

State of Utah
Administrative Rule Analysis
Revised May 2023

NOTICE OF PROPOSED RULE

TYPE OF FILING: Amendment

Title No. - Rule No. - Section No.

Rule or Section Number:

R590-267

Filing ID: Office Use Only

Agency Information

1. Department:	Insurance	
Agency:	Administration	
Room number:	Suite 2300	
Building:	Taylorsville State Office Building	
Street address:	4315 S. 2700 W.	
City, state and zip:	Taylorsville, UT 84129	
Mailing address:	PO Box 146901	
City, state and zip:	Salt Lake City, UT 84114-6901	
Contact persons:		
Name:	Phone:	Email:
Steve Gooch	801-957-9322	sgooch@utah.gov

Please address questions regarding information on this notice to the persons listed above.

General Information

2. Rule or section catchline:
R590-267. Personal Injury Protection Relative Value Study Rule
3. Purpose of the new rule or reason for the change:
The change updates the conversion factors and publications for use in 2024 and 2025.
4. Summary of the new rule or change:
The change adds conversion factors and publications for physicians, dentists, and chiropractors to use when determining the reasonable value of services provided to patients on or after January 1, 2024, and removes the factors and publications that were to be used through 2021.

Fiscal Information

5. Provide an estimate and written explanation of the aggregate anticipated cost or savings to:
A) State budget:
The list price for the RVP 2023 is \$1,100 and for the 2023 RVD is \$600. The Department has arranged a 50% discount for purchasers with a Utah address. The Department will be required to purchase two electronic copies of the RVP 2023 at \$550 each and two electronic copies of the RVD 2023 at \$300 each. These publications are incorporated by reference. One copy will be maintained by the Department and one copy will be maintained by the Office of Administrative Rules, per rulemaking requirements. The state budget includes an annual appropriation of \$119,000 per year for the Relative Value Study. Estimated cost to State Government: \$119,000 for state budget appropriations + 2 purchases of RVP (\$550) + 2 purchases of RVD (\$300) = \$120,700.
B) Local governments:
There will be no cost or savings to local government. The rule covers the method by which providers determine the reasonable value of services they provide to consumers.
C) Small businesses ("small business" means a business employing 1-49 persons):

Medical, dental, and chiropractic offices that provide services for individuals insured in auto accidents may purchase the RVP 2023 or RVD 2023 publication that is incorporated by reference in the rule. The list price for the RVP 2023 is \$1,100 and for the 2023 RVD is \$600. The Department has arranged a 50% discount for purchasers with a Utah address. The cost of the RVP 2023 is \$550 for an electronic copy. The cost of the RVD 2023 is \$300 for an electronic copy. Hard copies are no longer available. By using the publication with the conversion factors in the rule, they will be able to determine the reasonable charges or services they provide to those injured in automobile accidents.

Estimated costs to small business: Purchases of RVP (\$550) x 2,703 Physician and Chiropractor Offices + Purchases of RVD (\$300) x 2,049 Dental Offices = \$2,101,350.

D) Non-small businesses ("non-small business" means a business employing 50 or more persons):

Medical, dental, and chiropractic offices that provide services for individuals insured in auto accidents may purchase the RVP 2023 or RVD 2023 publication that is incorporated by reference in the rule. The list price for the RVP 2023 is \$1,100 and for the 2023 RVD is \$600. The Department has arranged a 50% discount for purchasers with a Utah address. The cost of the RVP 2023 is \$550 for an electronic copy. The cost of the RVD 2023 is \$300 for an electronic copy. Hard copies are no longer available. By using the publication with the conversion factors in the rule, they will be able to determine the reasonable charges or services they provide to those injured in automobile accidents.

Estimated costs to non-small business: Purchases of RVP (\$550) x 115 Physician Offices + Purchases of RVD (\$300) x 6 Dental Offices = \$65,050.

E) Persons other than small businesses, non-small businesses, state, or local government entities ("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an **agency**):

Auto insurers, or those they contract with to service their claims, and health care providers may purchase the RVP 2023 or RVD 2023 publication that is incorporated by reference in the rule. The list price for the RVP 2023 is \$1,100 and for the 2023 RVD is \$600. The Department has arranged a 50% discount for purchasers with a Utah address. The cost of the RVP 2023 is \$550 for an electronic copy. The cost of the RVD 2023 is \$300 for an electronic copy. Hard copies are no longer available. By using the publication with the conversion factors in the rule, they will be able to determine the reasonable charges of medical and dental services they are required to reimburse providers for treatment under personal injury protection coverage in Utah.

