

R590. Insurance, Administration.

R590-255. Utah NetCare Alternative Coverage Notification Rule.

R590-255-1. Authority.

This rule is promulgated pursuant to Section 31A-22-724 wherein the commissioner shall develop a model letter.

R590-255-2. Purpose and Scope.

(1) The purpose of this rule is to adopt a model letter for insurers to provide to employers as required by Section 31A-22-716 to notify an employee of the employee's options for alternative coverage.

(2) This rule applies to all accident and health insurers doing business in Utah that are required to offer alternative coverage pursuant to Section 31A-22-724.

R590-255-3. General Instructions.

(1) An insurer shall provide an employer:

- (a) a letter that explains alternative coverage; or
- (b) the Utah NetCare: Utah's Alternative Coverage letter.

(2) The letter required by this Subsection (1) shall be provided:

- (a) to an employer at renewal;
- (b) when requested by an employer; and
- (c) when requested by an employee.

R590-255-4. Enforcement Date.

The commissioner will begin enforcing this rule 45 days from the rule's effective date.

R590-255-5. 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 31A-2-308.

R590-255-6. 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: insurance alternative coverage, Netcare

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