

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.

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:	Phone:	Fax:	E-mail:
Steve Gooch	801-538-3803	801-538-3829	sgooch@utah.gov

(Interested persons may inspect this filing at the above address or at DAR during business hours)

Rule Information

DAR file no: 42298 Date filed: 11/01/2017 05:47 PM  
 State Admin Rule Filing Key: 159594  
 Utah Admin. Code ref. (R no.): R 590 - 267 -  
 Changed to Admin. Code ref. (R no.): - -

Title

2. Title of rule or section (catchline):  
 Personal Injury Protection Relative Value Study Rule

Notice Type

3. Type of notice: Amendment

Rule Purpose

4. Purpose of the rule or reason for the change:  
 The change updates the conversion factors and publications for use in 2018.

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 change adds conversion factors and publications for physicians and dentists to use when determining the reasonable value of services provided to patients on or after January 1, 2018, and removes the factors and publications that were to be used from 2014 through 2015.

Aggregate Cost Information

7. Aggregate anticipated cost or savings to:

A) State budget:

Affected: Yes

The department will be required to purchase two hard copies of the RVD 2017 at \$260 each and two copies of the RVP 2017 at \$330 each. These publications are incorporated by reference. One copy will be maintained by the Department and one copy will be maintained by the Division of Administrative Rules per rulemaking requirements.

B) Local government:

Affected: No

There will be no cost or savings to local government. The rule covers the method by which providers determine the reasonable value of services they provide to consumers.

C) Small businesses:

Affected: Yes

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

Medical, dental, and chiropractic offices that provide services for individuals insured in auto accidents may purchase individually, or as a group, the RVD 2017 or RVP 2017 publication that is incorporated by reference in the rule. The cost of the RVD 2017 is \$260 for a hard copy. The cost of the RVP 2017 is \$330 for a hard copy. By using the publication with the conversion factors in the rule, they will be able to determine the reasonable charges for services they provide to those injured in automobile accidents.

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)

Auto insurers, or those they contract with to service their claims, and health care providers may purchase the RVD 2017 or RVP 2017 publication that is incorporated by reference in the rule. The cost of the RVD 2017 is \$260 for a hard copy. The cost of the RVP 2017 is \$330 for a hard copy. By using the publication with the conversion factors in the rule, they will be able to determine the reasonable charges of medical and dental services they are required to reimburse providers for treatment under personal injury protection coverage in Utah.

Compliance Cost Information

8. Compliance costs for affected persons:

Affected persons may purchase the RVD 2017 or RVP 2017 publication that is incorporated by reference in the rule. The cost of the RVD 2017 is \$260 for a hard copy, while the RVP 2017 is \$330 for a hard copy. The Department is sensitive to this compliance cost and it expects to arrange a 50% discount for purchasers with a Utah address, as has been arranged in prior years, to help ameliorate any adverse costs on small businesses. Additionally, as required by rulemaking guidelines, both publications will be available for review by affected persons at the Insurance Department and the Department of Administrative Rules at no charge.

Department Head Comments

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

I. WHETHER A FISCAL IMPACT TO BUSINESS IS EXPECTED AS A RESULT OF THE PROPOSED RULE AND, IF SO, A DESCRIPTION OF WHY: A number of businesses will have a fiscal impact as a result of this rule. Small businesses (including medical, dental, and chiropractic offices) and larger businesses (such as auto and health insurers) may choose to purchase the RVD 2017 or RVP 2017 publication that is incorporated by reference in the rule. The cost of the RVD 2017 is \$260 for a hard copy. The cost of the RVP 2017 is \$330 for a hard copy. The Department is sensitive to this compliance cost and it expects to arrange a 50% discount for purchasers with a Utah address, as has been arranged in prior years, to help ameliorate any adverse costs on small businesses. Additionally, as required by rulemaking guidelines, both publications will be available for review by affected persons at the Insurance Department and the Department of Administrative Rules at no charge. II. AN ESTIMATE OF THE TOTAL NUMBER OF BUSINESS ESTABLISHMENTS IN UTAH EXPECTED TO BE IMPACTED: Approximately 4,061 businesses in Utah may be impacted by the rule. This includes physician, dental, and chiropractic offices, as well as medical and auto insurers. III. AN ESTIMATE OF THE SMALL BUSINESS ESTABLISHMENTS IN UTAH EXPECTED TO BE IMPACTED: Approximately 3,896 small businesses in Utah may be impacted by the rule. This includes physician, dental, and chiropractic offices which generally have fewer than 50 employees. The Department is sensitive to this compliance cost and it expects to arrange a 50% discount for purchasers with a Utah address, as has been arranged in prior years, to help ameliorate any adverse costs on small businesses. Additionally, as required by rulemaking guidelines, both publications will be available for review by affected persons at the Insurance Department and the Department of Administrative Rules at no charge. IV. A DESCRIPTION OF THE SOURCES OF COST OR SAVINGS AS WELL AS THE EXPECTED NET SAVINGS OR COST TO BUSINESS ESTABLISHMENTS AND SMALL BUSINESS ESTABLISHMENTS AS A RESULT OF THE PROPOSED RULE OVER A ONE-YEAR PERIOD, IDENTIFYING ONE-TIME AND ONGOING COSTS: Affected persons may purchase the RVD 2017 or RVP 2017 publication that is incorporated by reference in the rule. The cost of the RVD 2017 is \$260 for a hard copy, while the RVP 2017 is \$330 for a hard copy. Small businesses (physicians, dentists, chiropractors) are likely to purchase one publication or the other, depending on their specialization. The net one-time cost for small businesses as a whole may be \$1,166,890. Larger businesses (insurers) may purchase both publications. The net one-time cost for larger businesses as a whole may be \$97,350. The net one-time cost for all affected persons (small businesses and large businesses) may be \$1,264,240. However, the Department expects to arrange a 50% discount for purchasers with a Utah address, as has been arranged in prior years. This discount will reduce the expected costs significantly. It is also important to note that the Department makes its copies of the RVD and RVP available to any affected parties for free viewing in the Department's offices. V. DEPARTMENT HEAD'S COMMENTS ON THE ANALYSIS: This analysis represents the Insurance Department's best estimate of the maximum fiscal impact this rule amendment may have on businesses. Because the analysis did not include the expected 50% discount, the actual impact is expected to be much lower. Affected persons are also welcome to review both publications at the Department's offices at no cost.

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

Todd E. Kiser, Insurance 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-22-307(2)

Subsection 31A-2-201(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):Relative Values for Dentists  
 Publisher:Optum 360  
 Date Issued:  
 Issue, or version:2017  
 ISBN Number:9781622542123  
 ISSN Number:  
 Cost of Incorporated Reference:259.95  
 Adds, updates, removes:Updates

Official Title of Materials Incorporated (from title page):Relative Values for Physicians  
 Publisher:Optum 360  
 Date Issued:  
 Issue, or version:2017  
 ISBN Number:9781622542901  
 ISSN Number:  
 Cost of Incorporated Reference:329.95  
 Adds, updates, removes:Updates

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) :

12/15/2017

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): 12/22/2017

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")):  
relative value study

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): 11/01/2017
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