

29-GH2126\E
Wallace
5/25/16

CS FOR HOUSE BILL NO. 374(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FOURTH SPECIAL SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

"An Act relating to funding for a reinsurance program; relating to the definition of 'residents who are high risks'; relating to an application for a waiver for state innovation for health care insurance; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* **Section 1.** AS 21.55 is amended by adding a new section to read:

Sec. 21.55.430. Funding for a reinsurance program. The legislature may appropriate the revenue collected under AS 21.09.210, AS 21.33.055, 21.33.061, AS 21.34.180, and AS 21.66.110, less the service fee amount under AS 23.05.067, for the preceding fiscal year to the division of insurance to be used to fund the reinsurance program under this chapter.

* **Sec. 2.** AS 21.55.500(20) is amended to read:

(20) "residents who are high risks" means residents who

(A) have been rejected for medical reasons after applying for a subscriber contract, a policy of health insurance, or a Medicare supplement

1 policy by at least one association member within the six months immediately
2 preceding the date of application for a state plan; medical reasons may include
3 preexisting medical conditions, a family history that predicts future medical
4 conditions, or an occupation that generates a frequency or severity of injury or
5 disease that results in coverage not being generally available;

6 (B) have had a restrictive rider placed on a subscriber contract,
7 a health insurance policy, or a Medicare supplement policy that substantially
8 reduces coverage; or

9 (C) meet other requirements adopted by regulation by the
10 director that are consistent with this chapter [AND THAT INDICATE THAT
11 A PERSON IS UNABLE TO OBTAIN COVERAGE SUBSTANTIALLY
12 SIMILAR TO THAT WHICH MAY BE OBTAINED BY A PERSON WHO
13 IS CONSIDERED A STANDARD RISK];

14 * **Sec. 3.** AS 21.96 is amended by adding a new section to read:

15 **Sec. 21.96.120. Waiver for state innovation.** The director may apply to the
16 United States Secretary of Health and Human Services under 42 U.S.C. 18052 for a
17 waiver of applicable provisions of P.L. 111-148 (Patient Protection and Affordable
18 Care Act) with respect to health insurance coverage in the state for a plan year
19 beginning on or after January 1, 2017. The director may implement a state plan
20 meeting the waiver requirements in a manner consistent with state and federal law and
21 as approved by the United States Secretary of Health and Human Services.

22 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).