
1365 in Section 58-17b-102.

1366 Section 26. Section **58-77-201** is amended to read:

1367 **58-77-201. Board.**

1368 (1) There is created the Licensed Direct-entry Midwife Board consisting of:

- 1369 (a) four licensed Direct-entry midwives; and
- 1370 (b) one member of the general public.

1371 (2) The board shall be appointed and serve in accordance with Section 58-1-201.

1372 (3) (a) The duties and responsibilities of the board shall be in accordance with Sections
1373 58-1-202 and 58-1-203.

1374 (b) The board shall designate one of its members on a permanent or rotating basis to:

1375 (i) assist the division in reviewing complaints concerning the unlawful or
1376 unprofessional conduct of a licensed Direct-entry midwife; and

1377 (ii) advise the division in its investigation of these complaints.

1378 [~~(c) (i) For the years 2006 through 2011, the board shall present an annual report to the
1379 Legislature's Health and Human Services Interim Committee describing the outcome data of
1380 licensed Direct-entry midwives practicing in Utah.]~~

1381 [~~(ii) The board shall base its report on data provided in large part from the Midwives'
1382 Alliance of North America.]~~

1383 (4) A board member who has, under Subsection (3), reviewed a complaint or advised
1384 in its investigation may be disqualified from participating with the board when the board serves
1385 as a presiding officer in an adjudicative proceeding concerning the complaint.

1386 (5) Qualified faculty, board members, and other staff of Direct-entry midwifery
1387 learning institutions may serve as one or more of the licensed Directed-entry midwives on the
1388 board.

1389 Section 27. Section **62A-3-110** is amended to read:

1390 **62A-3-110. "Out and About" Homebound Transportation Assistance Fund.**

1391 (1) (a) There is created a restricted special revenue fund known as the "Out and About"
1392 Homebound Transportation Assistance Fund.

1393 (b) The "Out and About" Homebound Transportation Assistance Fund shall consist of:

1394 (i) private contributions;

1395 (ii) donations or grants from public or private entities;

1396 (iii) voluntary donations collected under Section 53-3-214.8; and

1397 (iv) interest and earnings on account money.

1398 (c) The cost of administering the "Out and About" Homebound Transportation
1399 Assistance Fund shall be paid from money in the fund.

1400 (2) The Division of Aging and Adult Services in the Department of Human Services
1401 shall:

1402 (a) administer the funds contained in the "Out and About" Homebound Transportation
1403 Assistance Fund; and

1404 (b) select qualified organizations and distribute the funds in the "Out and About"
1405 Homebound Transportation Assistance Fund in accordance with Subsection (3)~~;~~and.

1406 ~~[(c) make an annual report on the "Out and About" Homebound Transportation~~
1407 ~~Assistance Fund to the Social Services Appropriations Subcommittee.]~~

1408 (3) (a) The division may distribute the funds in the "Out and About" Homebound
1409 Transportation Assistance Fund to a selected organization that provides public transportation to
1410 aging persons, high risk adults, or people with disabilities.

1411 (b) An organization that provides public transportation to aging persons, high risk
1412 adults, or people with disabilities may apply to the Division of Aging and Adult Services, in a
1413 manner prescribed by the division, to receive all or part of the money contained in the "Out and
1414 About" Homebound Transportation Assistance Fund.

1415 Section 28. Section **62A-5-105** is amended to read:

1416 **62A-5-105. Division responsibilities -- Policy mediation.**

1417 (1) The division shall establish its rules in accordance with:

- 1418 (a) the policy of the Legislature as set forth by this chapter; and
- 1419 (b) Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

1420 (2) The division shall:

1421 (a) establish program policy for the division, the developmental center, and programs
1422 and facilities operated by or under contract with the division;

1423 (b) establish rules for the assessment and collection of fees for programs within the
1424 division;

1425 (c) no later than July 1, 2003, establish a graduated fee schedule based on ability to pay
1426 and implement the schedule with respect to service recipients and their families where not
1427 otherwise prohibited by federal law or regulation or not otherwise provided for in Section
1428 62A-5-109;

