

**HOUSE BILL NO. 314**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced: 1/27/10

Referred: Labor and Commerce, Judiciary

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to fees and charges for medical treatment or services, the crime of  
2 unsworn falsification, investigations, and penalties as they relate to workers'  
3 compensation; and providing for an effective date."

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

5 \* **Section 1.** AS 11.56.205(a) is amended to read:

6 (a) A person commits the crime of unsworn falsification in the first degree if  
7 the person violates AS 11.56.210(a)(1) and the application is an application for a

8 (1) permanent fund dividend; or

9 (2) benefit under AS 23.30.

10 \* **Sec. 2.** AS 23.30.097(a) is amended to read:

11 (a) All fees and other charges for medical treatment or service are subject to  
12 regulation by the board consistent with this section. A fee or other charge for medical  
13 treatment or service may not exceed the lowest of

14 (1) the usual, customary, and reasonable fees for the treatment or

1 service in the community in which it is rendered, for treatment or service

2 (A) provided before August 1, 2007, not to exceed the fees in  
3 the board's fee schedule dated December 1, 2004;

4 (B) provided on or after August 1, 2007, but before March 31,  
5 2009, not to exceed the fees otherwise applicable in (A) of this paragraph  
6 adjusted by the percentage change from 2004 to 2006 in the medical care  
7 component of the Consumer Price Index for all urban consumers compiled by  
8 the United States Department of Labor, Bureau of Labor Statistics;

9 (C) provided on or after March 31, 2009, but before  
10 December 31, 2010, not to exceed the fees otherwise applicable in (A) of this  
11 paragraph adjusted by the percentage change from 2004 to 2008 in the medical  
12 care component of the Consumer Price Index for all urban consumers compiled  
13 by the United States Department of Labor, Bureau of Labor Statistics;

14 **(D) provided on or after December 31, 2010, not to exceed**  
15 **the fees or other charges as specified in a usual, customary, and**  
16 **reasonable fee schedule established by the board and adopted by reference**  
17 **in regulation; the fee schedule must include the most recent Current**  
18 **Procedural Terminology codes for both category I and category II medical**  
19 **treatment or other services published by the American Medical**  
20 **Association; notwithstanding AS 44.62.010 - 44.62.290, the board shall**  
21 **update the schedule annually by order;**

22 (2) the fee or charge for the treatment or service when provided to the  
23 general public; or

24 (3) the fee or charge for the treatment or service negotiated by the  
25 provider and the employer under (c) of this section.

26 \* **Sec. 3.** AS 23.30.250(a) is repealed and reenacted to read:

27 (a) A person who commits a crime that is also a violation of this chapter may  
28 be prosecuted under AS 11. In addition to a criminal penalty under AS 11 and any  
29 other remedy provided by law, a person who violates this chapter is liable in a civil  
30 action brought by or on behalf of a person who suffers economic damage as a result of  
31 the violation for an award of three times the amount of compensatory damages

1 resulting from the violation, subject to adjustment under AS 09.17, and an award of  
2 attorneys fees recoverable as a prevailing party as allowed by law.

3 \* **Sec. 4.** AS 23.30.280(a) is amended to read:

4 (a) The director shall establish a section within the division for the  
5 investigation of fraudulent or misleading acts under this chapter [AS 23.30.250] and  
6 other fraudulent acts relating to workers' compensation.

7 \* **Sec. 5.** AS 23.30.280(b) is amended to read:

8 (b) The director may investigate facts reported under this section and may  
9 refer facts indicating a possible violation of law to the appropriate prosecutor or  
10 agency. If the director determines that there is credible evidence that a person obtained  
11 a payment, compensation, medical treatment, or other benefit provided under this  
12 chapter by a fraudulent act or false or misleading statement or representation [AS  
13 PROVIDED IN AS 23.30.250(a)], the director shall notify the affected employer,  
14 insurer, and adjuster upon conclusion of the investigation. If the fraudulent act or false  
15 or misleading statement or representation was perpetrated against the division, the  
16 director may file a petition as provided in AS 23.30.110 for an order of forfeiture  
17 against the person, precluding, in whole or in part, the person from future payment,  
18 compensation, medical treatment, or other benefit provided under this chapter.

19 \* **Sec. 6.** AS 23.30.250(c) is repealed.

20 \* **Sec. 7.** This Act takes effect immediately under AS 01.10.070(c).