

HB0400S02 compared with HB0400S01

~~deleted text~~ shows text that was in HB0400S01 but was deleted in HB0400S02.

Inserted text shows text that was not in HB0400S01 but was inserted into HB0400S02.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Edward H. Redd proposes the following substitute bill:

PILOT PROGRAM TO STUDY COVERAGE PARITY FOR AMINO ACID-BASED FORMULA

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Edward H. Redd

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends the Insurance Code.

Highlighted Provisions:

This bill:

- ▶ provides definitions;
- ▶ requires the Public Employees' Health Plan to create a 3-year pilot program in the state employees' risk pool to cover amino acid-based elemental formula for the diagnosis or treatment of an eosinophilic gastrointestinal disorder, food protein-induced enterocolitis syndrome, severe protein allergic condition, or short bowel syndrome;

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- ▶ limits coverage to formula ordered by a physician and obtained from a pharmacy;
- ▶ prohibits cost sharing for elemental formula that is less favorable to the insured than cost sharing for prescription drugs; and
- ▶ requires a report on the pilot program to the Social Services Appropriations Subcommittee.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

49-20-414, Utah Code Annotated 1953

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

Section 1. Section **49-20-414** is enacted to read:

49-20-414. Insurance coverage for amino acid-based formula.

(1) As used in this section:

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

(i) made from individual nonallergenic amino acids that are broken down to enhance absorption and digestion; and

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

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

(c) "Food protein-induced enterocolitis syndrome" means a disorder characterized by an abnormal immune response to an ingested food, resulting in gastrointestinal inflammation.

(d) "Health insurer" means an insurer, as defined in Subsection 31A-22-634(1).

(e) "Order" means to communicate orally, in writing, or by electronic means.

(f) "Pharmacy" means a pharmacy licensed under Title 58, Chapter 17b, Pharmacy

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Practice Act.

(g) "Physician" means an individual who is licensed under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act.

(h) "Program" means the eosinophilic gastrointestinal disorder program created in Subsection (2).

(i) "Severe protein allergic conditions" includes:

(i) eosinophilic esophagitis;

(ii) eosinophilic gastritis;

(iii) eosinophilic gastroenteritis;

(iv) eosinophilic enteritis;

(v) eosinophilic colitis;†

~~(vi) immunoglobulin E-mediated allergies to multiple food proteins;~~

~~(vii) nonimmunoglobulin E-mediated allergies to multiple food proteins;‡~~ or

~~(†viii)†vi~~ food protein-induced enterocolitis syndrome.

(j) "Short bowel syndrome" means malabsorption of nutrients resulting from anatomical or functional loss of a significant length of the small intestine.

(2) Beginning ~~†July 1, 2017;‡~~ plan year 2017-18 and ending plan year 2019-20, the Public Employees' Benefit and Insurance Program shall offer a 3-year pilot program within the state risk pool that provides coverage for the use of an amino acid-based elemental formula, regardless of the delivery method of the formula, for the diagnosis or treatment of an eosinophilic gastrointestinal disorder, food protein-induced enterocolitis syndrome, severe protein allergic condition, or short bowel syndrome.

(3) Coverage offered under Subsection (2) applies to an amino acid-based elemental formula if:

(a) the formula is ordered for the enrollee by a physician;

(b) the physician indicates in the order that the formula is medically necessary; and

(c) the insured obtains the formula from a pharmacy.

(4) Coverage offered under Subsection (2) may not include cost-sharing provisions, including deductibles, copayments, co-insurance, and out-of-pocket limits, or a durational limit, that are less favorable to the insured than the cost-sharing provisions and durational limits applied by the health benefit plan to prescription drugs.

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(5) (a) The purpose of the program is to study the efficacy of providing coverage for the use of an amino acid-based elemental formula and is not a mandate for coverage of an amino acid-based elemental formula within the health plans offered by the Public Employees' Benefit and Insurance Program.

(b) The Public Employees' Benefit and Insurance Program shall, on or before November 30, ~~2020~~2019, report to the Social Services Appropriations Subcommittee regarding the costs and benefits of the program.

~~(6) The program shall be funded on an ongoing basis through the risk pool established in Subsection 49-20-202(1)(a).~~

~~Under Section 63J-1-603 of the Utah Code, the Legislature intends that the cost of services for the amino acid-based elemental formula program in Section 49-20-411 shall be paid for from funds above the minimum recommended level in the public employees' state risk pool reserve.~~