

State of Utah
Administrative Rule Analysis
 Revised May 2020

NOTICE OF PROPOSED RULE		
TYPE OF RULE: New ___; Amendment _x_; Repeal ___; Repeal and Reenact ___		
Title No. - Rule No. - Section No.		
Utah Admin. Code Ref (R no.):	R590-237-8	Filing No. (Office Use Only)
Changed to Admin. Code Ref. (R no.):	R	

Agency Information

1. Department:		
Agency:	Insurance Department	
Room no.:	3110	
Building:	State Office Building	
Street address:	450 N. State St.	
City, state:	Salt Lake City, UT 84114	
Mailing address:	PO Box 146901	
City, state, zip:	Salt Lake City, UT 84114-6901	
Contact person(s):		
Name:	Phone:	Email:
Steve Gooch	801-538-3803	sgooch@utah.gov
Please address questions regarding information on this notice to the agency.		

General Information

2. Rule or section catchline:
Rural Health Notification
3. Purpose of the new rule or reason for the change (If this is a new rule, what is the purpose of the rule? If this is an amendment, repeal, or repeal and reenact, what is the reason for the filing?):
This section of the rule is being amended to clarify when notice is required.
4. Summary of the new rule or change:
The change is being made to clarify when an insurer is required to make notifications in a change of status for a rural hospital.

Fiscal Information

5. Aggregate anticipated cost or savings to:
A) State budget:
There is no anticipated cost or savings to the state budget. The change clarifies when an insurer must notify of changes to independent hospitals and federally qualified health centers located in rural areas of Utah. These changes are known in the industry and insurers are already operating in compliance with the changes.
B) Local governments:
There is no anticipated cost or savings to local governments. The change clarifies when an insurer must notify of changes to independent hospitals and federally qualified health centers located in rural areas of Utah. There are no compliance requirements for local governments in the rule.
C) Small businesses ("small business" means a business employing 1-49 persons):
There is no anticipated cost or savings to small businesses. The change clarifies when an insurer must notify of changes to independent hospitals and federally qualified health centers located in rural areas of Utah. There are no compliance requirements for small businesses in the rule.

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

There is no anticipated cost or savings to the state budget. The change clarifies when an insurer must notify of changes to independent hospitals and federally qualified health centers located in rural areas of Utah. These changes are known in the industry and insurers, which are the only non-small businesses affected, are already operating in compliance with the changes.

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 change clarifies when an insurer must notify of changes to independent hospitals and federally qualified health centers located in rural areas of Utah. There are no compliance requirements for any persons in the rule.

F) Compliance costs for affected persons:

The changes largely update the lists of independent hospitals and federally qualified health centers located in rural areas of Utah. These changes are known in the industry and insurers, which are the only non-small businesses affected, are already operating in compliance with the changes. There are no compliance costs for any other persons.

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	FY2021	FY2022	FY2023
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
Total Fiscal Cost	\$0	\$0	\$0
Fiscal Benefits			
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
Total Fiscal Benefits	\$0	\$0	\$0
Net Fiscal Benefits	\$0	\$0	\$0

H) Department head approval of regulatory impact analysis:

The head of the Insurance Department, Todd E. Kiser, has reviewed and approved this fiscal analysis.

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

The above analysis represents the Insurance Department's best estimate of the fiscal impact that this rule may have on businesses.

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

Todd E. Kiser, Insurance Commissioner

Citation Information

7. 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):

Subsection 31A-2-201(3)(a)	Subsection 31A-45-501(8)(c)	

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*):

	First Incorporation
Official Title of Materials Incorporated (from title page)	
Publisher	
Date Issued	
Issue, or version	

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*):

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

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. 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 (mm/dd/yyyy): 09/14/2020

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

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

10. This rule change MAY become effective on (mm/dd/yyyy): 09/21/2020

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After the date designated in Box 10, 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.

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.

Agency head or designee, and title:	Steve Gooch	Date (mm/dd/yyyy):	07/22/2020
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R590. Insurance, Administration.

R590-237. Access to Health Care Providers in Rural Counties.

R590-237-8. Rural Health Notification.

(1) A managed care organization shall provide to a subscriber the notice required by Subsection 31A-45-501(8)(d)(ii) no later than at the time of enrollment or the time the group or individual contract and evidence of coverage are issued and upon request thereafter. The information must be included and easily accessible on the managed care organization's website. When a rural county, independent hospital, or federally qualified health center changes, the managed care organization shall provide an updated notice to each affected subscriber within 30 days of the change.

(2) When an independent hospital or federally qualified health center status changes, a [A] managed care organization shall provide a notice to [each-]the independent hospital and federally qualified health center in the managed care organization's service area [the notice required by Subsection 31A-45-501(8)(d)(ii)-]within 30 days of the change.

KEY: health care providers

Date of Enactment or Last Substantive Amendment: July 22, 2020

Notice of Continuation: August 31, 2016

Authorizing, and Implemented or Interpreted Law: 31A-2-201; 31A-45-501