

HOUSE BILL NO. 267

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE ZULKOSKY

Introduced: 2/21/20

Referred: Health and Social Services, Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to short-term health care insurance; and providing for an effective
2 date."

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

4 * **Section 1.** AS 21.54 is amended by adding a new section to read:

5 **Sec. 21.54.180. Short-term limited-duration health care insurance.** (a) A
6 health care insurer that offers, issues for delivery, delivers, or renews in this state a
7 short-term limited-duration insurance policy shall provide coverage under the policy
8 for

- 9 (1) ambulatory patient services;
10 (2) emergency services;
11 (3) hospitalization;
12 (4) pregnancy and maternity services, and newborn care;
13 (5) mental health and substance use disorder services;
14 (6) prescription drugs;

- (7) rehabilitative services and devices;
- (8) laboratory services;
- (9) preventive services;
- (10) chronic disease management;
- (11) pediatric services; and
- (12) preexisting conditions.

(b) A health care insurer may not offer, issue for delivery, deliver, or renew a short-term limited-duration insurance policy

(1) during an annual open enrollment period of a health care exchange;

(2) for coverage of an individual who

(A) qualifies for a special enrollment period to purchase health insurance through a health care exchange; or

(B) has previously been insured under a short-term limited-duration insurance policy renewal;

(3) that, in a calendar year, requires more than

(A) \$5,000 in cost sharing for self-only coverage; or

(B) \$10,000 in cost sharing for family coverage; or

(4) for a term of more than 90 days or for more than one renewal.

(c) The director shall annually increase the annual maximum cost sharing amounts in (b)(3) of this section by the average percentage increase in the Consumer Price Index for urban wage earners and clerical workers for Urban Alaska during the previous five calendar years, as determined by the United States Department of Labor, Bureau of Labor Statistics.

(d) In this section,

(1) "cost sharing" has the meaning given in 42 U.S.C. 18022(c)(3);

(2) "family coverage" has the meaning given in 26 U.S.C. 223(c)(4);

(3) "health care exchange" has the meaning given in AS 21.51.500;

(4) "individual market" has the meaning given in AS 21.51.500;

(5) "renewal" has the meaning given in AS 21.36.310;

(6) "short-term limited-duration insurance policy" means a health care insurance plan offered to individuals in the individual market for a specified short-

1 term duration.

2 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 APPLICABILITY. Section 1 of this Act applies to an insurance policy or contract
5 entered into or renewed on or after the effective date of sec. 1 of this Act.

6 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
7 read:

8 TRANSITION: REGULATIONS. The director of the division of insurance may adopt
9 regulations necessary to implement the changes made by this Act. The regulations take effect
10 under AS 44.62 (Administrative Procedure Act), but not before the effective date of the law
11 implemented by the regulations.

12 * **Sec. 4.** Section 3 of this Act takes effect immediately under AS 01.10.070(c).

13 * **Sec. 5.** Except as provided in sec. 4 of this Act, this Act takes effect July 1, 2021.