

SENATE BILL NO. 207

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/20/00

Referred: HES, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the establishment and enforcement of medical support orders
2 for children; and providing for an effective date."

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

4 * **Section 1.** AS 25.27.020(a)(9) is amended to read:

5 (9) obtain a medical support order **to require health care coverage for**
6 **the child** [AS PART OF A CHILD SUPPORT ORDER] if health care coverage is
7 available to **either parent** [THE OBLIGOR] at a reasonable cost; the agency shall
8 consider whether adequate health care is available to the child through the Indian
9 Health Service or other insurance coverage before it orders **the parent** [AN
10 OBLIGOR] to provide health care coverage through insurance or other means; the
11 medical support order must meet the requirements of AS 25.27.063;

12 * **Sec. 2.** AS 25.27.060(c) is amended to read:

13 (c) In a court proceeding where the support of a minor child is at issue, the
14 court may order either or both parents to pay the amount necessary for support,

1 maintenance, nurture, and education of the child. The court shall issue a medical
 2 support order **to require health care coverage for the child** [AS PART OF A CHILD
 3 SUPPORT ORDER] if health care coverage is available to **either parent** [THE
 4 OBLIGOR] at a reasonable cost. The court shall consider whether the child is eligible
 5 for services through the Indian Health Service or other insurance coverage before
 6 ordering **a parent** [THE OBLIGOR] to provide health care coverage through insurance
 7 or other means. The medical support order must meet the requirements of
 8 AS 25.27.063. Upon a showing of good cause the court may order the parents
 9 required to pay support to give reasonable security for payments.

10 * **Sec. 3.** AS 25.27.063(a) is amended to read:

11 (a) A medical support order issued under AS 25.27.020(a)(9) or 25.27.060(c)
 12 must require that **a parent** [THE OBLIGOR] provide health care coverage for the
 13 child to whom the duty of support is owed **if health care coverage is available to the**
 14 **parent at a reasonable cost.**

15 * **Sec. 4.** AS 25.27.063(b) is amended to read:

16 (b) If **a parent** [AN OBLIGOR] who is required to provide health care
 17 coverage under a medical support order is eligible for family health coverage through
 18 an employer, the court or agency issuing the medical support order shall send a copy
 19 of the medical support order to the employer. If the agency has notice that the **parent**
 20 [OBLIGOR] has changed or will be changing employment and is or will be eligible
 21 for family health coverage through the new employer, the agency shall send a copy of
 22 the medical support order to the new employer.

23 * **Sec. 5.** AS 25.27.140(a) is amended to read:

24 (a) If no support order has been entered, the agency may establish paternity
 25 and a duty of support, **including a medical support order,** utilizing the procedures
 26 prescribed in AS 25.27.160 - 25.27.220 and may enforce a duty of support utilizing
 27 the procedure prescribed in AS 25.27.230 - 25.27.270. Action under this subsection
 28 may be undertaken upon application of an obligee, or at the agency's own discretion
 29 if the obligor is liable to the state under AS 25.27.120(a) or (b).

30 * **Sec. 6.** AS 25.27.140(c) is amended to read:

31 (c) **Unless the agency is establishing only a medical support order, a** [A]

1 decision of the agency determining a duty of support shall include an income
2 withholding order as provided under AS 25.27.062.

3 * **Sec. 7.** AS 25.27.160 is amended to read:

4 **Sec. 25.27.160. Initiation of administrative action to establish support**
5 **duty; required notice.** (a) An action to establish a duty of support, **including a**
6 **medical support order,** authorized under AS 25.27.140(a) is initiated by the agency
7 serving on the alleged obligor a notice and finding of financial responsibility. The
8 notice and finding served under this subsection shall be served personally or by
9 registered, certified, or insured mail, return receipt requested, for restricted delivery
10 only to the person to whom the notice and finding is directed or to the person
11 authorized under federal regulation to receive that person's restricted delivery mail.

12 (b) **Except as provided in (c) of this section, the** [THE] notice and finding
13 of financial responsibility served under (a) of this section must state

14 (1) the sum or periodic payments for which the alleged obligor is found
15 to be responsible under this chapter;

16 (2) the name of the alleged obligee and the obligee's custodian;

17 (3) that the alleged obligor may appear and show cause in a hearing
18 held by the agency why the finding is incorrect, should not be finally ordered, and
19 should be modified or rescinded, because

20 (A) no duty of support is owed; or

21 (B) the amount of support found to be owed is incorrect;

22 (4) that, if the person served with the notice and finding of financial
23 responsibility does not request a hearing within 30 days, the property and income of
24 the person will be subject to execution under AS 25.27.062 and 25.27.230 - 25.27.270
25 in the amounts stated in the finding without further notice or hearing.

