


Introduced: 3/13/74
Referred: Health, Education &
Social Services and Commerce

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2  HOUSE BILL NO. 787

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing the creation of health maintenance
7 organizations; prescribing their organization, powers
8 and duties; and providing for their certification and
9 registration."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 18 is amended by adding a new chapter to read:

12 CHAPTER 18. HEALTH MAINTENANCE ORGANIZATIONS.

13 Sec. 18.18.010. ESTABLISHMENT OF HEALTH MAINTENANCE ORGANIZATIONS.

14 (a) Notwithstanding any other provision of law, any person may apply
15 to the commissioner for and obtain a certificate of authority to estab-
16 lish and operate a health maintenance organization in compliance with
17 this chapter. No person may establish or operate a health maintenance
18 organization in this state, nor sell or offer to sell, or solicit offers
19 to purchase or receive advance or periodic consideration in conjunction
20 with a health maintenance organization without obtaining a certificate
21 of authority under this chapter. A foreign corporation may qualify
22 under this chapter, subject to its registration to do business in this
23 state as a foreign corporation under AS 10.05.

24 (b) Every health maintenance organization on the effective date
25 of this chapter shall submit an application for a certificate of author-
26 ity under sec. 20 of this chapter within 60 days of the effective date of
27 this chapter. Each applicant may continue to operate until the commis-
28 sioner acts upon the application. In the event that an application is
29 denied under sec. 30 of this chapter, the applicant shall henceforth be

1 treated as a health maintenance organization whose certificate of
2 authority has been revoked.

3 Sec. 18.18.020. APPLICATION FOR CERTIFICATE OF AUTHORITY. (a)
4 Each application for a certificate of authority shall be verified by
5 an officer or authorized representative of the applicant, shall be in
6 a form prescribed by the commissioner, and shall set out or be accom-
7 panied by the following:

8 (1) a copy of the basic organizational document, if any, of
9 the applicant such as the articles of incorporation, articles of associ-
10 ation, partnership agreement, trust agreement, or other applicable
11 documents, and all amendments to them;

12 (2) a copy of the bylaws, rules, regulations, or similar
13 document, if any, regulating the conduct of the internal affairs of the
14 applicant;

15 (3) a list of the names, addresses, and official positions
16 of the persons who are to be responsible for the conduct of the affairs
17 of the applicant, including all members of the governing board or
18 committee, the principal officers in the case of a corporation, and
19 the partners or members in the case of a partnership or association;

20 (4) a copy of any contract made or to be made between any
1 providers or persons listed in (3) of this subsection and the applicant;

22 (5) a statement generally describing the health maintenance
23 organization, its health care plan or plans, services, facilities and
24 personnel;

25 (6) a copy of the form of evidence of coverage to be issued
26 to the enrollees;

27 (7) copies of all contract forms which the organization
28 proposes to offer enrolled participants;

29 (8) financial statements showing the applicant's assets,

1 liabilities, sources of financial support and working capital, a finan-
2 cial plan, and an estimate of the amount of time which will be required
3 for the organization to break even;

4 (9) a description of the proposed method of marketing the
5 plan;

6 (10) a power of attorney duly executed by the applicant, if
7 not domiciled in this state, appointing the commissioner and his suc-
8 cessors in office, and duly authorized deputies, as the true and lawful
9 attorney of the applicant in and for this state upon whom all lawful
10 process in any legal action or proceeding against the health maintenance
11 organization on a cause of action arising in this state may be served;

12 (11) a statement reasonably describing the geographic area
13 or areas to be served;

14 (12) a description of the complaint procedures to be utilized
15 as required under sec. 100 of this chapter;

16 (13) a description of the procedures and programs to be
17 implemented to meet the quality of health care requirements in sec.
18 30(a)(2) of this chapter;

19 (14) a description of the mechanism by which enrollees will
20 be given an opportunity to participate in matters of policy and opera-
21 tion under sec. 50(b) of this chapter;

22 (15) whatever other information the commissioner may require
23 to make the determinations required in sec. 30 of this chapter.

24 (b) A health maintenance organization shall, unless otherwise
25 provided for in this chapter, file a notice describing any modification
26 of the operation set out in the information required by (a) of this
27 section. The notice shall be filed with the commissioner before the
28 modification. If the commissioner does not disapprove within 45 days
29 of filing, the modification shall be considered approved. The

1 commissioner may promulgate regulations under the Administrative Proce-
2 dure Act (AS 44.62) exempting from the filing requirements of this
3 subsection those items he considers unnecessary.

