

State of Utah
Administrative Rule Analysis
Revised May 2025

NOTICE OF SUBSTANTIVE CHANGE

TYPE OF FILING: Amendment

| | | |
|--|-------------------------------|-----------------------------------|
| Rule or section number: | R590-192-7 | Filing ID: OFFICE USE ONLY |
| Date of previous publication (only for CPRs): | Click or tap to enter a date. | |

Agency Information

| | | |
|-----------------------------|------------------------------------|-----------------|
| 1. Title catchline: | Insurance, Administration | |
| Building: | Taylorsville State Office Building | |
| Street address: | 4315 S. 2700 W. | |
| City, state: | Taylorsville, UT | |
| 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:

R590-192-7. Notification

3. Are any changes in this filing because of state legislative action? Changes are not because of legislative action.

If yes, any bill number and session: HB 1 (2025 General Session), SB 25 (2024 3rd Special Session)

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

The rule is being amended to provide clarification on where an insurer's contact information should appear on an adverse benefit determination to reduce consumer confusion.

5. Summary of the new rule or change:

The change requires an insurer to provide its contact information before the Department's contact information on an adverse benefit determination. The change also updates the section's numbering to meet rulemaking standards.

Fiscal Information

6. Provide an estimate and written explanation of the aggregate anticipated cost or savings to:

A. State budget:

There is no anticipated cost or savings to the state budget. The changes are clerical in nature and will not affect how the Department functions.

B. Local governments:

There is no anticipated cost or savings to local governments. The changes only apply to insurer licensees of the Department, and do not affect local governments in any way.

C. Small businesses ("small business" means a business employing 1-49 persons):

There is no anticipated cost or savings to small businesses. All insurers active in Utah have more than 49 employees.

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

Non-small businesses, specifically insurers offering accident and health insurance, are expected to have an insignificant anticipated cost as a result of this change. The Department cannot estimate the aggregate cost because the change only requires the insurer to move the location of its contact information on a templated notice. This change should only be made one time and should take an insignificant amount of employee time.

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 only apply to insurer licensees of the Department, and do not affect other persons in any way.

F. Compliance costs for affected persons:

Non-small businesses, specifically insurers offering accident and health insurance, are expected to have an insignificant anticipated compliance cost as a result of this change. The change only requires the insurer to move the location of its contact information on a templated notice. This change should only be made one time and should take an insignificant amount of employee time.

G. Regulatory Impact Summary Table (This table includes only fiscal impacts the agency was able to measure. If the agency could not estimate an impact, it is excluded from this table but described in boxes A through F.)

Regulatory Impact Summary Table

| Fiscal Cost | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|
| State Budget | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Governments | \$0 | \$0 | \$0 | \$0 | \$0 |
| Small Businesses | \$0 | \$0 | \$0 | \$0 | \$0 |
| Non-Small Businesses | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Persons | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Fiscal Cost | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fiscal Benefits | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 |
| State Budget | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Governments | \$0 | \$0 | \$0 | \$0 | \$0 |
| Small Businesses | \$0 | \$0 | \$0 | \$0 | \$0 |
| Non-Small Businesses | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Persons | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Fiscal Benefits | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fiscal Benefits | \$0 | \$0 | \$0 | \$0 | \$0 |

H. Department head comments on fiscal impact and approval of regulatory impact analysis:

The Commissioner of the Insurance Department, Jonathan T. Pike, has reviewed and approved this regulatory impact 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-2-216 | Section 31A-21-312 |
| Section 31A-22-629 | Section 31A-26-301 | Section 31A-26-301.6 |
| Section 31A-26-303 | | |

Incorporation by Reference Information

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

A. This rule adds or updates the following title of material incorporated by reference (a copy of the material incorporated by reference must be submitted to the Office of Administrative Rules. *If none, leave blank*):

| | |
|---|--|
| Official Title of Materials Incorporated (from title page) | |
| Publisher | |
| Issue Date | |
| Issue or Version | |