Estimated costs to Auto Insurers = Purchases of both RVP and RVD (\$850) x 172 Property and Casualty Insurers = \$146,200.

Optum, the company that sells the RVP 2023 and RVD 2023, will benefit from increased sales of these products.

Estimated sales to Optum: Purchases of RVP (\$550) x 2,992 Physician, Chiropractor, and Insurer businesses + Purchases of RVD (\$300) x 2,229 Dental and Insurer businesses = \$2,314,300.

F) Compliance costs for affected persons (How much will it cost an impacted entity to adhere to this rule or its changes?):

Affected persons may purchase the RVP 2023 or RVD 2023 publication that is incorporated by reference in the rule. The Department is sensitive to this compliance cost and has arranged a 50% discount for purchasers with a Utah address, as has been arranged in prior years, to help ameliorate any adverse costs on small businesses. The cost of the RVP 2023 is \$550 for an electronic copy, while the RVD 2023 is \$300 for an electronic copy. Hard copies are no longer available. Additionally, as required by rulemaking guidelines, both publications will be available for review by affected persons at the Insurance Department and the Office of Administrative Rules at no charge.

Small businesses (physicians, dentists, chiropractors) are likely to purchase one publication or the other, depending on their specialization. The net one-time cost for small businesses as a whole may be \$2,101,350. The net one-time cost for larger businesses as a whole may be \$65,050. Other persons (auto insurers) may purchase both publications. The net one-time cost for other persons may be \$146,200. The net one-time cost for all affected persons (small businesses and large businesses and insurers) may be \$2,433,300.

It is also important to note that the Department makes its copies of the RVD and RVP available to any affected parties for free viewing in the Department's offices.

G) Regulatory Impact Summary Table (This table only includes fiscal impacts that could be measured. If there are inestimable fiscal impacts, they will not be included in this table. Inestimable impacts will be included in narratives above.)

Regulatory Impact Table			
Fiscal Cost	FY2024	FY2025	FY2026
State Government	\$120,700	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$2,101,350	\$0	\$0
Non-Small Businesses	\$65,050	\$0	\$0

Other Persons	\$146,200	\$0	\$0
Total Fiscal Cost	\$2,433,300	\$0	\$0
Fiscal Benefits	FY2024	FY2025	FY2026
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$2,314,300	\$0	\$0
Total Fiscal Benefits	\$2,314,300	\$0	\$0
Net Fiscal Benefits	-\$119,000	\$0	\$0

H) Department head comments on fiscal impact and approval of regulatory impact analysis:
The Commissioner of Insurance, Jonathan T. Pike, has reviewed and approved this regulatory impact analysis.

Citation Information

6. Provide citations to the statutory authority for the rule. If there is also a federal requirement for the rule, provide a citation to that requirement:

Section 31A-2-201	Ex 2: Subsection 63G-3-403(3)	

Incorporations by Reference Information

7. Incorporations by Reference (if this rule incorporates more than two items by reference, please include additional tables):

A) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

Official Title of Materials Incorporated (from title page)	Relative Values for Dentists
Publisher	Optum
Issue Date	
Issue or Version	2023

B) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

Official Title of Materials Incorporated (from title page)	Relative Values for Dentists
Publisher	Optum
Issue Date	
Issue or Version	2021

C) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

Official Title of Materials Incorporated (from title page)	Relative Values for Physicians
Publisher	Optum
Issue Date	
Issue or Version	2023

D) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

Official Title of Materials Incorporated (from title page)	Relative Values for Physicians
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Publisher	Optum
Issue Date	
Issue or Version	2021

Public Notice Information

8. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. See Section 63G-3-302 and Rule R15-1 for more information.)		
A) Comments will be accepted until:		12/01/2023
B) A public hearing (optional) will be held:		
Date (mm/dd/yyyy):	Time (hh:mm AM/PM):	Place (physical address or URL):
To the agency: If more space is needed for a physical address or URL, refer readers to Box 4 in General Information. If more than two hearings will take place, continue to add rows.		

9. This rule change MAY become effective on:	12/08/2023
NOTE: The date above is the date the agency anticipates making the rule or its changes effective. It is NOT the effective date.	