1429 (d) establish procedures to ensure that private citizens, consumers, private contract

1430 providers, allied state and local agencies, and others are provided with an opportunity to
1431 comment and provide input regarding any new policy or proposed revision to an existing
1432 policy;

1433 (e) provide a mechanism for systematic and regular review of existing policy and for
1434 consideration of policy changes proposed by the persons and agencies described under
1435 Subsection (2)(d);

1436 (f) [(†)] establish and periodically review the criteria used to determine who may
1437 receive services from the division and how the delivery of those services is prioritized within
1438 available funding; [and]

1439 [~~(ii) make periodic recommendations based on the review conducted under Subsection~~
1440 ~~(2)(f)(i) to the Health and Human Services Interim Committee beginning at or before the~~
1441 ~~September 2002 meeting of the committee;]~~

1442 (g) review implementation and compliance by the division with policies established by
1443 the board to ensure that the policies established by the Legislature in this chapter are carried
1444 out; and

1445 (h) annually report to the executive director.

1446 (3) The executive director shall mediate any differences which arise between the
1447 policies of the division and those of any other policy board or division in the department.

1448 Section 29. Section **62A-5a-104** is amended to read:

1449 **62A-5a-104. Powers of council.**

1450 (1) The council has authority, after local or individual efforts have failed, [~~including,~~
1451 ~~with regard to persons under 22 years of age, actions by local interagency councils established~~
1452 ~~under Section 63M-9-301;]~~ to:

1453 (a) coordinate the appropriate transition of persons with disabilities who receive
1454 services and support from one state agency to receive services and support from another state
1455 agency;

1456 (b) coordinate policies governing the provision of services and support for persons
1457 with disabilities by state agencies; and

1458 (c) consider issues regarding eligibility for services and support and, where possible,
1459 develop uniform eligibility standards for state agencies.

1460 (2) The council may receive appropriations from the Legislature to purchase services
1461 and supports for persons with disabilities as the council deems appropriate.

1462 Section 30. Section **62A-15-103** is amended to read:

1463 **62A-15-103. Division -- Creation -- Responsibilities.**

1464 (1) There is created the Division of Substance Abuse and Mental Health within the
1465 department, under the administration and general supervision of the executive director. The
1466 division is the substance abuse authority and the mental health authority for this state.

1467 (2) The division shall:

1468 (a) (i) educate the general public regarding the nature and consequences of substance
1469 abuse by promoting school and community-based prevention programs;

1470 (ii) render support and assistance to public schools through approved school-based
1471 substance abuse education programs aimed at prevention of substance abuse;

1472 (iii) promote or establish programs for the prevention of substance abuse within the
1473 community setting through community-based prevention programs;

1474 (iv) cooperate and assist other organizations and private treatment centers for substance
1475 abusers, by providing them with essential materials for furthering programs of prevention and
1476 rehabilitation of actual and potential substance abusers; and

1477 (v) promote or establish programs for education and certification of instructors to
1478 educate persons convicted of driving under the influence of alcohol or drugs or driving with
1479 any measurable controlled substance in the body;

1480 (b) (i) collect and disseminate information pertaining to mental health;

1481 (ii) provide direction over the state hospital including approval of its budget,
1482 administrative policy, and coordination of services with local service plans;

1483 (iii) promulgate rules in accordance with Title 63G, Chapter 3, Utah Administrative
1484 Rulemaking Act, to educate families concerning mental illness and promote family
1485 involvement, when appropriate, and with patient consent, in the treatment program of a family

1486 member; and

1487 (iv) promulgate rules in accordance with Title 63G, Chapter 3, Utah Administrative
1488 Rulemaking Act, to direct that all individuals receiving services through local mental health
1489 authorities or the Utah State Hospital be informed about and, if desired, provided assistance in
1490 completion of a declaration for mental health treatment in accordance with Section
1491 62A-15-1002;

1492 (c) (i) consult and coordinate with local substance abuse authorities and local mental
1493 health authorities regarding programs and services;

1494 (ii) provide consultation and other assistance to public and private agencies and groups
1495 working on substance abuse and mental health issues;