4 Sec. 18.18.030. ISSUANCE OF CERTIFICATE OF AUTHORITY. (a) Upon
5 receipt of an application for issuance of a certificate of authority,
6 the commissioner shall determine within 60 days whether the applicant,
7 with respect to health care services to be furnished,

8 (1) has demonstrated the willingness and potential ability
9 to assure that the health care services will be provided in a manner
10 to assure availability and accessibility of adequate personnel and
11 facilities, and continuity of service;

12 (2) has arrangements established in accordance with regula-
13 tions promulgated by the commissioner for an on-going quality of health
14 care assurance program concerning health care processes and outcomes;

15 (3) has a procedure, established in accordance with regula-
16 tions of the commissioner, to develop, compile, evaluate, and report
17 statistics relating to the cost of its operations, the pattern of
18 utilization of its services, the availability and accessibility of its
19 services, and such other matters as may be reasonably required by the
20 commissioner;

21 (4) is financially responsible and may reasonably be expected
22 to meet its obligations to enrollees and prospective enrollees; in
23 making this determination, the commissioner may consider

24 (A) the financial soundness of the health care plan's
25 arrangements for health care services and the schedule of charges
26 used in connection with them;

27 (B) the adequacy of working capital;

28 (C) any agreement with an insurer, a hospital or medi-
29 cal service corporation, a government, or any other organization

1 for insuring the payment of the cost of health care services or
2 the provision for automatic applicability of an alternative cover-
3 age in the event of discontinuance of the plan;

4 (D) any agreement with providers for the provision of
5 health care services;

6 (5) will afford to the enrollees an opportunity to partici-
7 pate in matters of policy and operation under sec. 50 of this chapter;

8 (6) does not include in the proposed method of operation,
9 as shown by the information submitted under sec. 20 of this chapter or
10 by independent investigation, anything which is contrary to the public
11 interest.

12 (b) If the commissioner determines that the applicant has met
13 the requirements described in (a) of this section and the fee require-
14 ment of sec. 160 of this chapter, the commissioner shall issue a
15 certificate of authority to the applicant within 15 days of that deter-
16 mination.

17 (c) If the commissioner determines that the applicant has failed
18 to meet the requirements of (a) of this section or the fee requirement
19 of sec. 160 of this chapter, the commissioner shall notify the appli-
20 cant within 15 days of that determination and certify and specify the
21 deficiencies in the application.

22 Sec. 18.18.040. POWERS OF HEALTH MAINTENANCE ORGANIZATIONS. (a)
23 The powers of a health maintenance organization include, but are not
24 limited to, the following:

25 (1) the purchase, lease, construction, renovation, opera-
26 tion, or maintenance of hospitals, medical facilities, or both, and
27 their ancillary equipment, and whatever property that may reasonably be
28 required for its principal office or for those other purposes that may
29 be necessary in the transaction of the business of the organization;

1 (2) the making of loans to a medical group under contract
2 with it in furtherance of its program or the making of loans to a cor-
3 poration or corporations under its control for the purpose of acquiring
4 or constructing medical facilities and hospitals or in furtherance of
5 a program providing health care services to enrollees;

6 (3) the furnishing of health care services through providers
7 which are under contract with or employed by the health maintenance
8 organization;

9 (4) the contracting with any person for the performance on
10 its behalf of certain functions such as marketing, enrollment, and
11 administration;

12 (5) the contracting with an insurance company licensed in
13 this state, or with a hospital or medical service corporation authorized
14 to do business in this state, for the provision of insurance, indemnity,
15 or reimbursement against the cost of health care services provided by
16 the health maintenance organization;

17 (6) the offering, in addition to basic health care services,
18 of

19 (A) additional health care services;

20 (B) indemnity benefits covering out-of-area or emergency
21 services; and

22 (C) indemnity benefits, in addition to those relating
23 to out-of-area and emergency services, provided through insurers
24 or hospital or medical service corporations;

25 (7) the acceptance of payments or grants from governmental
26 or private agencies or persons.

27 (b) A health maintenance organization shall file notice, with
28 adequate supporting information, with the commissioner of commerce
29 before the exercise of any power granted in (a)(1) or (2) of this

1 section. The commissioner shall disapprove that exercise of power if
2 in his judgment it would substantially and adversely affect the finan-
3 cial soundness of the health maintenance organization and endanger its
4 ability to meet its obligations. If the commissioner does not disapprove
5 within 30 days of the filing, it shall be considered approved.

6 Sec. 18.18.050. GOVERNING BODY. (a) The governing body of a
7 health maintenance organization may include providers or enrollees.

8 (b) The governing body shall establish and utilize a mechanism
9 to afford the enrollees an opportunity to participate in matters of
10 policy and operation through the establishment of advisory panels, by
11 the use of advisory referenda on major policy decisions, or through the
12 use of other mechanisms.

13 Sec. 18.18.060. FIDUCIARY RESPONSIBILITIES. A director, officer
14 or partner of a health maintenance organization who receives, collects,
15 disburses, or invests funds in connection with the activities of that
16 organization shall be responsible for those funds in a fiduciary rela-
17 tionship to the enrollees.

18 Sec. 18.18.070. EVIDENCE OF COVERAGE AND CHARGES FOR HEALTH CARE
19 SERVICES. (a) Every enrollee residing in this state is entitled to
20 evidence of coverage under a health care plan. If the enrollee obtains
21 coverage under a health care plan through an insurance policy or a
22 contract issued by a hospital or medical service corporation, whether
23 by option or otherwise, the insurer or the hospital or medical service
24 corporation shall issue the evidence of coverage. Otherwise, the
25 health maintenance organization shall issue the evidence of coverage.