B. This rule adds or updates the following title of material incorporated by reference (a copy of the material incorporated by reference must be submitted to the Office of Administrative Rules. *If none, leave blank*):

| | |
|---|--|
| Official Title of Materials Incorporated (from title page) | |
| Publisher | |
| Issue Date | |
| Issue or Version | |

Public Notice Information

9. The public may submit written or oral comments to the agency identified in box 1.

| | |
|--|------------|
| A. Comments will be accepted until: | 07/31/2025 |
|--|------------|

B. A public hearing (optional) will be held (The public may request a hearing by submitting a written request to the agency, as outlined in Section 63G-3-302 and Rule R15-1.):

| | | |
|--------------|----------------------------|---|
| Date: | Time (hh:mm AM/PM): | Place (physical address or URL): |
|--------------|----------------------------|---|

Click or tap to enter a date.

To the agency: If more than one hearing is planned to take place, continue to add rows.

10. This rule change MAY become effective on: 08/07/2025

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. The office may return incomplete forms to the agency, possibly delaying publication in the *Utah State Bulletin* and delaying the first possible effective date.

| | | | |
|---|---|--------------|------------|
| Agency head or designee and title: | Steve Gooch, Public Information Officer | Date: | 06/10/2025 |
|---|---|--------------|------------|

R590. Insurance, Administration.

R590-192. Unfair Accident and Health Insurance Claim Settlement Practice Rule.

R590-192-7. Notification.

(1) An insurer shall notify a claimant of a benefit determination and include:

- (a) the specific reason or reasons for the benefit determination;
- (b) reference to the specific policy provision that the benefit determination is based upon;
- (c) a description of additional information needed and an explanation of why such information is necessary; and
- (d) with a notice of an adverse benefit determination:
 - (i) a description of the appeal procedures and any time limitations;
 - (ii) a description of how to initiate an appeal along with ~~the~~ conspicuous disclosure of the insurer's address and telephone number that is followed by a statement regarding assistance available at the Utah Insurance Department, Office of Consumer Health Assistance; and
 - (iii) the claimant's right to bring civil action~~, and~~
 - (iv) a statement regarding assistance available at the Utah Insurance Department, Office of Consumer Health Assistance.

(2)(a) If a claimant fails to follow an insurer's procedure for filing a pre-service claim, an insurer or authorized agent shall:

- (i) notify the claimant of the failure;
- (ii) provide the claimant with the proper procedure to file a claim for benefits; and
- (iii) provide notification to the claimant:

(A) no later than five days from the failure; or

(B) within 24 hours of the failure for a claim involving urgent care.

(b) Notification of a failure may be oral unless written notification is requested by a claimant.

(3)(a) A notice of adverse benefit determination for a health benefit plan shall comply with Rule R590-261.

(b) Subsection (3)(a) does not apply to a grandfathered health plan defined in 45 CFR 147.140.

(4)~~(4)~~ A notice of an adverse benefit determination for income replacement insurance shall:

~~(4)(a)~~ provide the criteria relied upon in making the adverse determination; and

~~(4)(b)~~ disclose that a copy of the criteria will be provided free of charge upon request.

~~(4)(c)~~ If an adverse benefit determination is based on medical necessity, experimental treatment, or similar exclusion or limit, an insurer shall provide either:

~~(4)(a)~~ an explanation of the scientific or clinical judgment for the determination that applies the terms of the plan to the insured's medical circumstances; or

~~(4)(b)~~ a statement that the explanation in Subsection ~~(4)(b)(4)(5)(a)~~ will be provided free of charge upon request.

~~(4)(c)~~ An adverse benefit determination for a claim involving urgent care shall:

(a) provide written or electronic notification to the claimant no later than three days after an oral notification; and

(b) provide a description of the expedited review process applicable to each claim.

KEY: insurance law

Date of Last Change: October 16, 2023

Notice of Continuation: June 10, 2024

Authorizing, and Implemented or Interpreted Law: 31A-1-301; 31A-2-201; 31A-2-204; 31A-2-308; 31A-21-312; 31A-26-303