

NOTICE OF PROPOSED RULE AMENDMENT

- The agency identified below in box 1 provides notice of proposed rule change pursuant to Utah Code Section 63G-3-301 and Subsection 53C-1-201(3)(c).
• Please address questions regarding information on this notice to the agency.
• The full text of all rule filings is published in the Utah State Bulletin unless excluded because of space constraints.
• The full text of all rule filings may also be inspected at the Office of Administrative Rules.

Corrections

Form Corrections Requested : 02/03/2017: Hello Steve, Boxes 7C, 7D, and 8 need either the exact cost businesses and affected persons may incur or an explanation of why an estimate cannot be provided. Thank you very much! Brooke Bolick, Editor, 801-538-3028 0 Due Date: 02/07/2017

Agency Information
1. Agency: Insurance - Administration
Room no.: 3110
Building: STATE OFFICE BLDG
Street address 1: 450 N MAIN ST
Street address 2:
City, state, zip: SALT LAKE CITY UT 84114-1201
Mailing address 1: PO BOX 146901
Mailing address 2:
City, state, zip: SALT LAKE CITY UT 84114-6901
Contact person(s):
Name: Steve Gooch Phone: 801-538-3803 Fax: 801-538-3829 E-mail: sgooch@utah.gov
(Interested persons may inspect this filing at the above address or at DAR during business hours)

Rule Information
DAR file no: 41259 Date filed: 01/30/2017 04:44 PM
State Admin Rule Filing Key: 158455
Utah Admin. Code ref. (R no.): R 590 - 102 -
Changed to Admin. Code ref. (R no.): - -

Title
2. Title of rule or section (catchline):
Insurance Department Fee Payment Rule

Notice Type
3. Type of notice: Amendment

Rule Purpose

4. Purpose of the rule or reason for the change:

The rule change incorporates a number of new fees that were disclosed and discussed during a public fee hearing that was held on 01/27/2017.

Response Information

5. This change is a response to comments by the Administrative Rules Review Committee.

No

Rule Summary

6. Summary of the rule or change:

The changes codify a number of changes that have been approved by the Legislature. New fees were added to cover the costs of setting up and licensing captive cells, individual navigators, navigator agencies, continuing care providers, and guaranteed asset protection providers in Utah, as well as other miscellaneous fees. The changes also include a number of clerical fixes and updates.

Aggregate Cost Information

7. Aggregate anticipated cost or savings to:

A) State budget:

Affected: No

There is no anticipated cost or savings to state budget. The changes add fees that may be paid by certain individuals and businesses, which will result in a small amount of new money coming into state coffers.

B) Local government:

Affected: No

There is no anticipated cost or savings to local government. The changes do not affect the functioning of local government in any way.

C) Small businesses:

Affected: Yes

("small business" means a business employing fewer than 50 persons)

Currently, there are 44 individual navigators whose initial application fee is \$35 a year for an annual budget of \$1,540. Currently, there are 7 agency navigators whose initial application fee is \$40 a year for an annual budget of \$280.

D) Persons other than small businesses, businesses, or local government entities:

Affected: Yes

("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an agency)

Individuals could see a small increase in their insurance premium cost. The actual amount is unknown because any such increase would be a business decision made by affected insurers.

Compliance Cost Information

8. Compliance costs for affected persons:

The captive cell initial and renewal fees are \$1,000. Utah currently licenses 74 captive cells for an annual budget of \$74,000. Currently, there are 44 individual navigators whose initial application fee is \$35 a year for an annual budget of \$1,540. Currently, there are 7 agency navigators whose initial application fee is \$40 a year for an annual budget of \$280. Currently there is 1 continuing care provider whose initial and renewal fees are \$6,900 a year for an annual budget of \$6,900. There are currently 62 guaranteed asset protection providers whose initial and renewal fees are \$1,000 for an annual budget of \$62,000. The annual health insurance assessment funds the department health actuary, and is capped at a total assessment of \$150,000 a year.

Department Head Comments

9. A) Comments by the department head on the fiscal impact the rule may have on businesses:

The changes to this rule may have a small fiscal impact on a small population of businesses. Businesses that require licenses to operate captive cells, navigator agencies, continuing care providers, and guaranteed asset protection providers will pay new licensing fees. These fees are necessary for the department to effectively license and regulate such entities.

B) Name and title of department head commenting on the fiscal impacts:

Todd E. Kiser, Commissioner

Citation Information

10. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws.

State code or constitution citations (required) (e.g., Section 63G-3-402; Subsection 63G-3-601(3); Article IV) :
Subsection 31A-3-103(3)

Incorporated Materials

11. This rule adds, updates, or removes the following title of materials incorporated by reference (a copy of materials incorporated by reference must be submitted to DAR; if none, leave blank) :

Official Title of Materials Incorporated (from title page):
Publisher:
Date Issued:
Issue, or version:
ISBN Number:
ISSN Number:
Cost of Incorporated Reference:
Adds, updates, removes:

Comments

12. 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. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until 5:00 p.m. on (mm/dd/yyyy) :

03/17/2017

B) A public hearing (optional) will be held:

On (mm/dd/yyyy): At (hh:mm AM/PM): At (place):

Proposed Effective Date

13. This rule change may become effective on (mm/dd/yyyy):

03/24/2017

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After a minimum of seven days following the date designated in Box 12(A) above, the agency must submit a Notice of Effective Date to the Office of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

Indexing Information

14. Indexing information - keywords (maximum of four, in lower case, except for acronyms (e.g., "GRAMA") or proper nouns (e.g., "Medicaid")):
insurance fees

File Information

15. Attach an RTF document containing the text of this rule change (filename):

There is a document associated with this rule filing.

To the Agency

Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the Utah State Bulletin, and delaying the first possible effective date.

Agency Authorization

Agency head or designee, and title:

Steve Gooch Information Specialist

Date (mm/dd/yyyy): 01/30/2017