

1 **CONCURRENT RESOLUTION ON THE PUBLIC**
2 **EMPLOYEES' HEALTH PLAN**

3 2018 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Daniel Hemmert**

6 House Sponsor: Norman K. Thurston

8 **LONG TITLE**

9 **General Description:**

10 This concurrent resolution directs the Public Employees' Benefit and Insurance Program
11 to make certain changes to an offered health plan.

12 **Highlighted Provisions:**

13 This resolution:

- 14 ▶ directs the Public Employees' Benefit and Insurance Program to:
- 15 • rename the "Utah Basic Plus" plan to "Consumer Plus"; and
 - 16 • adopt reference pricing as the preferred method of payment.

17 **Special Clauses:**

18 None

20 *Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:*

21 WHEREAS, in accordance with Utah Code Section 49-20-201, the state participates in
22 the Public Employees' Benefit and Insurance Program;

23 WHEREAS, Utah Code Subsection 49-20-301(1)(g) provides that the program must
24 "consult with the covered employers to evaluate employee benefit plans and develop
25 recommendations for benefit changes";

26 WHEREAS, Utah Code Subsection 49-20-401(1)(j) provides that the program "submit,
27 in advance, its recommended benefit adjustments for state employees to . . . the Legislature;



28 and . . . the executive director of the state Department of Human Resource Management";

29 WHEREAS, the state currently offers three health plans to its employees, including
30 Utah Basic Plus, which is a Health Savings Account-qualified plan; and

31 WHEREAS, the state desires to give its employees the choice of a health plan that
32 maximizes consumer-driven health care and rewards consumer behavior to the benefit of the
33 employee and the Public Employees' Benefit and Insurance Program's medical risk pool for the
34 state of Utah:

35 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the
36 Governor concurring therein, directs the Public Employees' Benefit and Insurance Program to
37 change the name of the plan currently known as "Utah Basic Plus" to "Consumer Plus."

38 BE IT FURTHER RESOLVED that the Legislature and the Governor direct the Public
39 Employees' Benefit and Insurance Program to adopt reference pricing as the preferred method
40 of payment for the Consumer Plus plan where appropriate.

41 BE IT FURTHER RESOLVED that the preference for reference pricing:

42 (1) be established for covered medical services in a manner that:

43 (a) sets the reference price at a rate that is not lower than a rate that is available in the
44 market;

45 (b) takes appropriate members' cost sharing into account; and

46 (c) is designed to encourage plan members to save money for themselves and the plan;

47 (2) be designed so that plan members are financially responsible for any provider
48 charge above the applicable reference price and eligible to receive a financial incentive for a
49 provider charge below the reference price;

50 (3) does not cover circumstances when the preference for reference pricing would be
51 inappropriate for the Consumer Plus plan, as determined by the Public Employees' Benefit and
52 Insurance Program, including limits based on specific geographic areas;

53 (4) gives Consumer Plus members online access to reference prices and provides other
54 forms of member support;

55 (5) limits the use of provider contracts with network restrictions and facilitates
56 alternative payment arrangements that encourage consumerism and reduce costs;

57 (6) facilitates cash reimbursements for covered services; and

58 (7) adapts the Consumer Plus plan as necessary to comply with federal law.

59 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the Public
60 Employees' Benefit and Insurance Program.

Legislative Review Note
Office of Legislative Research and General Counsel