

HOUSE BILL NO. 391

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE PARISH

Introduced: 2/21/18

Referred: Health and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing state employee health care provider networks; and providing for**
2 **an effective date."**

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

4 *** Section 1.** AS 39.30 is amended by adding a new section to read:

5 **Sec. 39.30.093. State employee health care provider networks.** (a) The
6 commissioner of administration shall, for each state employee health care service
7 region under (c) of this section,

8 (1) establish a network of health care providers who are generally
9 available to provide a health care service to state employees in that region and require,
10 as a condition of membership, that each member

11 (A) is able to provide the service;

12 (B) is properly licensed by the state to provide the service;

13 (C) annually demonstrate to the commissioner of
14 administration that not less than 20 percent of the patients served by the

1 provider are eligible to receive benefits from Medicaid or Medicare;

2 (D) for a service subject to a rate established under (b) of this
3 section, agree not to charge more than that rate;

4 (2) identify health care services provided at a market rate that is, on
5 average, higher than the market rate in a more competitive market where the state
6 employee can reasonably obtain similar services.

7 (b) The commissioner of administration shall establish a competitive bid
8 procedure and solicit bids from qualified members of the network to provide a service
9 identified under (a)(2) of this section at a lower rate. The commissioner shall
10 determine the lowest bid under this subsection. The lowest bidder may charge 100
11 percent of the lowest bid for the corresponding service, and other members of the
12 network may charge not more than 95 percent of the lowest bid for that service.

13 (c) For purposes of this section, there are three state employee health care
14 service regions, as follows:

15 (1) the Municipality of Anchorage and the Matanuska-Susitna
16 Borough;

17 (2) the Fairbanks North Star Borough;

18 (3) the City and Borough of Juneau.

19 (d) In this section,

20 (1) "dependent child" means an unmarried child of a state employee,
21 including one adopted, who is dependent on the state employee for support and who is

22 (A) under 19 years of age;

23 (B) under 23 years of age and registered at and attending on a
24 full-time basis an accredited educational or technical institution recognized by
25 the Department of Education and Early Development; or

26 (C) of any age, and totally and permanently disabled;

27 (2) "health care provider" has the meaning given in AS 21.42.347;

28 (3) "state employee" means a person, or the spouse or a dependent
29 child of the person, employed on a full-time or part-time basis with a branch,
30 department, office, institution, board, commission, bureau, division, or other
31 administrative unit that forms state government.

1 * **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).