1496 (iii) promote and establish cooperative relationships with courts, hospitals, clinics,
1497 medical and social agencies, public health authorities, law enforcement agencies, education and
1498 research organizations, and other related groups;

1499 (iv) promote or conduct research on substance abuse and mental health issues, and
1500 submit to the governor and the Legislature recommendations for changes in policy and
1501 legislation;

1502 (v) receive, distribute, and provide direction over public funds for substance abuse and
1503 mental health services;

1504 (vi) monitor and evaluate programs provided by local substance abuse authorities and
1505 local mental health authorities;

1506 (vii) examine expenditures of any local, state, and federal funds;

1507 (viii) monitor the expenditure of public funds by:

1508 (A) local substance abuse authorities;

1509 (B) local mental health authorities; and

1510 (C) in counties where they exist, the private contract provider that has an annual or

1511 otherwise ongoing contract to provide comprehensive substance abuse or mental health

1512 programs or services for the local substance abuse authority or local mental health authorities;

1513 (ix) contract with local substance abuse authorities and local mental health authorities

1514 to provide a comprehensive continuum of services in accordance with division policy, contract
1515 provisions, and the local plan;

1516 (x) contract with private and public entities for special statewide or nonclinical services
1517 according to division rules;

1518 (xi) review and approve each local substance abuse authority's plan and each local
1519 mental health authority's plan in order to ensure:

1520 (A) a statewide comprehensive continuum of substance abuse services;

1521 (B) a statewide comprehensive continuum of mental health services; and

1522 (C) appropriate expenditure of public funds;

1523 (xii) review and make recommendations regarding each local substance abuse
1524 authority's contract with its provider of substance abuse programs and services and each local
1525 mental health authority's contract with its provider of mental health programs and services to
1526 ensure compliance with state and federal law and policy;

1527 (xiii) monitor and ensure compliance with division rules and contract requirements;
1528 and

1529 (xiv) withhold funds from local substance abuse authorities, local mental health
1530 authorities, and public and private providers for contract noncompliance, failure to comply
1531 with division directives regarding the use of public funds, or for misuse of public funds or
1532 money;

1533 (d) assure that the requirements of this part are met and applied uniformly by local
1534 substance abuse authorities and local mental health authorities across the state;

1535 (e) require each local substance abuse authority and each local mental health authority
1536 to submit its plan to the division by May 1 of each year; and

1537 (f) conduct an annual program audit and review of each local substance abuse authority
1538 in the state and its contract provider and each local mental health authority in the state and its
1539 contract provider, including:

1540 (i) a review and determination regarding whether:

1541 (A) public funds allocated to local substance abuse authorities and local mental health

1542 authorities are consistent with services rendered and outcomes reported by them or their
1543 contract providers; and

1544 (B) each local substance abuse authority and each local mental health authority is
1545 exercising sufficient oversight and control over public funds allocated for substance abuse and
1546 mental health programs and services; and

1547 (ii) items determined by the division to be necessary and appropriate[;].

1548 [~~(g) by July 1 of each year, provide to the Health and Human Services Interim~~
1549 ~~Committee and the Social Services Appropriations Subcommittee a written report that~~
1550 ~~includes:]~~

1551 [~~(i) the annual audit and review;~~]

1552 [~~(ii) the financial expenditures of each local substance abuse authority and its contract~~
1553 ~~provider and each local mental health authority and its contract provider;]~~

1554 [~~(iii) the status of the compliance of each local authority and its contract provider with~~
1555 ~~its plan, state statutes, and the provisions of the contract awarded; and]~~

1556 [~~(iv) whether audit guidelines established under Section 62A-15-110 and Subsection~~
1557 ~~67-3-1(10) provide the division with sufficient criteria and assurances of appropriate~~
1558 ~~expenditures of public funds; and]~~

1559 [~~(h) if requested by the Health and Human Services Interim Committee or the Social~~
1560 ~~Services Appropriations Subcommittee, provide an oral report as requested.]~~

1561 (3) (a) The division may refuse to contract with and may pursue its legal remedies
1562 against any local substance abuse authority or local mental health authority that fails, or has
1563 failed, to expend public funds in accordance with state law, division policy, contract
1564 provisions, or directives issued in accordance with state law.

