

**State of Utah**  
**Administrative Rule Analysis**  
 Revised November 2021

NOTICE OF PROPOSED RULE		
TYPE OF RULE: New ___; Amendment _x_; Repeal ___; Repeal and Reenact ___		
<b>Title No. - Rule No. - Section No.</b>		
<b>Utah Admin. Code Ref (R no.):</b>	<b>R590-176</b>	<b>Filing ID (Office Use Only)</b>
<b>Changed to Admin. Code Ref. (R no.):</b>	<b>R</b>	

**Agency Information**

<b>1. Department:</b>	Insurance	
<b>Agency:</b>	Administration	
<b>Room no.:</b>	Suite 2300	
<b>Building:</b>	Taylorsville State Office Building	
<b>Street address:</b>	4315 S. 2700 W.	
<b>City, state and zip:</b>	Taylorsville, UT 84129	
<b>Mailing address:</b>	PO Box 146901	
<b>City, state and zip:</b>	Salt Lake City, UT 84114-6901	
<b>Contact person(s):</b>		
<b>Name:</b>	<b>Phone:</b>	<b>Email:</b>
Steve Gooch	801-957-9322	sgooch@utah.gov
Please address questions regarding information on this notice to the agency.		

**General Information**

<b>2. Rule or section catchline:</b>
R590-176. Health Benefit Plan Enrollment
<b>3. Purpose of the new rule or reason for the change (Why is the agency submitting this filing?):</b>
The rule is being changed in compliance with Executive Order 2021-12. During the review of this rule, the department discovered a number of minor issues that needed to be amended.
<b>4. Summary of the new rule or change (What does this filing do? If this is a repeal and reenact, explain the substantive differences between the repealed rule and the reenacted rule):</b>
The majority of the changes are being done to fix style issues to bring the rule text more in line with current rulewriting standards. Other changes make the language of the rule more clear, and update the Severability section to use the department's current language. The changes do not add, remove, or change any regulations or requirements.

**Fiscal Information**

<b>5. Provide an estimate and written explanation of the aggregate anticipated cost or savings to:</b>
<b>A) State budget:</b>
There is no anticipated cost or savings to the state budget. The changes are largely clerical in nature, and will not change how the department functions.
<b>B) Local governments:</b>
There is no anticipated cost or savings to local governments. The changes are largely clerical in nature, and will not affect local governments.
<b>C) Small businesses ("small business" means a business employing 1-49 persons):</b>
There is no anticipated cost or savings to small businesses. The changes are largely clerical in nature, and will not affect small businesses.
<b>D) Non-small businesses ("non-small business" means a business employing 50 or more persons):</b>

There is no anticipated cost or savings to non-small businesses. The changes are largely clerical in nature, and will not affect non-small businesses.

**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**):

There is no anticipated cost or savings to any other persons. The changes are largely clerical in nature.

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

There are no compliance costs for any affected persons. The changes are largely clerical in nature.

**G) Comments by the department head on the fiscal impact this rule may have on businesses** (Include the name and title of the department head):

After conducting a thorough analysis, it was determined that this proposed rule amendment will not result in a fiscal impact to businesses. — Jonathan T. Pike, Insurance Commissioner

**6. A) 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**

<b>Fiscal Cost</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
<b>Total Fiscal Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Fiscal Benefits</b>			
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
<b>Total Fiscal Benefits</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Fiscal Benefits</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**B) Department head approval of regulatory impact analysis:**

The Commissioner of Insurance, Jonathan T. Pike, has reviewed and approved this fiscal analysis.

**Citation Information**

**7. 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	Section 31A-2-202	

**Incorporations by Reference Information**

(If this rule incorporates more than two items by reference, please include additional tables.)

**8. 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*):

	<b>First Incorporation</b>
<b>Official Title of Materials Incorporated (from title page)</b>	
<b>Publisher</b>	
<b>Date Issued</b>	

<b>Issue, or version</b>	
--------------------------	--

**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*):

	<b>Second Incorporation</b>
<b>Official Title of Materials Incorporated (from title page)</b>	
<b>Publisher</b>	
<b>Date Issued</b>	
<b>Issue, or version</b>	

#### Public Notice Information

**9. 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.)

<b>A) Comments will be accepted until</b> (mm/dd/yyyy):	03/17/2022	
<b>B) A public hearing (optional) will be held:</b>		
<b>On</b> (mm/dd/yyyy):	<b>At</b> (hh:mm AM/PM):	<b>At</b> (place):

<b>10. This rule change MAY become effective on</b> (mm/dd/yyyy):	03/24/2022
NOTE: The date above is the date the agency anticipates making the rule or its changes effective. It is NOT the effective date. To make this rule effective, the agency must submit a Notice of Effective Date to the Office of Administrative Rules on or before the date designated in Box 10.	