26 * **Sec. 8.** AS 25.27.160 is amended by adding a new subsection to read:

27 (c) If the agency is establishing only a medical support order, the notice and
28 finding of financial responsibility must state

29 (1) that health care coverage must be provided for the child to whom
30 the duty of support is owed if health care coverage is available to either parent at a
31 reasonable cost; the agency shall allocate equally the cost of the health care coverage

1 between the parents unless the agency finds good cause to order a different allocation
2 of these costs;

3 (2) the name of the alleged obligee and the obligee's custodian;

4 (3) that a parent may appear and show cause in a hearing held by the
5 agency why the finding is incorrect, should not be finally ordered, and should be
6 modified or rescinded, because

7 (A) no duty of support is owed; or

8 (B) adequate health care is available to the child through the
9 Indian Health Service or other insurance coverage;

10 (4) that, if the person served with the notice under this subsection does
11 not request a hearing within 30 days, a copy of the medical support order will be sent
12 to the parent's employer under AS 25.27.063(b) without further notice or hearing for
13 inclusion of the child in family health coverage to the extent such coverage is available
14 at a reasonable cost.

15 * **Sec. 9.** AS 25.27.170(d) is amended to read:

16 (d) **Except as provided in (g) of this section, the** [THE] hearing officer shall
17 determine the amount of periodic payments necessary to satisfy the past, present, and
18 future liability of the alleged obligor under AS 25.27.120, if any, and under any duty
19 of support imposable under the law. The amount of periodic payments determined
20 under this subsection is not limited by the amount of any public assistance payment
21 made to or for the benefit of the child.

22 * **Sec. 10.** AS 25.27.170(f) is amended to read:

23 (f) **Except as provided in (g) of this section, if** [IF] the alleged obligor
24 requesting the hearing fails to appear at the hearing, the hearing officer shall enter a
25 decision declaring the property and income of the alleged obligor subject to execution
26 under AS 25.27.062 and 25.27.230 - 25.27.270 in the amounts stated in the notice and
27 finding of financial responsibility.

28 * **Sec. 11.** AS 25.27.170 is amended by adding a new subsection to read:

29 (g) If the agency is establishing a medical support order only, the hearing
30 officer shall determine whether either parent is required to provide health care
31 coverage for the child, taking into consideration whether such coverage is available to

1 either parent at a reasonable cost and whether adequate health care is available to the
 2 child through the Indian Health Service or other insurance coverage. If the parent
 3 requesting the hearing fails to appear at the hearing, the hearing officer shall enter a
 4 decision requiring that health care coverage be provided for the child if health care
 5 coverage is available to either parent at a reasonable cost. The hearing officer shall
 6 allocate equally the cost of the health care coverage between the parents unless the
 7 hearing officer finds good cause to order a different allocation of these costs.

8 * **Sec. 12.** AS 25.27.180(a) is amended to read:

9 (a) Within 20 days after the date of the hearing, the hearing officer shall adopt
 10 findings and a decision determining whether paternity is established and whether a
 11 duty of support exists and, if a duty of support is found,

12 **(1) unless a medical support order only is being established,** the
 13 amount of the periodic payments or sum for which the alleged obligor is found to be
 14 responsible; **and**

15 **(2) the requirement that health care coverage be provided for the**
 16 **child if health care coverage is available to either parent at a reasonable cost.**

17 * **Sec. 13.** AS 25.27.900(5) is amended to read:

18 (5) "duty of support" includes a duty of support imposed or imposable
 19 by law, by a court order, decree, or judgment, or by a finding or decision rendered
 20 under this chapter whether interlocutory or final, whether incidental to a proceeding
 21 for divorce, legal separation, separate maintenance, or otherwise, and includes the duty
 22 to pay arrearages of support past due and unpaid together with penalties and interest
 23 on arrearages imposed under AS 25.27.020(a)(2)(B) **and the duty to provide health**
 24 **care coverage in compliance with AS 25.27.063.**

25 * **Sec. 14.** The Act takes effect immediately under AS 01.10.070(c).