1565 (b) The division may withhold funds from a local substance abuse authority or local
1566 mental health authority if the authority's contract with its provider of substance abuse or mental
1567 health programs or services fails to comply with state and federal law or policy.

1568 (4) Before reissuing or renewing a contract with any local substance abuse authority or
1569 local mental health authority, the division shall review and determine whether the local

1570 substance abuse authority or local mental health authority is complying with its oversight and
1571 management responsibilities described in Sections 17-43-201, 17-43-203, 17-43-303, and
1572 17-43-309. Nothing in this Subsection (4) may be used as a defense to the responsibility and
1573 liability described in Section 17-43-303 and to the responsibility and liability described in
1574 Section 17-43-203.

1575 (5) In carrying out its duties and responsibilities, the division may not duplicate
1576 treatment or educational facilities that exist in other divisions or departments of the state, but
1577 shall work in conjunction with those divisions and departments in rendering the treatment or
1578 educational services that those divisions and departments are competent and able to provide.

1579 (6) (a) The division may accept in the name of and on behalf of the state donations,
1580 gifts, devises, or bequests of real or personal property or services to be used as specified by the
1581 donor.

1582 (b) Those donations, gifts, devises, or bequests shall be used by the division in
1583 performing its powers and duties. Any money so obtained shall be considered private funds
1584 and shall be deposited into an interest-bearing restricted special revenue fund to be used by the
1585 division for substance abuse or mental health services. The state treasurer may invest the fund
1586 and all interest shall remain with the fund.

1587 (7) The division shall annually review with each local substance abuse authority and
1588 each local mental health authority the authority's statutory and contract responsibilities
1589 regarding:

1590 (a) the use of public funds;

1591 (b) oversight responsibilities regarding public funds; and

1592 (c) governance of substance abuse and mental health programs and services.

1593 (8) The Legislature may refuse to appropriate funds to the division upon the division's
1594 failure to comply with the provisions of this part.

1595 (9) If a local substance abuse authority contacts the division under Subsection
1596 17-43-201(9) for assistance in providing treatment services to a pregnant woman or pregnant
1597 minor, the division shall:

1598 (a) refer the pregnant woman or pregnant minor to a treatment facility that has the
1599 capacity to provide the treatment services; or

1600 (b) otherwise ensure that treatment services are made available to the pregnant woman
1601 or pregnant minor.

1602 Section 31. Section **62A-15-712** is amended to read:

1603 **62A-15-712. Responsibilities of the Division of Substance Abuse and Mental**
1604 **Health.**

1605 (1) The division shall ensure that the requirements of this part are met and applied
1606 uniformly by local mental health authorities across the state.

1607 (2) Because the division must, under Section 62A-15-103, contract with, review,
1608 approve, and oversee local mental health authority plans, and withhold funds from local mental
1609 health authorities and public and private providers for contract noncompliance or misuse of
1610 public funds, the division shall:

1611 (a) require each local mental health authority to submit its plan to the division by May
1612 1 of each year; and

1613 (b) conduct an annual program audit and review of each local mental health authority
1614 in the state, and its contract provider.

1615 ~~[(3)(a) The division shall:]~~

1616 ~~[(i) provide a written report to the Health and Human Services Interim Committee by~~
1617 ~~July 1 of each year; and]~~

1618 ~~[(ii) provide an oral report to that committee, as requested.]~~

1619 ~~[(b) That report shall provide information regarding:]~~

1620 ~~[(i) the annual audit and review;]~~

1621 ~~[(ii) the financial expenditures of each local mental health authority and its contract~~
1622 ~~provider;]~~

1623 ~~[(iii) the status of each local authority's and its contract provider's compliance with its~~
1624 ~~plan, state statutes, and with the provisions of the contract awarded; and]~~

1625 ~~[(iv) whether audit guidelines established under Subsections 62A-15-713(2)(a) and~~

1626 ~~67-3-1(10) provide the division with sufficient criteria and assurances of appropriate~~
1627 ~~expenditures of public funds.]~~

1628 ~~[(4)]~~ (3) The annual audit and review described in Subsection (2)(b) shall, in addition
1629 to items determined by the division to be necessary and appropriate, include a review and
1630 determination regarding whether or not:

1631 (a) public funds allocated to local mental health authorities are consistent with services
1632 rendered and outcomes reported by it or its contract provider; and

1633 (b) each local mental health authority is exercising sufficient oversight and control over
1634 public funds allocated for mental health programs and services.

