



## Protect Uninsurable Utahns: Oppose HB491 (Rep. Hutchings) Health Plan Exemption from Selected Requirements

### Summary

HB491 allows insurers to offer insurance products that are exempt from **all but one** of Utah's patient protection laws. Even worse, the current version of the bill only impacts the most vulnerable Utahns, those eligible for the Utah Comprehensive Health Insurance Pool (HIP) because they are uninsurable. These are people who have expensive and significant health care needs and therefore have been denied coverage in the private market. They have the most to lose from any weakening of the basic patient protections that are now in place.

### Why is this bad for Utah?

Many of Utah's patient protection laws have been passed to ensure the very population targeted in this bill can receive coverage for and access to providers for the very conditions that make them uninsurable. As we embark on health system reform in Utah patient protection laws will need to be addressed. Objective information about the costs and benefits of these laws is essential to ensuring we do not hurt any Utahns, especially those with the most health care needs.

Coverage does **NOT** equal access. Yes, a person with high health care needs may be able to purchase a product that is affordable, but that does not mean that they will be able to access the services they need. The population targeted in this bill is "high risk." Insurance companies do not want to carry the risk of insuring them due to cost. If a product is affordable the insurance company will not be carrying the same risk. This means the health care the person needs is not offered in the package and will have to be paid for out of pocket, effectively leaving the person uninsured for the very reason they have been deemed uninsurable. By stripping away all of Utah's patient protection laws, those who have the most needs will most likely continue to go without needed care.

All of Utah's patient protection laws have been thoroughly debated and passed by Utah's legislators. They help to ensure that a person who has health insurance coverage does not contribute to the cost shifting that occurs. This bill is not about choice or access. **Vote no on HB491.**

### 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 OB/GYN. 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.