

State of Utah
Administrative Rule Analysis
 Revised October 2019

| NOTICE OF PROPOSED RULE | | |
|--|----------|------------------------------|
| TYPE OF RULE: New ___; Amendment ___; Repeal _x_; Repeal and Reenact ___ | | |
| Title No. - Rule No. - Section No. | | |
| Utah Admin. Code Ref (R no.): | R590-260 | Filing No. (Office Use Only) |
| Changed to Admin. Code Ref. (R no.): R | | |

Agency Information

| | | |
|--|--------------------------------|-----------------|
| 1. Agency: | Insurance Department | |
| Room no.: | 3110 | |
| Building: | State Office Building | |
| Street address: | 450 N. State St. | |
| City, state, zip: | 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

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| 2. Rule or section catchline: |
| Utah Defined Contribution Risk Adjuster Plan of Operation. |
| 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?): |
| The rule is being repealed due to the dissolution of the Utah Defined Contribution Risk Adjuster Board. During the 2017 General Session, the Legislature passed HB336, Health Reform Amendments, which provided for the wind-down of Utah's health exchange, Avenue H. The bill repealed the defined contribution arrangements and employer risk adjustment effective July 1, 2019. The revisions make this regulation obsolete. |
| 4. Summary of the new rule or change: |
| During the 2017 General Session, the Legislature passed HB336, Health Reform Amendments, which provided for the wind-down of Utah's health exchange, Avenue H. The bill repealed the defined contribution arrangements and employer risk adjustment effective July 1, 2019. The revisions make this regulation obsolete. |

Fiscal Information

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| 5. Aggregate anticipated cost or savings to: |
| A) State budget: |
| There is no anticipated cost or savings to the state budget. The repeal of the rule requires no action or compliance of any sort by any persons. |

B) Local governments:

There is no anticipated cost or savings to local governments. The repeal of the rule requires no action or compliance of any sort by any persons.

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

There is no anticipated cost or savings to small businesses. The repeal of the rule requires no action or compliance of any sort by any persons.

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

There is no anticipated cost or savings to non-small businesses. The repeal of the rule requires no action or compliance of any sort by any persons.

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 repeal of the rule requires no action or compliance of any sort by any persons.

F) Compliance costs for affected persons:

There are no compliance costs for any affected persons. The repeal of the rule requires no action or compliance of any sort by any 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 Summary Table | | | |
|--|----------------|----------------|----------------|
| Fiscal Costs | FY 2020 | FY 2021 | FY 2022 |
| State Government | \$0 | \$0 | \$0 |
| Local Government | \$0 | \$0 | \$0 |
| Small Businesses | \$0 | \$0 | \$0 |
| Non-Small Businesses | \$0 | \$0 | \$0 |
| Other Person | \$0 | \$0 | \$0 |
| Total Fiscal Costs: | \$0 | \$0 | \$0 |
| Fiscal Benefits | | | |
| State Government | \$0 | \$0 | \$0 |
| Local Government | \$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 sign-off on regulatory impact:

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:

After conducting a thorough analysis, it was determined that this proposed rule will not result in a fiscal impact to 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):

| | | |
|------------|--|--|
| 31A-42-204 | | |
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| | | |

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): 01/14/2020

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

| On (mm/dd/yyyy): | At (hh:mm AM/PM): | At (place): |
|-------------------------|--------------------------|--------------------|
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|--|------------|
| 10. This rule change MAY* become effective on (mm/dd/yyyy): | 01/21/2020 |
|--|------------|

*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): | 11/26/2019 |
|--|-------------|---------------------------|------------|

~~[R590. Insurance, Administration.~~

~~R590 260. Utah Defined Contribution Risk Adjuster Plan of Operation.~~

~~R590 260 1. Authority.~~

~~_____ This rule is promulgated by the insurance commissioner pursuant to Section 31A 42 204, wherein the commissioner shall adopt the Utah Defined Contribution Risk Adjuster Plan of Operation.~~

~~R590 260 2. Purpose.~~

~~_____ The purpose of this rule is to adopt the Utah Defined Contribution Risk Adjuster Plan of Operation as required by Section 31A 42 204.~~

~~R590 260 3. Plan of Operation.~~

~~_____ The commissioner adopts the Utah Defined Contribution Risk Adjuster Plan of Operation as of August 25, 2015, that is available at the department and on line at <http://www.insurance.utah.gov/legalresources/currentrules.html>.~~

~~R590 260 4. Penalties.~~

~~_____ A person found, after a hearing or other regulatory process, to be in violation of this rule shall be subject to penalties as provided under Section 31A 2 308.~~

~~R590 260 5. Severability.~~

~~_____ If any provision of this rule or its application to any person or situation is held to be invalid, that 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.~~

~~KEY: risk adjuster plan operation~~

~~Date of Enactment or Last Substantive Amendment: November 9, 2015~~

~~Notice of Continuation: March 18, 2016~~

~~Authorizing, and Implemented or Interpreted Law: 31A 42 204]~~