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A. Radford  
4/24/25

**CS FOR SENATE BILL NO. 45(HSS)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH AND SOCIAL SERVICES COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATORS DUNBAR, Gray-Jackson

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to medical assistance services; relating to parity in mental health and**  
2 **substance use disorder coverage in the state medical assistance program; and providing**  
3 **for an effective date."**

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

5 \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
6 to read:

7 LEGISLATIVE INTENT. It is the intent of the legislature that treatment for mental  
8 conditions be recognized as an integral component of health care, that health insurance plans,  
9 including the state's medical assistance program, cover all necessary and appropriate mental  
10 health services without imposing practices that create barriers to receiving appropriate care,  
11 and that integration of health care be recognized as the standard for care in the state.

12 \* **Sec. 2.** AS 47.07.030 is amended by adding a new subsection to read:

13 (i) In providing the services required under this section, the department shall  
14 comply with the mental health or substance use disorder benefit requirements

established under 26 U.S.C. 9812, 29 U.S.C. 1185a, and 42 U.S.C. 300gg-26 (Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008).

\* **Sec. 3.** AS 47.07 is amended by adding a new section to read:

**Sec. 47.07.033. Parity in mental health and substance use disorder benefits.** The commissioner of health shall implement and ensure compliance with the provisions of 26 U.S.C. 9812, 29 U.S.C. 1185a, and 42 U.S.C. 300gg-26 (Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008) that are applicable to the state medical assistance program, including

(1) evaluating all consumer and provider complaints regarding mental health and substance use disorder coverage for possible parity violations;

(2) performing parity compliance examinations on nonquantitative treatment limitations, including prior authorization, concurrent review, retrospective review, step therapy time-based treatment plans, network admission standards, reimbursement rates, and geographic restrictions; and

(3) conducting comparative analyses of how the state medical assistance program designs and applies nonquantitative treatment limitations, as written and in operation, for mental health and substance use disorder coverage and medical and surgical benefits.

\* **Sec. 4.** AS 47.07.076 is amended by adding new subsections to read:

(d) Every four years, the department shall submit a report on mental health and substance use disorder coverage parity in the state medical assistance program to the senate secretary and the chief clerk of the house of representatives on or before March 1 and shall notify the legislature that the report is available. The report must

(1) describe the processes used to develop or select the medical necessity criteria for mental health and substance use disorder benefits and for medical and surgical benefits;

(2) identify all nonquantitative treatment limitations that are applied to mental health and substance use disorder benefits and medical and surgical benefits within each classification of benefits;

(3) analyze whether the medical necessity criteria and nonquantitative

1 treatment limitations applied to mental health and substance use disorder benefits are  
2 comparable to the medical necessity criteria and nonquantitative treatment limitations  
3 for medical and surgical benefits, and whether the criteria and limitations are applied  
4 more stringently to mental health and substance use disorder benefits than to medical  
5 and surgical benefits within the corresponding classification of benefits; at a  
6 minimum, the results of the analysis must

7 (A) identify the factors used to determine when a  
8 nonquantitative treatment limitation will apply to a benefit, including factors  
9 that were considered but rejected;

10 (B) identify and define the specific evidentiary standards used  
11 to define the factors and any other evidence relied on in designing each  
12 nonquantitative treatment limitation;

13 (C) provide the comparative analyses, including the results of  
14 the analyses, performed to determine whether processes and strategies used to  
15 design each nonquantitative treatment limitation, as written and in operation,  
16 applied to mental health and substance use disorder benefits are comparable to  
17 and are not applied more stringently than the processes and strategies used to  
18 design each nonquantitative treatment limitation to medical and surgical  
19 benefits; and

20 (D) disclose the specific findings and conclusions reached by  
21 the department that indicate whether the state medical assistance program is in  
22 compliance with AS 47.07.033, 26 U.S.C. 9812, 29 U.S.C. 1185a, and 42  
23 U.S.C. 300gg-26 (Paul Wellstone and Pete Domenici Mental Health Parity and  
24 Addiction Equality Act of 2008);

25 (4) include an action plan with steps the department will take to  
26 address any findings and conclusions reached by the department that indicate the state  
27 medical assistance program is not in compliance with AS 47.07.033, 26 U.S.C. 9812,  
28 29 U.S.C. 1185a, and 42 U.S.C. 300gg-26 (Paul Wellstone and Pete Domenici Mental  
29 Health Parity and Addiction Equality Act of 2008); and

30 (5) include any amendments to the state plan or regulatory changes  
31 necessary to bring the state medical assistance program in compliance with

AS 47.07.033, 26 U.S.C. 9812, 29 U.S.C. 1185a, and 42 U.S.C. 300gg-26 (Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equality Act of 2008).