#### Agency Authorization Information

**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.

<b>Agency head or designee, and title:</b>	Steve Gooch, Public Information Officer	<b>Date</b> (mm/dd/yyyy):	02/01/2022
--	---	---------------------------	------------

### R590. Insurance, Administration.

#### R590-176. Health Benefit Plan Enrollment.

##### R590-176-1. Authority.

~~[The commissioner's authority to promulgate this rule is provided in]~~ This rule is promulgated by the commissioner pursuant to Sections 31A-2-201~~(3)~~ and 31A-2-202~~(2)~~.

##### R590-176-2. Purpose and Scope.

(1) The purpose ~~[and scope]~~ of this rule is to provide enrollment requirements under Section 31A-30-108~~[for]~~.

(2) This rule applies to a carrier[s who] that provides health benefit plan coverage to individuals and small employers [as stated in] under Section 31A-30-104.

##### R590-176-3. Definitions.

~~[(1) The definitions]~~ Terms used in this rule are defined in Sections 31A-1-301 and 31A-30-103~~[apply to this rule]~~. Additional terms are defined as follows.

~~[(2)]~~ "Time period" means the period such as daily, weekly, or monthly, as determined by the carrier, in which applications are grouped.

##### R590-176-4. General Provisions.

(1) Any attempt to selectively or unfairly delay, obstruct, or ~~[otherwise]~~ hinder any person from obtaining coverage under Title 31A, Chapter 30, Individual, Small Employer, and Group Health Insurance Act, is a violation of Section 31A-30-108.

(2) Enrollment shall be equally available through all distribution systems.

(3) A carrier may not market or encourage producers to market individual or small employer health benefit plans ~~in such a way that there is a lessened~~ to lessen the incentive to insure business with greater health risks.

(4) ~~All~~ Each record[s] regarding an enrollment application~~s and~~ or underwriting determination[s] shall:

(a) be retrievable for examination by the time period the application was received;

(b) include ~~all~~ any document~~s, indicating the applicable date,~~ pertaining to the application and its underwriting; and

(c) be retained for the current year plus three years.

(5) ~~The~~ A document~~s indicated~~ described in Subsection (4)(b) ~~would~~ includes:

(a) an application and date received~~;~~;

(b) any notification[s] to the applicant and ~~the~~ date of notification;

(c) any record[s] used in underwriting and date received; and

(d) an underwriting decision and date of decision.

#### **R590-176-5. Application and Enrollment.**

(1) ~~Each carrier shall establish a procedure to determine the order of applications. The procedure shall group the applications into consistent time periods. The~~ A carrier shall keep a record of ~~all~~ each application[s] for coverage that includes the time period ~~an~~ the application is received by the carrier.

(2) All applications shall be treated consistently.

(3)(a) A complete application shall be processed and ~~a written notice of the decision communicated to~~ the applicant shall be given written notice of the decision within 30 days of the decision.

(b) ~~The~~ A carrier may not require that an application be complete ~~in order~~ to qualify as an application for coverage.

(c) If an application is incomplete, ~~within 15 days from receipt of the application a~~ the carrier shall notify the applicant of the incomplete areas ~~that are incomplete~~ and the information required to complete the application within 15 days of receipt of the application.

(d) Before an application can be rejected as incomplete, an applicant[s] shall have at least 30 days ~~after being notified additional information is required~~ to provide the required information.

#### **R590-176-6. Severability.**

~~If any provision or clause of this rule or its application to any person or situation is held invalid, such invalidity shall not affect any other provision or application of this rule which can be given effect without the invalid provision or application, and to this end the provisions of this rule are declared to be severable.~~ If any provision of this rule, Rule R590-176, 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: health insurance**

**Date of Enactment or Last Substantive Amendment: December 2, 2014**

**Notice of Continuation: December 12, 2016**

**Authorizing, and Implemented or Interpreted Law: 31A-2-201; 31A-2-202**