1635 ~~[(5)]~~ (4) The Legislature may refuse to appropriate funds to the division if the division
1636 fails to comply with the procedures and requirements of this section.

1637 Section 32. Section **63C-8-106** is amended to read:

1638 **63C-8-106. Rural residency training program.**

1639 (1) For purposes of this section:

1640 (a) "Physician" means:

1641 (i) a person licensed to practice medicine under Title 58, Chapter 67, Utah Medical
1642 Practice Act or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act; and

1643 (ii) a person licensed to practice dentistry under Title 58, Chapter 69, Dentist and
1644 Dental Hygienist Practice Act.

1645 (b) "Rural residency training program" means an accredited clinical training program
1646 as defined in Section 63C-8-101 which places a physician into a rural county for a part or all of
1647 the physician's clinical training.

1648 (2) (a) Subject to appropriations from the Legislature, the council shall establish a pilot
1649 program to place physicians into rural residency training programs.

1650 (b) The pilot program shall begin July 1, 2005 and sunset July 1, 2015, in accordance
1651 with Section 63I-1-263.

1652 ~~[(3)]~~ (a) ~~The council shall report to the Legislature's Health and Human Services Interim~~
1653 ~~Committee concerning the implementation of the pilot program and the success of the program~~

1654 ~~in increasing the retention or recruitment of physicians in rural counties in the state.]~~

1655 ~~[(b) The report required by this Subsection (3) shall be made by November 30 of each~~
1656 ~~year.]~~

1657 Section 33. Section **63I-1-263 (Effective 05/01/13)** is amended to read:

1658 **63I-1-263 (Effective 05/01/13). Repeal dates, Titles 63A to 63M.**

1659 (1) Section 63A-4-204, authorizing the Risk Management Fund to provide coverage to
1660 any public school district which chooses to participate, is repealed July 1, 2016.

1661 (2) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2016.

1662 (3) Section 63C-8-106, rural residency training program, is repealed July 1, 2015.

1663 (4) Title 63C, Chapter 13, Prison Relocation and Development Authority Act, is
1664 repealed July 1, 2014.

1665 (5) Subsection 63G-6a-1402(7) authorizing certain transportation agencies to award a
1666 contract for a design-build transportation project in certain circumstances, is repealed July 1,
1667 2015.

1668 (6) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1,
1669 2020.

1670 (7) The Resource Development Coordinating Committee, created in Section
1671 63J-4-501, is repealed July 1, 2015.

1672 (8) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

1673 (9) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone Act, is
1674 repealed January 1, 2021.

1675 (b) Subject to Subsection (9)(c), Sections 59-7-610 and 59-10-1007 regarding tax
1676 credits for certain persons in recycling market development zones, are repealed for taxable
1677 years beginning on or after January 1, 2021.

1678 (c) A person may not claim a tax credit under Section 59-7-610 or 59-10-1007:

1679 (i) for the purchase price of machinery or equipment described in Section 59-7-610 or
1680 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

1681 (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if

1682 the expenditure is made on or after January 1, 2021.

1683 (d) Notwithstanding Subsections (9)(b) and (c), a person may carry forward a tax credit
1684 in accordance with Section 59-7-610 or 59-10-1007 if:

1685 (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

1686 (ii) (A) for the purchase price of machinery or equipment described in Section
1687 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31,
1688 2020; or

1689 (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the
1690 expenditure is made on or before December 31, 2020.

1691 (10) (a) Section 63M-1-2507, Health Care Compact is repealed on July 1, 2014.

