

# Representative Sara Rasmussen

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## House Bill 176

### Sectional Analysis

*“An Act relating to insurance; relating to direct health care agreements; and relating to unfair trade practices.”*

**Section 1: AS 21.03.025 – Direct health care agreements.** Adds a new section to AS 21.03 creating direct health care agreements.

**Subsection (a)** outlines that a direct health care agreement is between a health care provider and a government entity, individual patient, employer of a patient, or a representative of a patient. The health care agreement must:

- Describe the services to be provided by the health care provider;
- Specify the fees associated with the agreement;
- Prominently state that the agreement is not health insurance and that it does not meet health insurance mandates that may be required by federal law; and
- Prominently state that patients under the agreement are not entitled to the protections under existing state insurance statutes.

**Subsection (b)** allows for the policy to be terminated after a 30-day written notice from either party.

**Subsection (c)** provides that the direct health care agreement and health care services provided under the agreement are subject to other consumer protection statutes and regulations.

**Section 2: AS 45.45.915 – Direct health care agreements.** Adds a new section under Trade Practices.

**Subsection (a)** prevents health care providers from declining or terminating direct health care agreements based on a patient’s protected class under federal or state law that prohibits discrimination.

**Subsection (b)** provides that a provider may decline or terminate a direct health care agreement if the provider is unable to provide the level or type of care the patient requires. The provider shall ensure the patient is transferred to a health care provider who is able to provide the level or type of care required and agrees to provide said care.

**Subsection (c)** provides definitions for a “direct health care agreement” and a “health care provider.”

**Section 3: AS 45.50.471(b) Unlawful acts and practices.** Updates definitions for “unfair methods of competition” and “unfair or deceptive acts or practices” to include violating direct health agreements under AS 45.45.915.