Summary

HB168 allows health insurance companies to offer products that are exempt from selected state patient protection laws. The exempted laws are specific to provider or network requirements and to the definition of “basic health care services” (i.e. inpatient hospital and physician care, outpatient medical services and out-of-area coverage). Insurers who want to take advantage of the exemptions must provide at least one product that honors the laws.

The Cart before the Horse...

As we embark on health system reform in Utah there are a number of policy decisions that need to be made to set the stage for successful reform. During this process, patient protection laws will need to be addressed. However, they should not be amended in isolation. Before patient protection laws are eliminated or modified, health system transparency must exist so consumers can choose health coverage that meets their needs.

Utah must strike a proper balance between:

- increasing access to benefits,
- ensuring quality care,
- decreasing costs and
- maintaining a stable health insurance market.

The reform process is designed to find the delicate balance among the different variables. Objective information about the costs and benefits of Utah’s patient protection laws is essential to ensuring this balance is achieved. There are two bills that will help policymakers understand the pros and cons of the laws. Both Rep. Dunnigan’s Review of Health Insurance Mandates HB60 and Rep. Clark’s Health Reform Bill HB133 set the framework to study this balance and ensure the state makes informed policy decisions.

Utah has patient protection laws for a reason. Don’t make changes now that you will have to undo later. Vote no on HB168.

FREQUENTLY ASKED QUESTIONS

What are patient protection laws?
There are a variety of patient protection laws that have been enacted at both the state and federal level. Utah has very few patient protection laws that go beyond the federal laws. These laws typically address:

- Size and scope of provider networks,
- Range of covered benefits,
- Procedures essential to access covered benefits, and
- Financial incentives used by managed care plans to affect provider behavior.

What patient protections laws does Utah have on the books?
Utah’s laws are fairly straightforward; all support reasonable expectations in terms of what should be covered by insurance and to what extent. A few examples tell the rest of the story:

Point of Service Products (POS):
These are products offered by an HMO that allow a person to seek services from in-network and non-network providers (a version of any willing provider). Cost sharing is higher when visiting a non-network provider. Utah law ensures that if an HMO offers a POS, the HMO has contracts with providers for all services offered. This ensures that a consumer can obtain needed care from in-network providers who are less costly to the consumer.

Preferred Health Care Provider:
There are “classes” of providers who are allowed to treat the same condition, i.e. social workers and psychologists, nurse practitioner and OBGYN. Utah law ensures consumers have the choice between these classes of providers.

Why are these laws important?
These other laws aim to improve care and protect consumers. In Utah the laws are specific to ensuring people have access to necessary benefits and providers, which in turn reduces cost shifting.