

CS FOR HOUSE BILL NO. 195(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 4/14/03

Referred: Finance

Sponsor(s): REPRESENTATIVES ROKEBERG, Lynn

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to coverage offered under an individual policy of health care
2 insurance; relating to the state health insurance plan; and providing for an effective
3 date."

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

5 * **Section 1.** AS 21.51 is amended by adding a new section to read:

6 **Sec. 21.51.350. Individual health care insurance coverage.**
7 Notwithstanding AS 21.42.353, 21.42.355, 21.42.363, 21.42.365, 21.42.375,
8 21.42.380, 21.42.385, 21.42.390, 21.42.392, and 21.42.395, a health care insurer may
9 offer a health care insurance plan issued in the individual market that does not include
10 health insurance coverage required under AS 21.42.353, 21.42.355, 21.42.363,
11 21.42.365, 21.42.375, 21.42.380, 21.42.385, 21.42.390, 21.42.392, and 21.42.395;
12 however, the coverage may be offered as optional coverage.

13 * **Sec. 2.** AS 21.55.130 is amended by adding a new subsection to read:

14 (e) A state plan issued to a qualified TAA eligible individual may not impose

1 a preexisting condition exclusion.

2 * **Sec. 3.** AS 21.55.150(c) is amended to read:

3 (c) The board shall determine standard risk premium rates by considering the
4 premium rates charged by members of the association offering, to residents of the
5 state, health insurance benefits substantially equivalent to benefits under the state plan.
6 The premium for a state plan may not exceed **150** [200] percent of the standard risk
7 premium rates determined by the board.

8 * **Sec. 4.** AS 21.55.300(a) is amended to read:

9 (a) Except as provided in this section, a state resident who is a high risk, **a**
10 **TAA eligible individual**, or a federally defined eligible individual is eligible to enroll
11 in a state plan described in AS 21.55.100.

12 * **Sec. 5.** AS 21.55.300(b) is amended to read:

13 (b) Except for a federally defined eligible individual **or TAA eligible**
14 **individual**, a person may not be covered by the state plan

15 (1) while covered by another health insurance policy or subscriber
16 contract; or

17 (2) if the person is eligible to be covered

18 **(A)** by a plan subject to the requirements of AS 21.56.110 -
19 21.56.250;

20 **(B)** **under another state or federal law, including veterans'**
21 **benefits, Native health care, or Medicaid, but not including Medicare; or**

22 **(C)** **under another health benefit program, including self-**
23 **insurance plan, health care trust, or welfare trust.**

24 * **Sec. 6.** AS 21.55.320 is amended to read:

25 **Sec. 21.55.320. Plan administrator's response.** Within 30 days after
26 receiving the application described in AS 21.55.310, the plan administrator shall

27 **(1)** either **provide the applicant with a notice of rejection** [REJECT
28 THE APPLICATION] for failing to comply with the requirements of AS 21.55.300
29 and 21.55.310 or [FORWARD THE ELIGIBLE PERSON] a notice of acceptance;
30 **and**

31 **(2)** **for a TAA eligible individual, send a notice to the director**

1 **specifying the name, address, social security number, and effective date of**
 2 **coverage.**

3 * **Sec. 7.** AS 21.55.500(18) is amended to read:

4 (18) "resident" means (A) except for a federally defined eligible
 5 individual **or TAA eligible individual** [AND AN INDIVIDUAL WHO IS ABSENT
 6 FROM THE STATE FOR MORE THAN 90 CONSECUTIVE DAYS FOR
 7 REASONS OTHER THAN FOR MEDICAL TREATMENT OR EDUCATION], an
 8 individual who (i) is physically present in the state, has lived in the state for at least
 9 the 12 consecutive months immediately preceding the application for a state plan, and
 10 intends to remain permanently in the state; or (ii) is not physically present in the state
 11 if the person lived in the state for at least nine of the 12 months immediately preceding
 12 application for a state plan and the person's absence from the state is for medical
 13 treatment or education; **or** (B) for a federally defined eligible individual **or TAA**
 14 **eligible individual**, an individual who is legally domiciled in this state; **"resident"**
 15 **does not include an individual who is absent from the state for more than 90**
 16 **consecutive days for reasons other than for medical treatment or education;**

17 * **Sec. 8.** AS 21.55.500 is amended by adding new paragraphs to read:

18 (23) "qualified TAA eligible individual" means a qualifying individual
 19 as defined under 26 U.S.C. 35 (Internal Revenue Code, as enacted by sec. 201(a) of
 20 the Trade Adjustment Assistance Reform Act of 2002);

21 (24) "TAA eligible individual" means an eligible individual or a
 22 qualifying family member as defined under 26 U.S.C. 35 (Internal Revenue Code, as
 23 enacted by sec. 201(a) of the Trade Adjustment Assistance Reform Act of 2002).

24 * **Sec. 9.** AS 21.55.140(b) is repealed.

25 * **Sec. 10.** This Act takes effect July 1, 2003.