1692 (b) (i) The Legislature shall, before reauthorizing the Health Care Compact:

1693 (A) direct the Health System Reform Task Force to evaluate the issues listed in
1694 Subsection (10)(b)(ii), and by January 1, 2013 develop and recommend criteria for the
1695 Legislature to use to negotiate the terms of the Health Care Compact; and

1696 (B) prior to July 1, 2014, seek amendments to the Health Care Compact among the
1697 member states that the Legislature determines are appropriate after considering the
1698 recommendations of the Health System Reform Task Force.

1699 (ii) The Health System Reform Task Force shall evaluate and develop criteria for the
1700 Legislature regarding:

1701 (A) the impact of the Supreme Court ruling on the Affordable Care Act;

1702 (B) whether Utah is likely to be required to implement any part of the Affordable Care
1703 Act prior to negotiating the compact with the federal government, such as Medicaid expansion
1704 in 2014;

1705 (C) whether the compact's current funding formula, based on adjusted 2010 state
1706 expenditures, is the best formula for Utah and other state compact members to use for
1707 establishing the block grants from the federal government;

1708 (D) whether the compact's calculation of current year inflation adjustment factor,
1709 without consideration of the regional medical inflation rate in the current year, is adequate to

1710 protect the state from increased costs associated with administering a state based Medicaid and
1711 a state based Medicare program;

1712 (E) whether the state has the flexibility it needs under the compact to implement and
1713 fund state based initiatives, or whether the compact requires uniformity across member states
1714 that does not benefit Utah;

1715 (F) whether the state has the option under the compact to refuse to take over the federal
1716 Medicare program;

1717 (G) whether a state based Medicare program would provide better benefits to the
1718 elderly and disabled citizens of the state than a federally run Medicare program;

1719 (H) whether the state has the infrastructure necessary to implement and administer a
1720 better state based Medicare program;

1721 (I) whether the compact appropriately delegates policy decisions between the
1722 legislative and executive branches of government regarding the development and
1723 implementation of the compact with other states and the federal government; and

1724 (J) the impact on public health activities, including communicable disease surveillance
1725 and epidemiology.

1726 (11) The Crime Victim Reparations and Assistance Board, created in Section
1727 63M-7-504, is repealed July 1, 2017.

1728 [~~(12) Title 63M, Chapter 9, Families, Agencies, and Communities Together for~~
1729 ~~Children and Youth At Risk Act, is repealed July 1, 2016.~~]

1730 [~~(13)~~ (12) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1,
1731 2017.

1732 Section 34. Section **63J-1-201** is amended to read:

1733 **63J-1-201. Governor's proposed budget to Legislature -- Contents -- Preparation**
1734 **-- Appropriations based on current tax laws and not to exceed estimated revenues.**

1735 (1) The governor shall deliver, not later than 30 days before the date the Legislature
1736 convenes in the annual general session, a confidential draft copy of the governor's proposed
1737 budget recommendations to the Office of the Legislative Fiscal Analyst according to the

1738 requirements of this section.

1739 (2) (a) When submitting a proposed budget, the governor shall, within the first three
1740 days of the annual general session of the Legislature, submit to the presiding officer of each
1741 house of the Legislature:

1742 (i) a proposed budget for the ensuing fiscal year;

1743 (ii) a schedule for all of the proposed changes to appropriations in the proposed budget,
1744 with each change clearly itemized and classified; and

1745 (iii) as applicable, a document showing proposed changes in estimated revenues that
1746 are based on changes in state tax laws or rates.

1747 (b) The proposed budget shall include:

1748 (i) a projection of the total estimated revenues and appropriations for the next fiscal
1749 year;

1750 (ii) the source of changes to all direct, indirect, and in-kind matching funds for all
1751 federal grants or assistance programs included in the budget;

1752 (iii) a plan of proposed changes to appropriations and estimated revenues for the next
1753 fiscal year that is based upon the current fiscal year state tax laws and rates;

1754 (iv) an itemized estimate of the proposed changes to appropriations for:

1755 (A) the Legislative Department as certified to the governor by the president of the
1756 Senate and the speaker of the House;

1757 (B) the Executive Department;

