

HEALTH SYSTEM AMENDMENTS

2010 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Carl Wimmer

Senate Sponsor: J. Stuart Adams

6	Cosponsors:	Richard A. Greenwood	Merlynn T. Newbold
7	Johnny Anderson	Keith Grover	Michael E. Noel
8	Bradley M. Daw	Wayne A. Harper	Curtis Oda
9	Brad L. Dee	Christopher N. Herrod	Patrick Painter
10	John Dougall	Gregory H. Hughes	Paul Ray
11	Craig A. Frank	Eric K. Hutchings	Stephen E. Sandstrom
12	Gage Froerer	Rebecca D. Lockhart	Kenneth W. Sumsion
13	Francis D. Gibson	John G. Mathis	Ryan D. Wilcox
14	Kerry W. Gibson	Michael T. Morley	Bill Wright

LONG TITLE

General Description:

This bill prohibits a state agency or department from implementing federal health care reform passed by the United States Congress after March 1, 2010, unless a state agency reports to the Legislature regarding costs and impact on state reform efforts.

Highlighted Provisions:

This bill:

- ▶ makes legislative findings;
- ▶ prohibits a state agency or department from implementing any provision of the federal health care reform unless the agency reports to the Legislature:
 - whether the federal act compels the state to adopt the particular federal provision;
 - consequences to the state if the state refuses to adopt the particular federal provision;
 - impact to the citizens of the state if reform efforts are implemented or not

implemented; and

32 ▶ prohibits an individual in this state from being required to purchase health
33 insurance.

34 **Monies Appropriated in this Bill:**

35 None

36 **Other Special Clauses:**

37 This bill provides an immediate effective date.

38 **Utah Code Sections Affected:**

39 ENACTS:

40 **63M-1-2505.5**, Utah Code Annotated 1953



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

43 Section 1. Section **63M-1-2505.5** is enacted to read:

44 **63M-1-2505.5. Reporting on federal health reform -- Prohibition of individual**
45 **mandate.**

46 (1) The Legislature finds that:

47 (a) the state has embarked on a rigorous process of implementing a strategic plan for
48 health system reform pursuant to Section 63M-1-2505;

49 (b) the health system reform efforts for the state were developed to address the unique
50 circumstances within Utah and to provide solutions that work for Utah;

51 (c) Utah is a leader in the nation for health system reform which includes:

52 (i) developing and using health data to control costs and quality; and

53 (ii) creating a defined contribution insurance market to increase options for employers
54 and employees; and

55 (d) the federal government proposals for health system reform:

56 (i) infringe on state powers;

57 (ii) impose a uniform solution to a problem that requires different responses in
58 different states;

59 (iii) threaten the progress Utah has made towards health system reform; and

60 (iv) infringe on the rights of citizens of this state to provide for their own health care
61 by:

62 (A) requiring a person to enroll in a third party payment system;

63 (B) imposing fines on a person who chooses to pay directly for health care rather than
64 use a third party payer;

65 (C) imposing fines on an employer that does not meet federal standards for providing
66 health care benefits for employees; and

67 (D) threatening private health care systems with competing government supported
68 health care systems.

69 (2) (a) A department or agency of the state may not implement any part of federal
70 health care reform, as defined in Subsection (3), that is passed by the United States Congress
71 after March 1, 2010, unless the department or agency reports to the Legislature's Business and
72 Labor Interim Committee and if authorized, the Health Reform Task Force and the Legislative
73 Executive Appropriations Committee in accordance with Subsection (2)(c).

74 (b) The Legislature may pass legislation specifically authorizing or prohibiting the
75 state's compliance with, or participation in, federal health care reform.

76 (c) The report required under Subsection (2)(a) shall include:

77 (i) the specific federal statute or regulation that requires the state to implement a
78 federal reform provision;

79 (ii) whether the reform provision has any state waiver or options;

80 (iii) exactly what the reform provision requires the state to do, and how it would be
81 implemented;

82 (iv) who in the state will be impacted by adopting the federal reform provision, or not
83 adopting the federal reform provision;

84 (v) what is the cost to the state or citizens of the state to implement the federal reform
85 provision; and

86 (vi) the consequences to the state if the state does not comply with the federal reform
87 provision.

88 (3) For purposes of this section, "federal health care reform" means federal legislation
89 or federal regulation that:

90 (a) mandates an individual to purchase health insurance;

91 (b) mandates a small employer to provide health insurance coverage for employees;

92 (c) imposes penalties on small employers who do not provide health insurance for their
93 employees;

94 (d) expands the eligibility for the Medicaid program or the Children's Health Insurance
95 Program, and passes the cost of that expansion to the state;

96 (e) creates new insurance coverage mandates; or

97 (f) creates a new government run, public insurance program.

98 (4) (a) An individual in this state may not be required to obtain or maintain health
99 insurance as defined in Section 31A-1-301, regardless of whether the individual has or is
100 eligible for health insurance coverage under any policy or program provided by or through the
101 individual's employer or a plan sponsored by the state or federal government.

102 (b) The provisions of this title may not be used to hold an individual in this state liable
103 for any penalty, assessment, fee, or fine as a result of the individual's failure to procure or
104 obtain health insurance coverage.

105 (c) This section does not apply to an individual who voluntarily applies for coverage
106 under a state administered program pursuant to Title XIX or Title XXI of the Social Security
107 Act.

108 Section 2. **Effective date.**

109 If approved by two-thirds of all the members elected to each house, this bill takes effect
110 upon approval by the governor, or the day following the constitutional time limit of Utah
111 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
112 the date of veto override.