(e) For each year that the department is not required to submit a report under (d) of this section, the department shall prepare a progress update on the action plan required under (d)(4) of this section and the department's response to consumer and provider complaints regarding mental health and substance use disorder coverage parity violations received by the department in the previous 12-month period. The department shall submit the progress update to the senate secretary and the chief clerk of the house of representatives not later than March 1 and shall notify the legislature that the progress update is available.

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

**REPORT TO LEGISLATURE.** Not later than March 1, 2026, the commissioner of health shall prepare and submit a report to the senate secretary and the chief clerk of the house of representatives and notify the legislature that the report is available. The report must

(1) explain the methodology used by the commissioner to determine compliance with AS 47.07.033, 26 U.S.C. 9812, 29 U.S.C. 1185a, and 42 U.S.C. 300gg-26 (Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equality Act of 2008);

(2) identify market examinations conducted or completed during the preceding 12-month period regarding compliance with parity in mental health and substance use disorder benefits under state and federal laws and summarize the results of the market conduct examinations;

(3) detail any educational or corrective actions the commissioner has taken to ensure compliance with AS 47.07.033, 26 U.S.C. 9812, 29 U.S.C. 1185a, and 42 U.S.C. 300gg-26 (Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equality Act of 2008);

(4) include an action plan with steps the Department of Health will take to address any findings and conclusions reached by the department that indicate the state medical assistance program is not in compliance with AS 47.07.033, 26 U.S.C. 9812, 29

1 U.S.C. 1185a, and 42 U.S.C. 300gg-26 (Paul Wellstone and Pete Domenici Mental Health  
2 Parity and Addiction Equality Act of 2008);

3 (5) include a description of state plan amendments or regulatory changes  
4 necessary to bring the state medical assistance program into compliance with AS 47.07.033,  
5 26 U.S.C. 9812, 29 U.S.C. 1185a, and 42 U.S.C. 300gg-26 (Paul Wellstone and Pete  
6 Domenici Mental Health Parity and Addiction Equality Act of 2008);

7 (6) be written in nontechnical, readily understandable language; and

8 (7) be posted on the publicly available Internet website of the Department of  
9 Health and be made available to the public through any other means the commissioner finds  
10 appropriate.

11 \* **Sec. 6.** The uncoded law of the State of Alaska is amended by adding a new section to  
12 read:

13 MEDICAID STATE PLAN. The Department of Health shall submit, as necessary for  
14 approval by the United States Department of Health and Human Services, amendments to the  
15 state plan under AS 47.07.040 to comply with the requirements of the mental health or  
16 substance use disorder benefits established under AS 47.07.033, 26 U.S.C. 9812, 29 U.S.C.  
17 1185a, 42 U.S.C. 300gg-26 (Paul Wellstone and Pete Domenici Mental Health Parity and  
18 Addiction Equality Act of 2008).

19 \* **Sec. 7.** The uncoded law of the State of Alaska is amended by adding a new section to  
20 read:

21 **CONDITIONAL EFFECT; NOTIFICATION.** (a) Sections 2 - 5 of this Act take effect  
22 only if, and to the extent that, the United States Department of Health and Human Services  
23 approves amendments submitted in accordance with sec. 6 of this Act on or before  
24 December 31, 2025.

25 (b) The commissioner of health shall notify the revisor of statutes in writing within 30  
26 days after the United States Department of Health and Human Services approves amendments  
27 to the state plan.

28 \* **Sec. 8.** If secs. 2 - 5 of this Act take effect, they take effect the day after the United States  
29 Department of Health and Human Services approves the amendments to the state plan under  
30 sec. 7 of this Act.