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Wallace
3/12/25

CS FOR SENATE BILL NO. 83(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): 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 telehealth; providing for an**
3 **effective date by repealing the effective date of secs. 9 and 10, ch. 38, SLA 2022; and**
4 **providing for an effective date."**

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

6 * **Section 1.** AS 21.42.422(b) is amended by adding a new paragraph to read:

7 (3) "health care provider" has the meaning given in AS 21.07.250.

8 * **Sec. 2.** AS 21.42.422 is amended by adding a new subsection to read:

9 (c) A health care insurer shall reimburse a health care provider for health care
10 services, including behavioral health services, provided through telehealth on the same
11 basis and at least at the same rate as for comparable health care services provided in
12 person.

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

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

1 * **Sec. 4.** AS 29.20 is amended by adding a new section to article 5 to read:

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

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

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

9 * **Sec. 5.** AS 39.30.090(a) is amended to read:

10 (a) The Department of Administration may obtain a policy or policies of group
11 insurance covering state employees, persons entitled to coverage under AS 14.25.168,
12 14.25.480, AS 22.25.090, AS 39.35.535, 39.35.880, or former AS 39.37.145,
13 employees of other participating governmental units, or persons entitled to coverage
14 under AS 23.15.136, subject to the following conditions:

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

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

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

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

27 (B) a certified copy of the resolution is filed with the
28 Department of Administration; and

29 (C) the commissioner of administration approves the
30 participation in writing;

31 (4) in procuring a policy of group health or group life insurance as

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

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

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

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

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

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

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

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

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

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

25 * **Sec. 6.** AS 39.30.091 is amended to read:

26 **Sec. 39.30.091. Authorization for self-insurance and excess loss insurance.**
27 Notwithstanding AS 21.86.310 or AS 39.30.090, the Department of Administration
28 may provide, by means of self-insurance, one or more of the benefits listed in
29 AS 39.30.090(a)(1) for state employees eligible for the benefits by law or under a
30 collective bargaining agreement and for persons receiving benefits under AS 14.25,
31 AS 22.25, AS 39.35, or former AS 39.37, and their dependents. The department shall

1 procure any necessary excess loss insurance under AS 39.30.090. **A self-insured**
2 **group health insurance plan covering active state employees provided under this**
3 **section is subject to the requirements of AS 21.42.422(c).**

4 * **Sec. 7.** Sections 9, 10, and 13, ch. 38, SLA 2022, are repealed.

5 * **Sec. 8.** Section 14, ch. 38, SLA 2022, is repealed.

6 * **Sec. 9.** This Act takes effect January 1, 2026.