Agency Authorization Information

To the agency: Information requested on this form is required by Sections 63G-3-301, 63G-3-302, 63G-3-303, and 63G-3-402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the <i>Utah State Bulletin</i> and delaying the first possible effective date.			
Agency head or designee and title:	Steve Gooch, Public Information Officer	Date:	10/16/2023

R590. Insurance, Administration.

R590-267. Personal Injury Protection Relative Value Study Rule.

R590-267-1. Authority.

This rule is promulgated by the commissioner pursuant to Section 31A-2-201.

R590-267-2. Purpose and Scope.

(1) The purpose of this rule is to establish a reasonable value of services and accommodations for the diagnosis, care, recovery, or rehabilitation of an injured person under automobile personal injury protection coverage under Subsection 31A-22-307(1)(a).

(2) This rule applies to services and accommodations provided under automobile personal injury protection coverage under Subsection 31A-22-307(1)(a) on or after January 1, 2014.

R590-267-3. Definitions.

Terms used in this rule are defined in Section 31A-1-301. Additional terms are defined as follows:

(1) "Conversion [~~Factor~~]factor" means a multiplier used to convert the relative value unit or units of a service or a procedure to a reimbursement rate.

(2) "Relative [~~Value Unit~~]value unit" means a numerical value assigned to a medical or dental procedure as published in an edition of the RVP or RVD.

(3) "RVD [~~2021~~]2023" means [~~2021~~—]2023 Edition of the Relative Values for Dentists published by Optum[~~360~~], website: [~~www.optum360coding.com~~]www.optumcoding.com, and incorporated by reference within this rule.

(4) "RVD [~~2019~~]2021" means [~~2019~~—]2021 Edition of the Relative Values for Dentists published by Optum[~~360~~], website: [~~www.optum360coding.com~~]www.optumcoding.com, and incorporated by reference within this rule.

(5) "RVP [~~2021~~]2023" means [~~2021~~—]2023 Edition of the Relative Values for Physicians published by Optum[~~360~~], website: [~~www.optum360coding.com~~]www.optumcoding.com, and incorporated by reference within this rule.

(6) "RVP [~~2019~~]2021" means [~~2019~~—]2021 Edition of the Relative Values for Physicians published by Optum[~~360~~], website: [~~www.optum360coding.com~~]www.optumcoding.com, and incorporated by reference within this rule.

R590-267-4. Conversion Factors.

(1)(a) The following conversion factors shall be used with RVP [~~2021~~—]2023 to determine the reasonable value of each medical service or accommodation provided on or after January 1, [~~2022~~]2024:

(i) anesthesia, [~~109.20~~]116.11;

(ii) surgery, [~~232.50~~]248.75;

(iii) radiology, [~~36.76~~]37.50;

(iv) pathology, [~~24.00~~]25.00;

(v) medicine, [~~13.33~~]13.81;

(vi) evaluation and management, [~~16.07~~]16.81.

(b) The conversion factor used with RVD ~~[2021]~~2023 to determine the reasonable value of each dental service or accommodation provided on or after January 1, ~~[2022]~~2024 shall be ~~[68.33]~~75.00.

(2)(a) The following conversion factors shall be used with RVP ~~[2019]~~2021 to determine the reasonable value of each medical service or accommodation provided from January 1, ~~[2020]~~2022 through December 31, ~~[2021]~~2023:

(i) anesthesia, ~~[108.00]~~109.20;

(ii) surgery, ~~[225.88]~~232.50;

(iii) radiology, ~~[35.60]~~36.76;

(iv) pathology, ~~[24.29]~~24.00;

(v) medicine, ~~[12.80]~~13.33; and

(vi) evaluation and management, ~~[14.74]~~16.07.

(b) The conversion factor used with RVD ~~[2019]~~2021 to determine the reasonable value of each dental service or accommodation provided from January 1, ~~[2020]~~2022 through December 31, ~~[2021]~~2023 shall be ~~[66.67]~~68.33.

R590-267-5. Fee Schedule.

The reasonable value of any service or accommodation shall be calculated by multiplying the relative value unit assigned to the service or accommodation by the applicable conversion factor prescribed in Section R590-267-4.

R590-267-6. Severability.

If any provision of this rule, Rule R590-267, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

KEY: relative value study

Date of Last Change: January 1, 2022

Notice of Continuation: October 24, 2018

Authorizing, and Implemented or Interpreted Law: 31A-2-201(3); 31A-22-307(2)