1758 (C) the Judicial Department as certified to the governor by the state court
1759 administrator;

1760 (D) changes to salaries payable by the state under the Utah Constitution or under law
1761 for lease agreements planned for the next fiscal year; and

1762 (E) all other changes to ongoing or one-time appropriations, including dedicated
1763 credits, restricted funds, nonlapsing balances, grants, and federal funds;

1764 (v) for each line item, the average annual dollar amount of staff funding associated
1765 with all positions that were vacant during the last fiscal year;

- 1766 (vi) deficits or anticipated deficits;
- 1767 (vii) the recommendations for each state agency for new full-time employees for the
1768 next fiscal year, which shall also be provided to the State Building Board as required by
1769 Subsection 63A-5-103(2);
- 1770 (viii) any explanation that the governor may desire to make as to the important features
1771 of the budget and any suggestion as to methods for the reduction of expenditures or increase of
1772 the state's revenue; and
- 1773 (ix) information detailing certain fee increases as required by Section 63J-1-504.
- 1774 (3) For the purpose of preparing and reporting the proposed budget:
- 1775 (a) The governor shall require the proper state officials, including all public and higher
1776 education officials, all heads of executive and administrative departments and state institutions,
1777 bureaus, boards, commissions, and agencies expending or supervising the expenditure of the
1778 state money, and all institutions applying for state money and appropriations, to provide
1779 itemized estimates of changes in revenues and appropriations.
- 1780 (b) The governor may require the persons and entities subject to Subsection (3)(a) to
1781 provide other information under these guidelines and at times as the governor may direct,
1782 which may include a requirement for program productivity and performance measures, where
1783 appropriate, with emphasis on outcome indicators.
- 1784 (c) The governor may require representatives of public and higher education, state
1785 departments and institutions, and other institutions or individuals applying for state
1786 appropriations to attend budget meetings.
- 1787 (4) In submitting the budgets for the Departments of Health and Human Services and
1788 the Office of the Attorney General, the governor shall consider a separate recommendation in
1789 the governor's budget for changes in funds to be contracted to:
- 1790 (a) local mental health authorities under Section 62A-15-110;
- 1791 (b) local substance abuse authorities under Section 62A-15-110;
- 1792 (c) area agencies under Section 62A-3-104.2;
- 1793 (d) programs administered directly by and for operation of the Divisions of Substance

1794 Abuse and Mental Health and Aging and Adult Services;
1795 (e) local health departments under Title 26A, Chapter 1, Local Health Departments;
1796 and
1797 (f) counties for the operation of Children's Justice Centers under Section 67-5b-102.
1798 (5) (a) In making budget recommendations, the governor shall consider an amount
1799 sufficient to grant the following entities the same percentage increase for wages and benefits
1800 that the governor includes in the governor's budget for persons employed by the state:
1801 (i) local health departments, local mental health authorities, local substance abuse
1802 authorities, and area agencies;
1803 (ii) local conservation districts and Utah Association of Conservation District
1804 employees, as related to the budget for the Department of Agriculture; and
1805 (iii) employees of corporations that provide direct services under contract with:
1806 (A) the Utah State Office of Rehabilitation and the Division of Services for People
1807 with Disabilities;
1808 (B) the Division of Child and Family Services; and
1809 (C) the Division of Juvenile Justice Services within the Department of Human
1810 Services.
1811 (b) If the governor does not include in the governor's budget an amount sufficient to
1812 grant an increase for any entity described in Subsection (5)(a), the governor shall include a
1813 message to the Legislature regarding the governor's reason for not including that amount.
1814 ~~[(6) (a) The Families, Agencies, and Communities Together Council may propose a~~
1815 ~~budget recommendation to the governor for collaborative service delivery systems operated~~
1816 ~~under Section 63M-9-402, as provided under Subsection 63M-9-201(4)(e).]~~
1817 ~~[(b) The Legislature may, through a specific program schedule, designate funds~~
1818 ~~appropriated for collaborative service delivery systems operated under Section 63M-9-402.]~~
1819 [(7)] (6) The governor shall include in the governor's budget the state's portion of the
1820 budget for the Utah Communications Agency Network established in Title 63C, Chapter 7,
1821 Utah Communications Agency Network Act.

