

**SENATE BILL NO. 198**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY SENATORS COGHILL, Giessel, Dyson

Introduced: 2/24/14

Referred: Labor and Commerce

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act setting the fee for medical treatment or services performed outside the state  
2 under the Alaska Workers' Compensation Act, requiring a provider of medical  
3 treatment or services under the Alaska Workers' Compensation Act to submit bills for  
4 treatment or services to employers within 180 days after the date the treatment or  
5 services are rendered, and limiting the time for appealing an employer's denial or  
6 reduction of a bill; and providing for an effective date."

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

8 \* **Section 1.** AS 23.30.097(a) is amended to read:

9 (a) All fees and other charges for medical treatment or service are subject to  
10 regulation by the board consistent with this section. A fee or other charge for medical  
11 treatment or service

12 (1) rendered in the state may not exceed the lowest of

13 (A) [(1)] the usual, customary, and reasonable fees for the

1 treatment or service in the community in which it is rendered, for treatment or  
 2 service provided on or after December 31, 2010, not to exceed the fees or other  
 3 charges as specified in a fee schedule established by the board and adopted by  
 4 reference in regulation; the fee schedule must be based on statistically credible  
 5 data, including charges for the most recent category I, II, and III medical  
 6 services maintained by the American Medical Association and the Health Care  
 7 Procedure Coding System for medical supplies, injections, emergency  
 8 transportation, and other medically related services, and must result in a  
 9 schedule that

10 (i) [(A)] reflects the cost in the geographical area where  
 11 services are provided; and

12 (ii) [(B)] is at the 90th percentile;

13 (B) [(2)] the fee or charge for the treatment or service when  
 14 provided to the general public; or

15 (C) [(3)] the fee or charge for the treatment or service  
 16 negotiated by the provider and the employer under (c) of this section;

17 **(2) rendered in another state may not exceed the fee or charge for**  
 18 **a treatment or service set by the workers' compensation statutes of the state**  
 19 **where the services are rendered.**

20 \* **Sec. 2.** AS 23.30.097 is amended by adding new subsections to read:

21 (h) A provider of medical treatment or services may receive payment for  
 22 medical treatment and services under this chapter only if the bill for services is  
 23 received by the employer within 180 days after the later of

24 (1) the date of service; or

25 (2) the date that the provider knew of the claim and knew that the  
 26 claim related to employment.

27 (i) A provider whose bill has been denied or reduced by the employer may file  
 28 an appeal with the board within 60 days after receiving notice of the denial or  
 29 reduction. A provider who fails to file an appeal of a denial or reduction of a bill  
 30 within the 60-day period waives the right to contest the denial or reduction.

31 \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 APPLICABILITY. AS 23.30.097(a), as amended by sec. 1 of this Act, and AS  
3 23.30.097(h) and 23.30.097(i), added by sec. 2 of this Act, apply to fees and charges for  
4 medical treatment and services rendered before, on, or after the effective date of this Act.

5 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to  
6 read:

7 TRANSITIONAL PROVISIONS. (a) Notwithstanding AS 23.30.097(h), added by  
8 sec. 2 of this Act, a provider may submit bills for services rendered before the effective date  
9 of this Act within 180 days after the effective date of the Act.

10 (b) Notwithstanding AS 23.30.097(i), added by sec. 2 of this Act, a provider may  
11 appeal an employer's denial or reduction of a bill denied or reduced before the effective date  
12 of this Act if the appeal is filed within 60 days after the effective date of this Act.

13 \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
14 read:

15 RETROACTIVITY. AS 23.30.097(a), as amended by sec. 1 of this Act, and AS  
16 23.30.097(h) and (i), added by sec. 2 of this Act, are retroactive.

17 \* **Sec. 6.** This Act takes effect immediately under AS 01.10.070(c).