



ALASKA STATE LEGISLATURE

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Senate Bill 132 – Omnibus Insurance Bill

“An Act relating to insurance; and providing for an effective date.”

Summary of Changes – ver. \T to Draft CS ver. \W

Section 2. Amends AS 21.06.120(a) to read:

- (a) Adds pharmacy benefits manager, providing that the director has the authority to examine the affairs, transactions, accounts, records, and assets of the pharmacy benefits managers.

Section 3. Amends AS 21.06.120(d) to read:

- (d) Add pharmacy benefits managers and third-party administrators to the entities that may be examined by the director through multi-state participation.

Section 4. Amends AS 21.06.120 by adding a new subsection:

- (h) Provides that the director may examine a third-party administrator or pharmacy benefits manager when an examination is necessary.

Section 5. Amends AS 21.06.160(a) to read:

- (a) Deletes “third-party administrators” as an entity that is not subject to pay the cost of their examination fees.

Section 16. Amends AS 21.27.010(a) to provide that a third-party administrator and a pharmacy benefits manager are now required to be licensed.

Section 17. Amends AS 21.27.010(c) by deleting the word “registered” and replaces with the word “licensed” as respects third-party administrators.

Section 18. Amends AS 21.27.010 by adding a new section:

Provides that in addition to the requirements in AS 21.27.010 – AS 21.27.460, a

- (1) Third-party administrator is subject to the licensing requirements under AS 21.27.630 - AS 21.27.660; and
- (2) Pharmacy Benefits manager is subject to the licensing requirements under AS 21.27.901 – AS 21.27.955.

Section 22. Amends AS 21.27.060(d) provides that AS 21.27.060(d) does not apply to a compliance officer for a third-party administrator or pharmacy benefits managers.

Section 28. Amends AS 21.27.380(b) by adding third-party administrators and pharmacy benefits managers to the criteria addressing when a license is not renewed.

Section 30. Amends AS 21.27.630(a) by amended the wording, as respects, third-party administrators, the term “registered” is deleted and the word “licensed” is added.

Section 31. Amends AS 21.27.630(b) by amending the wording as respects, third-party administrators, the term “registered” is deleted and the word “licensed” is added.

Section 32. Amends AS 21.27.630(c) to read: by amended the wording as respects third-party administrators, the term “registered” is deleted and the word “licensed” is added. The citation of the chapters AS 21.27.630-AS 21-26.660 is deleted and replaced with the words “this chapter”.

Section 33. Provides a clarifying amendment to AS 21.27.630(d) about third-party administrator registration requirements by changing “Licensee’s” to “Third-party administrators.”

Section 34. Amends AS 21.27.630(e) to read: As respects, third-party administrators, the term “registered” is deleted and the word “licensed” is added. The word “section” is also deleted and replaced with the word “chapter”.

Section 35. Amends AS 21.27.630(g) to provide that as respects, third-party administrators, the term “registered” is deleted and the word “licensed” is added.

Section 36. Amends AS 21.27.630(h) provide that as respects, third-party administrators, the term “registered” is deleted and the word “licensed” is added.

Section 37. Amends AS 21.27.630(i) to provide that as respects, third-party administrators, the term “registered” is deleted and the word “licensed” is added.

Section 38. Amends AS 21.27.630(j) to provide that as third-party administrator will now be subject to licensing and will no longer be subject to registration. The term “registration” is deleted and the word “licensed” is added.

Section 39. Amends AS 21.27.630(k) to provide that as respects an insurer, the term “registered” is deleted and the word “licensed” is added.

Section 40. Amends AS 21.27.630(l) by clarifying that a person that is not required to be licensed, deleting the word “registered” and adding the word “licensed”, as a third-party administrator must file an annual certification with the director to qualify for an exemption before Feb 1st of each year.

Section 41. Amends AS 21.27.630(m) to provide that as respects, third-party administrators, the term “registered” is deleted and the word “licensed” is added. Also provides that the compliance officer is not subject to this section.

Section 42. Amends AS 21.27.640(a) to delete the word “registration” and adds the word “license”.

Section 43. Amends AS 21.27.640(b) as respects, third-party administrators, the term “registration” is deleted, and the word “license” is added. Also deletes the word “registrant” and inserts the word “licensee”.

Section 44. Amends AS 21.27.640(d) to provide that as respects, third-party administrators, the term “registered” is deleted and the word “licensed” is added.

Section 45. Amends AS 21.27.649 by adding a new subsection (e) to allow for an initial license fee of \$2,000 every two years with renewal fee being \$2,000.