1822 ~~[(8)]~~ (7) (a) The governor shall include a separate recommendation in the governor's
1823 budget for funds to maintain the operation and administration of the Utah Comprehensive
1824 Health Insurance Pool. In making the recommendation, the governor may consider:

1825 (i) actuarial analysis of growth or decline in enrollment projected over a period of at
1826 least three years;

1827 (ii) actuarial analysis of the medical and pharmacy claims costs projected over a period
1828 of at least three years;

1829 (iii) the annual Medical Care Consumer Price Index;

1830 (iv) the annual base budget for the pool established by the Business, Economic
1831 Development, and Labor Appropriations Subcommittee for each fiscal year;

1832 (v) the growth or decline in insurance premium taxes and fees collected by the State
1833 Tax Commission and the Insurance Department; and

1834 (vi) the availability of surplus General Fund revenue under Section 63J-1-312 and
1835 Subsection 59-14-204(5).

1836 (b) In considering the factors in Subsections ~~[(8)]~~ (7)(a)(i), (ii), and (iii), the governor
1837 may consider the actuarial data and projections prepared for the board of the Utah
1838 Comprehensive Health Insurance Pool as it develops the governor's financial statements and
1839 projections for each fiscal year.

1840 ~~[(9)]~~ (8) (a) In submitting the budget for the Department of Public Safety, the governor
1841 shall include a separate recommendation in the governor's budget for maintaining a sufficient
1842 number of alcohol-related law enforcement officers to maintain the enforcement ratio equal to
1843 or below the number specified in Subsection 32B-1-201(2).

1844 (b) If the governor does not include in the governor's budget an amount sufficient to
1845 maintain the number of alcohol-related law enforcement officers described in Subsection ~~[(9)]~~
1846 (8)(a), the governor shall include a message to the Legislature regarding the governor's reason
1847 for not including that amount.

1848 ~~[(10)]~~ (9) (a) The governor may revise all estimates, except those relating to the
1849 Legislative Department, the Judicial Department, and those providing for the payment of

1850 principal and interest to the state debt and for the salaries and expenditures specified by the
1851 Utah Constitution or under the laws of the state.

1852 (b) The estimate for the Judicial Department, as certified by the state court
1853 administrator, shall also be included in the budget without revision, but the governor may make
1854 separate recommendations on the estimate.

1855 [~~(H)~~] (10) The total appropriations requested for expenditures authorized by the
1856 budget may not exceed the estimated revenues from taxes, fees, and all other sources for the
1857 next ensuing fiscal year.

1858 [~~(H)~~] (11) If any item of the budget as enacted is held invalid upon any ground, the
1859 invalidity does not affect the budget itself or any other item in it.

1860 **Section 35. Repealer.**

1861 This bill repeals:

1862 **Section 26-10b-105, Report on implementation.**

1863 **Section 26-18-3.3, Study of privatization of eligibility determination.**

1864 **Section 31A-29-113.5, Pilot Program for Chronic Disease and Pharmaceutical**
1865 **Management of Bleeding Disorders.**

1866 **Section 63M-9-101, Title.**

1867 **Section 63M-9-102, Purpose of chapter.**

1868 **Section 63M-9-103, Definitions.**

1869 **Section 63M-9-104, Relationship to political subdivisions.**

1870 **Section 63M-9-201, Families, Agencies, and Communities Together State Council**
1871 **-- Composition -- Duties -- Interagency case management team.**

1872 **Section 63M-9-202, Steering committee -- Membership -- Duties.**

1873 **Section 63M-9-203, Staffing.**

1874 **Section 63M-9-301, Local interagency council -- Composition -- Duties.**

1875 **Section 63M-9-401, Prevention and early intervention programs -- Applicants --**
1876 **Selection process.**

1877 **Section 63M-9-402, Plans for collaborative service delivery systems.**

1878 Section **63M-9-501, Evaluation of programs -- Report to legislative interim**
1879 **committee.**