

34-LS0413M
Wallace
2/17/25

CS FOR SENATE BILL NO. 83()
IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR CLAMAN

A BILL
FOR AN ACT ENTITLED

1 **"An Act relating to health care insurance; relating to insurance reimbursement for**
2 **health care services provided through telehealth; relating to health care insurance**
3 **reimbursement rates; and providing for an effective date."**

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

5 * **Section 1.** AS 21.42.422(b) is amended by adding a new paragraph to read:
6 (3) "health care provider" has the meaning given in AS 21.07.250.

7 * **Sec. 2.** AS 21.42.422 is amended by adding a new subsection to read:
8 (c) A health care insurer shall reimburse a health care provider for health care
9 services provided through telehealth on the same basis and at least at the same rate as
10 for comparable health care services provided in person.

11 * **Sec. 3.** AS 21.54 is amended by adding a new section to article 2 to read:
12 **Sec. 21.54.190. Reimbursement rates.** A health care insurer shall uniformly
13 and equally apply reimbursement rates for each health care provider authorized to bill
14 for health care services or supplies under the Current Procedural Terminology code

1 adopted by the American Medical Association or other industry standard method of
2 coding. In this section, "health care provider" has the meaning given in AS 21.07.250.

3 * **Sec. 4.** AS 29.10.200 is amended by adding a new paragraph to read:

4 (68) AS 29.20.420 (health care insurance plans).

5 * **Sec. 5.** AS 29.20 is amended by adding a new section to article 5 to read:

6 **Sec. 29.20.420. Health care insurance plans.** (a) If a municipality offers a
7 group health care insurance plan covering municipal employees, including by means
8 of self-insurance, the municipal health care insurance plan is subject to the
9 requirements of AS 21.42.422(c).

10 (b) This section applies to home rule and general law municipalities.

11 (c) In this section, "health care insurance plan" has the meaning given in
12 AS 21.54.500.

13 * **Sec. 6.** AS 39.30.090(a) is amended to read:

14 (a) The Department of Administration may obtain a policy or policies of group
15 insurance covering state employees, persons entitled to coverage under AS 14.25.168,
16 14.25.480, AS 22.25.090, AS 39.35.535, 39.35.880, or former AS 39.37.145,
17 employees of other participating governmental units, or persons entitled to coverage
18 under AS 23.15.136, subject to the following conditions:

19 (1) a group insurance policy shall provide one or more of the following
20 benefits: life insurance, accidental death and dismemberment insurance, weekly
21 indemnity insurance, hospital expense insurance, surgical expense insurance, dental
22 expense insurance, audiovisual insurance, or other medical care insurance;

23 (2) each eligible employee of the state, the spouse and the unmarried
24 children chiefly dependent on the eligible employee for support, and each eligible
25 employee of another participating governmental unit shall be covered by the group
26 policy, unless exempt under regulations adopted by the commissioner of
27 administration;

28 (3) a governmental unit may participate under a group policy if

29 (A) its governing body adopts a resolution authorizing
30 participation and payment of required premiums;

31 (B) a certified copy of the resolution is filed with the

1 Department of Administration; and

2 (C) the commissioner of administration approves the
3 participation in writing;

4 (4) in procuring a policy of group health or group life insurance as
5 provided under this section or excess loss insurance as provided in AS 39.30.091, the
6 Department of Administration shall comply with the dual choice requirements of
7 AS 21.86.310, and shall obtain the insurance policy from an insurer authorized to
8 transact business in the state under AS 21.09, a hospital or medical service corporation
9 authorized to transact business in this state under AS 21.87, or a health maintenance
10 organization authorized to operate in this state under AS 21.86; an excess loss
11 insurance policy may be obtained from a life or health insurer authorized to transact
12 business in this state under AS 21.09 or from a hospital or medical service corporation
13 authorized to transact business in this state under AS 21.87;

14 (5) the Department of Administration shall make available bid
15 specifications for desired insurance benefits or for administration of benefit claims and
16 payments to (A) all insurance carriers authorized to transact business in this state
17 under AS 21.09 and all hospital or medical service corporations authorized to transact
18 business under AS 21.87 who are qualified to provide the desired benefits; and (B)
19 insurance carriers authorized to transact business in this state under AS 21.09, hospital
20 or medical service corporations authorized to transact business under AS 21.87, and
21 third-party administrators licensed to transact business in this state and qualified to
22 provide administrative services; the specifications shall be made available at least once
23 every five years; the lowest responsible bid submitted by an insurance carrier, hospital
24 or medical service corporation, or third-party administrator with adequate servicing
25 facilities shall govern selection of a carrier, hospital or medical service corporation, or
26 third-party administrator under this section or the selection of an insurance carrier or a
27 hospital or medical service corporation to provide excess loss insurance as provided in
28 AS 39.30.091;

29 (6) if the aggregate of dividends payable under the group insurance
30 policy exceeds the governmental unit's share of the premium, the excess shall be
31 applied by the governmental unit for the sole benefit of the employees;

1 (7) a person receiving benefits under AS 14.25.110, AS 22.25,
2 AS 39.35, or former AS 39.37 may continue the life insurance coverage that was in
3 effect under this section at the time of termination of employment with the state or
4 participating governmental unit;

5 (8) a person electing to have insurance under (7) of this subsection
6 shall pay the cost of this insurance;

7 (9) for each permanent part-time employee electing coverage under
8 this section, the state shall contribute one-half the state contribution rate for permanent
9 full-time state employees, and the permanent part-time employee shall contribute the
10 other one-half;

11 (10) a person receiving benefits under AS 14.25, AS 22.25, AS 39.35,
12 or former AS 39.37 may obtain auditory, visual, and dental insurance for that person
13 and eligible dependents under this section; the level of coverage for persons over 65
14 shall be the same as that available before reaching age 65 except that the benefits
15 payable shall be supplemental to any benefits provided under the federal old age,
16 survivors, and disability insurance program; a person electing to have insurance under
17 this paragraph shall pay the cost of the insurance; the commissioner of administration
18 shall adopt regulations implementing this paragraph;

19 (11) a person receiving benefits under AS 14.25, AS 22.25, AS 39.35,
20 or former AS 39.37 may obtain long-term care insurance for that person and eligible
21 dependents under this section; a person who elects insurance under this paragraph
22 shall pay the cost of the insurance premium; the commissioner of administration shall
23 adopt regulations to implement this paragraph;

24 (12) each licensee holding a current operating agreement for a vending
25 facility under AS 23.15.010 - 23.15.210 shall be covered by the group policy that
26 applies to governmental units other than the state;

27 **(13) a group health insurance policy covering employees of a**
28 **participating governmental unit must meet the requirements of AS 21.42.422(c).**

29 * Sec. 7. AS 39.30.091 is amended to read:

30 **Sec. 39.30.091. Authorization for self-insurance and excess loss insurance.**

31 Notwithstanding AS 21.86.310 or AS 39.30.090, the Department of Administration

1 may provide, by means of self-insurance, one or more of the benefits listed in
2 AS 39.30.090(a)(1) for state employees eligible for the benefits by law or under a
3 collective bargaining agreement and for persons receiving benefits under AS 14.25,
4 AS 22.25, AS 39.35, or former AS 39.37, and their dependents. The department shall
5 procure any necessary excess loss insurance under AS 39.30.090. **A self-insured**
6 **group health insurance plan covering active state employees provided under this**
7 **section is subject to the requirements of AS 21.42.422(c).**

8 * **Sec. 8.** This Act takes effect July 1, 2025.