

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE FIELDS

TO: CSSB 185(L&C)

1 Page 1, line 3, following "**insurance**";:

2 Insert "**relating to insurance coverage for prosthetic and orthotic devices; relating**
3 **to medical assistance for prosthetic and orthotic devices;**"

4

5 Page 6, following line 19:

6 Insert new bill sections to read:

7 "*** Sec. 6.** AS 21.42 is amended by adding a new section to read:

8 **Sec. 21.42.445. Coverage for prosthetic and orthotic devices.** (a) A health
9 care insurer that offers, issues for delivery, delivers, or renews in the state a health
10 care insurance plan in the group or individual market shall provide coverage for
11 prosthetic and orthotic devices at a level that is at least equal to the coverage required
12 under 42 U.S.C. 1395k - 1395m.

13 (b) The coverage for prosthetic and orthotic devices required under this
14 section must include an initial prosthetic or orthotic device that the covered person's
15 health care provider determines are the most appropriate models to meet the medical
16 needs of the covered person to complete activities of daily living or essential job-
17 related activities, shower or bathe, perform applicable physical activities, including
18 running, biking, swimming, and strength training, and maximize whole-body health
19 and limb function. The coverage must also include one additional device necessary for
20 any of the activities listed above and all device materials and components and
21 instruction to the covered person on use of the devices.

22 (c) Coverage under this section must include coverage for repair or
23 replacement of a prosthetic or orthotic device as needed. The health care insurer shall

1 provide for the replacement of the device, or the repair or replacement of a part of the
2 device, without regard to continuous use or useful lifetime restrictions, if a health care
3 provider determines that the repair or replacement of the device or a part the device is
4 necessary because a change has occurred in the physiological condition of the covered
5 person or a change has occurred in the condition of the device or in a part of the
6 device that affects its functionality.

7 (d) A health care insurer shall classify the benefits provided under this section
8 as habilitative or rehabilitative benefits to meet state or federal requirements for
9 coverage of essential health benefits.

10 (e) A health care insurer may not deny coverage for a benefit to a covered
11 person with limb loss or absence that would otherwise be covered for a nondisabled
12 covered person seeking medical or surgical intervention to restore or maintain the
13 ability to perform the same physical activity. A health care insurer shall provide
14 replacement coverage when the condition of the prosthetic or orthotic device or a part
15 of the device requires repair and the cost of repair would be more than 60 percent of
16 the cost of replacement of the device or the part of the device needing repair. A health
17 care insurer may require confirmation from a health care provider before providing
18 repair or replacement coverage under this section if the device, or the part of the
19 device needing repair or replacement, is less than three years old.

20 (f) A health care insurer shall ensure at least two distinct providers of
21 prosthetics and orthotics are included within the health care insurer's network. If
22 medically necessary covered prosthetics or orthotics are not available from an in-
23 network provider, the health care insurer shall provide the covered person with a
24 referral to an out-of-network provider and shall fully reimburse the out-of-network
25 provider at a mutually agreed on rate, less the portion that is the responsibility of the
26 covered person. The copayment of the covered person is determined on an in-network
27 basis.

28 (g) A health care insurer may not require that a person covered under the
29 health care insurer's plan be subject to financial requirements that are applicable only
30 to prosthetic and orthotic coverage. A health care provider may not impose more
31 restrictive cost-sharing requirements for prosthetic or orthotic services than the plan's

1 cost-sharing requirements for inpatient physician and surgical services.

2 (h) A health care insurer shall provide a covered person with a description of
3 the covered person's rights under this section in evidence of coverage and any benefit
4 denial letter. A denial letter must be in writing and explain in detail the reason for the
5 denial, including an explanation as to how the request or claim does not meet the
6 medical necessity standards of the insurer, if applicable.

