

# Provider Network Minimum Standards for Health Insurers

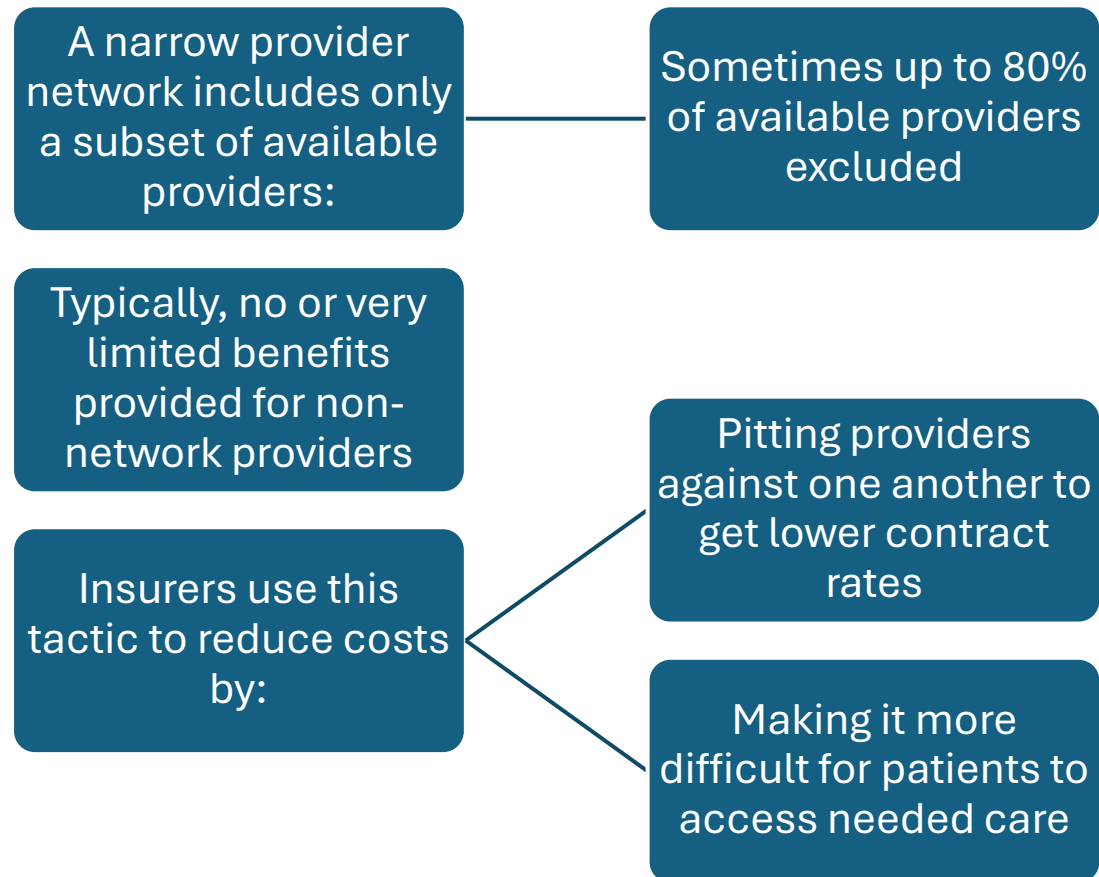
Ensuring Needed Health Care for Alaskans

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On behalf of Alaska State Medical Association

# What is a Narrow Provider Network?



# Why Does Alaska Need Minimum Network Standards?

- All of Alaska is a federally designated healthcare professional shortage area.
- With provider availability already limited, a subset of providers is unlikely to meet patients' needs for care.
- **National Association of Insurance Commissioners (NAIC) found network minimums the most important factor to promote well- functioning health care and health insurance markets – 38 states and territories have standards.**
- Alaska has no state-defined minimum network standards.
- A leading insurer has publicly stated a desire for narrow network products in Alaska.

# Impact of Narrow Networks

- Limits access to needed care, particularly specialists, causing Alaskans to travel Outside.
- Creates long waits for care, harming patients by delaying needed treatment.
- Difficult for consumers to judge if a network is adequate when buying a plan – especially hard to predict what specialists they may need.
- Financially harms providers excluded from networks leading to practice closures.
- Inevitable closure of practices would make provider shortages worse

# Solution

- **State can adopt network minimum standards as recommended by the NAIC:**
  - **Simple standards adapted to geography, population distribution and availability of providers in Alaska.**
  - **Provisions made for phase in of standards for insurers to become compliant.**
  - **Standards defined to maintain access across specialties.**
  - **Helps restore balance at the bargaining table.**
- **SB 122 provides for the adoption of Alaska-specific standards.**