STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: UTAH

DEFINITION OF AN HMO THAT IS NOT FEDERALLY QUALIFIED

The following organizations may contract with the Department of Health, Division of Health Care Financing, to provide comprehensive general medical services under a capitation payment arrangement:

1. Health Maintenance Organization (HMO).
   HMO means an organization as defined in 31A-8-101(5), UCA 1990. Before providing medical services in the State of Utah, an HMO shall meet at least the following requirements:

   1. be organized primarily for the purpose of providing health care services;
   2. make the services it provides to its Medicaid enrollees as accessible to them (in terms of timeliness, amount, duration, and scope) as those services are to non-enrolled Medicaid recipients within the area served by the HMO;
   3. make provision, satisfactory to the Division of Health Care Financing, against the risk of insolvency and assure that Medicaid enrollees will not be liable for the HMO=s debts if it does become insolvent;
   4. be licensed by the Utah Department of Insurance;
   5. comply with all applicable federal and state laws.

2. Prepaid Health Plan (PHP).
   A contracting PHP shall meet at least the following requirements before providing medical services:

   1. be organized primarily for the purpose of providing health care services;
   2. make the services it provides to its Medicaid enrollees as accessible to them (in terms of timeliness, amount, duration, and scope) as those services are to non-enrolled Medicaid recipients within the area served by the PHP;
   3. make provision, satisfactory to the Division of Health Care Financing, against the risk of insolvency and assure that Medicaid enrollees will not be liable for the PHP=s debts if it does become insolvent;
   4. be a local or state governmental entity, or a local government contracted entity;
   5. comply with all applicable federal and state laws;
   6. be approved by the Utah Department of Health, Division of Health Care Financing.

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