7 * **Sec. 7.** AS 47.07.030(b) is amended to read:

8 (b) In addition to the mandatory services specified in (a) of this section and the
9 services provided under (d) of this section, the department may offer only the
10 following optional services: case management services for traumatic or acquired brain
11 injury; case management and nutrition services for pregnant women; personal care
12 services in a recipient's home; emergency hospital services; long-term care
13 noninstitutional services; medical supplies and equipment; advanced practice
14 registered nurse services; clinic services; rehabilitative services for children eligible
15 for services under AS 47.07.063, substance abusers, and emotionally disturbed or
16 chronically mentally ill adults; targeted case management services; inpatient
17 psychiatric facility services for individuals 65 years of age or older and individuals
18 under 21 years of age; psychologists' services; clinical social workers' services; marital
19 and family therapy services; professional counseling services; midwife services;
20 prescribed drugs; physical therapy; occupational therapy; chiropractic services; low-
21 dose mammography screening, as defined in AS 21.42.375(e); hospice care; treatment
22 of speech, hearing, and language disorders; adult dental and dental hygiene services;
23 prosthetic **and orthotic** devices **or replacements as covered in AS 21.42.445(b) and**
24 **(c)**; [AND] eyeglasses; optometrists' services; intermediate care facility services,
25 including intermediate care facility services for persons with intellectual and
26 developmental disabilities; skilled nursing facility services for individuals under 21
27 years of age; and reasonable transportation to and from the point of medical care.

28 * **Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to
29 read:

30 REPORTING. (a) Not later than October 1, 2028, a health care insurer subject to
31 AS 21.42.445, added by sec. 6 of this Act, shall submit a report to the director of the division

1 of insurance, Department of Commerce, Community, and Economic Development, on a form
 2 determined by the director, that contains the total number of claims and the total amount of
 3 claims paid for services required under AS 21.42.445 for the preceding two fiscal years.

4 (b) Before the first day of the First Regular Session of the Thirty-Sixth Alaska State
 5 Legislature, the director of the division of insurance, Department of Commerce, Community,
 6 and Economic Development, shall prepare a report that contains the information reported
 7 under (a) of this section aggregated by fiscal year, and shall deliver the report to the senate
 8 secretary and the chief clerk of the house of representatives and notify the legislature that the
 9 report is available.

10 (c) Before the first day of the First Regular Session of the Thirty-Sixth Alaska State
 11 Legislature, the commissioner of health shall prepare a report aggregated by fiscal year of the
 12 total number of claims and the total amount of claims paid for prosthetic and orthotic services
 13 provided through medical assistance under AS 47.07.030(b), as amended by sec. 7 of this Act,
 14 and shall deliver the report to the senate secretary and the chief clerk of the house of
 15 representatives and notify the legislature that the report is available.

16 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
 17 read:

18 APPLICABILITY. AS 21.42.445, added by sec. 6 of this Act, applies to a health care
 19 insurance plan or contract issued, delivered, or renewed on or after the effective date of sec. 6
 20 of this Act."

21
 22 Renumber the following bill sections accordingly.

23
 24 Page 6, line 23, following "implement":

25 Insert "secs. 1 - 5 of"

26
 27 Page 6, following line 25:

28 Insert new bill sections to read:

29 "* **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to
 30 read:

31 MEDICAID STATE PLAN FEDERAL APPROVAL. To the extent necessary to

1 implement this Act, the Department of Health shall amend and submit to the United States
 2 Department of Health and Human Services for approval the state plan for medical assistance
 3 coverage consistent with AS 47.07.030(b), as amended by sec. 7 of this Act.

4 * **Sec. 12.** The uncodified law of the State of Alaska is amended by adding a new section to
 5 read:

6 CONDITIONAL EFFECT; NOTIFICATION. (a) Section 7 of this Act takes effect
 7 only if, on or before January 1, 2029, the United States Department of Health and Human
 8 Services

9 (1) approves the amendment to the state plan for medical assistance coverage
 10 under AS 47.07.030(b); or

11 (2) determines that approval of the amendment to the state plan for medical
 12 assistance coverage under AS 47.07.030(b) is not necessary.

13 (b) The commissioner of health shall notify the revisor of statutes in writing within 30
 14 days after the United States Department of Health and Human Services approves the
 15 amendment to the state plan or determines that approval is not necessary under this section."
 16

17 Renumber the following bill sections accordingly.

18
 19 Page 6, line 26:

20 Delete "Section 6"

21 Insert "Section 10"

22
 23 Page 6, following line 26:

24 Insert a new bill section to read:

25 "* **Sec. 14.** If sec. 7 of this Act takes effect, it takes effect on the day after the United States
 26 Department of Health and Human Services approves the amendment submitted under sec. 12
 27 of this Act or determines that approval of the amendment is not necessary."
 28

29 Renumber the following bill section accordingly.

30
 31 Page 6, line 27:

- 1 Delete "sec. 7"
- 2 Insert "secs. 13 and 14"