

UnitedHealth Group 2009 Legislative Adjournment Report

State: Utah

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Session Overview: Utah is bound by their Constitution to 50 day legislative sessions. They went into session on January 26, 2009 and adjourned on March 12, 2009.

Legislative leadership's major policy goals revolved around health care reform this session. This agenda was being driven by not only Speaker Clark, but also Governor Huntsman. Both shared a common vision of beginning the health care reform process - which they anticipate will take 10 years. They had several stated goals that were primarily focused on increased coverage for Utah's uninsured and finding efficiencies within the system.

Budget Action: Utah legislators finalized a \$10.9 billion budget, cutting deeper into state agencies but earmarking federal stimulus dollars to help restore the most severe cut in state agencies.

Legislators faced the daunting task of slicing more than \$1 billion from the budget they passed last session -- about 20 percent of the state's funds. They already had cut more than \$600 million during a special session in September. Legislators did not touch \$414 million set aside in Rainy Day Funds or \$100 million reserved for public schools. They also will not raise the tax on cigarettes or food, as some had advocated, although leaders have said the tobacco tax will be on the table if the economy continues to go downward.

The notion of a May or June special session has been discussed. New budget numbers will come out the end of April. The preliminary numbers show the economy continues to be poor. The budget shortfall probably slowed down more aggressive progress in health care reform.

Enacted Legislation:

- **HB 165 Administrative Simplification:** This bill provides uniform standards for the exchange of information between health care providers, health insurers, and patients regarding payment for services rendered. It contains numerous other provisions with the idea of streamlining the process between providers and insurers.

- **HB 188 Insurance Market Reforms:** This legislation is a comprehensive attempt to increase access to private insurance, primarily through a web-portal and new products in the market. Specifically the legislation:
 - establishes a voluntary defined contribution state portal or connector for individuals and small business,
 - creates an internet website for comparing individual and small group products,
 - establishes the Utah Defined Contribution Risk Adjuster, which must develop a plan for underwriting mechanisms, eligibility, premium rates, processes for the collection and dissemination of premium payments, and a risk adjuster mechanism,
 - authorizes mandate light products, and
 - establishes a 12 month COBRA extension among other provisions.

The Governor's Office will be working with stakeholders on the implementation of the web portal via the Utah Health Systems Taskforce, with the goal of implementation by January 2010. They plan on meeting monthly to work through the technical aspects of the legislation. There are still many unresolved questions about the implementation – both in the “window shopping” part of the portal (which all insurers are required to participate) and in the voluntary section of the portal where a consumer or business can purchase a product. We worked very closely with Legislative leadership and the Governor's Office to make it as user friendly as possible, for both the plans and consumers. We are continuing to work with elected officials and stakeholders on implementation.

- **HB 128 E-Prescribing:** Requires a provider to make sure each existing patient has the option to participate in electronic prescribing, if the practitioner prescribes a drug or device for the patient on or after July 1, 2012. We worked with the sponsor to make sure that the language conformed to federal law.
- **SB 79 Medical Malpractice Reform:** This bill should give emergency room physicians additional protections from lawsuits by shifting the burden of proof to make sure that civil damages are only awarded based on clear and convincing evidence.

Failed Legislation:

- **SB 43 Autism Mandate (Clay's Law):** This legislation would have required insurers to offer coverage for treatment of autism spectrum disorders. It was never brought up for a final vote in the House of Representatives.
- **SB 217 Chemotherapy Drug Parity:** This legislation would have prohibited health insurers from charging more for orally administered chemotherapy treatment than treatment provided intravenously. It failed in the House of Representatives.
- **HB 89 Prosthetic Devices Mandate:** This legislation would have required health benefit plans to provide coverage for prosthetic devices.

- **SCR 4 Resolution supporting obesity awareness:** While not binding, this resolution would have urged increased coverage of overweight and obesity procedures as a means of preventing increased future health care costs. The Governor vetoed this legislation.
- **HB 263 Insurer Fraud Assessments:** Increased assessments paid by insurers to fund costs and expenses incurred by the Department of Insurance in the administration, investigation, and enforcement of provisions related to insurance fraud.