

**MINUTES OF THE  
PUBLIC UTILITIES AND TECHNOLOGY INTERIM COMMITTEE**

Wednesday, August 19, 2015 – 8:00 a.m. – Room 450 State Capitol

**Members Present:**

Sen. David P. Hinkins, Senate Chair  
Rep. Ken Ivory, House Chair  
Sen. Peter C. Knudson  
Sen. Kevin T. Van Tassell  
Rep. Scott H. Chew  
Rep. Kay J. Christofferson  
Rep. Brad L. Dee  
Rep. Rebecca P. Edwards  
Rep. Stephen G. Handy  
Rep. Angela Romero  
Rep. Scott D. Sandall  
Rep. Keven J. Stratton

**Members Absent:**

Sen. Gene Davis  
Rep. Keith Grover  
Rep. Mike K. McKell  
Rep. Justin J. Miller

**Staff Present:**

Mr. Richard C. North, Policy Analyst  
Mr. Samuel C. Johnston, Associate General Counsel  
Ms. Tracey Fredman, Legislative Assistant

**Note:** A list of others present, a copy of related materials, and an audio recording of the meeting can be found at [www.leg.utah.gov](http://www.leg.utah.gov).

**1. Committee Business**

Chair Hinkins called the meeting to order at 8:05 a.m.

**MOTION:** Sen. Van Tassell moved to approve the minutes of the July 15, 2015, meeting. The motion passed unanimously. Rep. Dee was absent for the vote.

**2. Department of Technology Services: Draft Legislation**

Mr. North indicated that there would be a bill ready for the committee's consideration at the October meeting that addresses reorganization of the Department of Technology Services. He said the current discussion was for information purposes about the substantive changes being proposed in the bill.

Mr. Mark Van Orden, Executive Director, Department of Technology Services, discussed the proposed provisions of legislation currently being drafted, to include

- an updated membership of the department's rate committee,
- consolidation of three divisions within the department, and
- creating a chief information security officer position.

Chair Hinkins turned the gavel to Rep. Ivory.

**3. Prepaid /Telemedicine / Reimbursable Health Care: The Efficient Delivery of Cost-Effective Medical Services**

Dr. Rachot Vacharothone, CEO, Medallus Medical, distributed and presented "Healthcare Cost Reduction 6 Years in the Making." Dr. Vacharothone discussed ways Medallus Medical has succeeded in reducing costs to patients while increasing Utahns' access to healthcare over the past six years. He reported that the prepaid cost for patient participation in the program is about \$1 per day and \$10 per visit for services, which includes unlimited urgent care visits, unlimited primary care access, and 24/7 access via telephone.

Committee discussion followed during which Dr. Vacharothone responded to questions about how other medical providers are following the model used by Medallus Medical.

Mr. Justin Kahn, Founder and CEO, TrueClinic, LLC, briefed committee members on the concept of telehealth and discussed recommendations for future legislation regarding the informed consent of patients, medical prescriptions, reimbursement, and standards of care. Mr. Kahn asked the committee to consider legislation to fund a pilot program, and responded to questions on issues of licensing and liability.

Ms. Michelle McOmber, CEO, Utah Medical Association, spoke in support of expanding telemedicine in the state and said that liability is not really an issue for medical malpractice carriers with physicians as long as properly insured. Ms. McOmber noted that a compact was passed last year for physician licensing in order to make telemedicine across state lines easier.

Ms. Deb La Marche, Associate Director, Utah Telehealth Network, commented on inconsistent reimbursement payments as a barrier to telehealth care. She also briefed committee members about Project ECHO (Extension for Community Health), which is a cost-free partnership between community primary care providers and a team from the University of Utah that provide treatment for complex diseases in rural areas of the state through the use of technology.

**MOTION:** Rep. Christofferson moved that the committee open a bill file related to telemedicine and that a working group be set up that will report on findings and recommendations at the November meeting. The motion passed unanimously. Rep. Dee was absent for the vote.

#### **4. Other Items / Adjourn**

**MOTION:** Rep. Chew moved to adjourn the meeting. The motion passed unanimously. Rep. Dee was absent for the vote.

Chair Ivory adjourned the meeting at 10:03 a.m.