Section 46. Amends AS 21.27.650(a) provide that as respects, third-party administrators, the term “registered” is deleted and the word “licensed” is added. Also Removes an exemption for a TPA registered in their home state applying for a non-resident Alaska license. By eliminated the exemption, all TPA who are operating in Alaska need to be licensed regardless of their resident state status.

Section 47. Amends AS 21.27.650(q) provide that as respects, third-party administrators, the term “registration” is deleted, and the word “license” is added.

Section 48. Amends AS 21.27.901 to read:

Sec. 21.27.901 clarifies that pharmacy benefits managers must now be licensed in the state. The term “registration” is deleted and the term “licensure” is added.

- (a) The term “registered” is deleted and the term “licensed” is added.
- (b) The term “registered” is deleted and the term “licensed” is added.
- (c) The term “registration” is deleted and the term “license” is added.
- (d) The term “registered” is deleted and the term “licenses” is added.

Section 49. Amends AS 21.27 by adding two new sections to read:

Sec. 21.27.903. Pharmacy Benefits manager qualifications

- (a) Provides that an application for a pharmacy benefits manager to be licensed be on a form prescribed by the director.
- (b) Provides that the director may only issue or renew a license for a pharmacy benefits manager if the director is confident that the person is a trustworthy person and has not committed an at that would be cause for denial, nonrenewal, suspension, or revocation.
- (c) Provides that an applicant for a license must disclose
 1. Information concerning the identity, professional history, professional experience and background of all owners, officers, directors, or partners;
 2. Any administrative action taken against any owner, officer, directors, or partner by a governmental agency in Alaska or any other jurisdiction and any sanctions imposed by a financial industry regulatory authority;
 3. Any criminal prosecution in Alaska or any other jurisdiction against any owner, officer, director, or partner;
- (d) An application must designate a compliance officer;
- (e) An application must include:
 1. The required fee;
 2. The organizational documents of the pharmacy benefits manager;
 3. The name and address of the pharmacy benefits manager’s agent for service of process in the state;
 4. The bylaws, rules, regulations or similar documents related to the internal affairs of the pharmacy benefits manager;
 5. The name, electronic mailing address, physical address, official position, etc., of each person who is responsible for the conduct of affairs of the pharmacy benefits manager; and
 6. Certified financial statements.

Sec. 21.27.904 Pharmacy benefits manager required notifications.

- (a) Provides that a pharmacy benefits manager notify the director, in writing, not later than 30 days after:
 1. A change in information contained within the licensee place of business, electronic mailing address, etc.;
 2. A change in compliance officer, residence, place of business, etc.;

3. The final disposition of an administrative action;
 4. A conviction of a misdemeanor or felony of the pharmacy benefits manager, officers, compliance officers, directors, partners, or owners.
- (b) Provides that failure to provide the information above is cause for denial, revocation or suspension of the license.

Section 50. Amends AS 21.27.905 to read:

Sec. 21.27.905 Renewal of license. The term “registration” is deleted and the term “license” is added.

- (a) As respects a pharmacy benefits manager, the term “registration” is deleted and the term “license” is added. AS 21.27.905 (a) also provides a bi-annual fee of \$15,000 for an initial license of a pharmacy benefits manager and the same amount for renewals.

Section 51. Amends AS 21.27.975(15) by changing the definition of pharmacy benefits manager to include a phrase “regardless of ownership of the pharmacy benefits managers.

Section 73. Amends AS 21.36.520(a) Adds language allow a pharmacy to collect fees for a service or product not covered in a person’s healthcare policy.

Section 78. Amends AS 21.42.375(e) is amended to add that neither biopsy and consultation, for mammography screening, diagnostic breast examinations, and supplemental breast examinations are subject to cost sharing.

Section 79. Amends AS 21.42.375(f) to provide a definition of “biopsy” and “consultation.

Section 80. Amends AS 21.42.377(a) by eliminating cost sharing for screenings.

Section 81. Amends AS 21.42.377(b) by providing that coverage for colorectal cancer screening shall be covered, as recommended by the most recent American Cancer Society guidelines.

Section 82. Amends AS 21.42.377(e) by eliminating cost sharing for individuals considered average risk in accordance with a request from the American Cancer Society.

Section 98. Adds AS 21.42.377(c) to the list of repealed statutes.

Section 100. Provides an immediate effective date for Section 69-71 of this act.

Section 102. Provides for an effective date of January 1, 2026 for all other sections of the bill.