

# ALASKA STATE LEGISLATURE

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## **REPRESENTATIVE WES KELLER** **DISTRICT 7**

### **MEMO**

To: Members of the Legislature

Date: February 28, 2014

Re: Sectional CSHB 203 28-LS0682\C

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Section 1: Paragraph 1-4 Makes changes to existing language that permits healthcare insurance payments to be made directly to out-of-network hospitals and eliminates out of network providers.

Section 1: Paragraph 5 Provides language that permits payment to an out-of-network provider by issuing a check made out to both the patient and the provider. It does not forbid the insurance carrier from making direct payments to the out-of-network provider.

Section 2 -3: Makes changes to existing statute that eliminates provider but maintains hospital when it comes to direct payments.

Section 4: By referencing back to (a) of As 21.54.020 payment may be made to an out of service provider using the same patient/provider check system. It assures that insurance policy cannot include a provision for payment only to a specific provider. It also permits reimbursement to the patient if clear information is provided that the patient has paid for the covered services.

Please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

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