26 (b) No evidence of coverage, or amendment to it, may be issued
27 or delivered to a person in this state until a copy of the form of the
28 evidence of coverage, or amendment to it, has been filed with and
29 approved by the commissioner.

1 (c) An evidence of coverage shall contain

2 (1) no provisions or statements which are unjust, unfair,
3 inequitable, misleading, deceptive, which encourage misrepresentation,
4 or which are untrue, misleading or deceptive as defined in sec. 130(a)
5 of this chapter; and

6 (2) a clear and complete statement, if a contract, or a
7 reasonably complete summary, if a certificate, of

8 (A) the health care services and the insurance or other
9 benefits, if any, to which the enrollee is entitled under the
10 health care plan;

11 (B) any limitations on the services, kind of services,
12 benefits, or kind of benefits, to be provided, including any
13 deductible or co-payment feature;

14 (C) where and in what manner information is available
15 as to how services may be obtained;

16 (D) the total amount of payment for health care services
17 and the indemnity or service benefits, if any, which the enrollee
18 is obligated to pay with respect to individual contracts, or an
19 indication whether the plan is contributory or noncontributory with
20 respect to group certificates;

21 (E) a clear and understandable description of the
22 health maintenance organization's method for resolving enrollee
23 complaints.

24 (d) Any subsequent change in the evidence of coverage may be
25 evidenced in a separate document issued to the enrollee.

26 (e) A copy of the form of the evidence of coverage to be used in
27 this state, and any amendment to it, shall be subject to the filing and
28 approval requirements of (b) of this section unless it is subject to
29 the jurisdiction of the commissioner under the laws governing health

1 insurance or hospital or medical service corporations, in which event
2 the filing and approval provisions of these laws shall apply. To the
3 extent, however, that these provisions do not apply, the requirements
4 in (c) of this section are applicable.

5 (f) No schedule of charges for enrollee coverage for health care
6 services, or amendment to it, may be used in conjunction with any
7 health care plan until a copy of the schedule, or amendment to it, has
8 been filed with the commissioner.

9 (g) The commissioner shall, within a reasonable period, approve
10 any form if the requirements of (a) - (e) of this section are met and
11 any schedule of charges if the requirement of (f) of this section is
12 met. It shall be unlawful to issue a form until approved. If the
13 commissioner disapproves the filing, he shall notify the filer. In
14 the notice, the commissioner shall specify the reasons for his dis-
15 approval. A hearing will be granted within 30 days after a request in
16 writing by the person filing. If the commissioner does not disapprove
17 any form within 30 days of the filing of the forms, they shall be
18 considered approved.

19 (h) The commissioner may require the submission of whatever rele-
20 vant information he considers necessary in determining whether to approve
21 or disapprove a filing made under this section.

22 Sec. 18.18.080. ANNUAL REPORT. (a) Every health maintenance
23 organization shall annually, before March 1, file a report verified by
24 at least two principal officers with the commissioner, covering the
25 preceding calendar year.

26 (b) The report shall be on forms prescribed by the commissioner
27 and shall include

28 (1) a financial statement of the organization, including its
29 balance sheet and receipts and disbursements for the preceding year

1 certified by an independent public accountant;

2 (2) any material changes in the information submitted under
3 sec. 20(a) of this chapter;

4 (3) the number of persons enrolled during the year, the
5 number of enrollees at the end of the year, and the number of enroll-
6 ments terminated during the year;

7 (4) a summary of information compiled under sec. 30(a)(3)
8 of this chapter in the form required by the commissioner of health and
9 social services; and

10 (5) whatever other information relating to the performance
11 of the health maintenance organization that is necessary to enable the
12 commissioner to carry out his duties under this chapter.

13 Sec. 18.18.090. INFORMATION TO ENROLLEES. Every health mainte-
14 nance organization shall annually provide to its enrollees

15 (1) the most recent annual statement of financial condi-
16 tion including a balance sheet and summary of receipts and disburse-
17 ments;

18 (2) a description of the organizational structure and opera-
19 tion of the health care plan and a summary of any material changes
20 since the issuance of the last report;

21 (3) a description of services and information as to where
22 and how to secure them; and

23 (4) a clear and understandable description of the health
24 maintenance organization's method for resolving enrollee complaints.

25 Sec. 18.18.100. COMPLAINT SYSTEM. (a) Every health maintenance
26 organization shall establish and maintain a complaint system to provide
27 reasonable procedures for the resolution of written complaints initi-
28 ated by enrollees concerning health care services.

29 (b) Each health maintenance organization shall submit to the

1 commissioner an annual report in a form prescribed by the commissioner,
2 which shall include

- 3 (1) a description of the procedures of such complaint system;
4 (2) the total number of complaints handled through such
5 complaint system and a compilation of causes underlying the complaints
6 filed; and
7 (3) the number, amount, and disposition of malpractice claims
8 settled during the year by the health maintenance organization and any
9 of the providers used by it.

10 (c) The health maintenance organization shall maintain records of
11 written complaints filed with it concerning other than health care
12 services and shall submit to the commissioner a summary report at those
13 times and in the format that the commissioner may require. The com-
14 plaints involving other persons shall be referred to those persons with
15 a copy to the commissioner.

16 Sec. 18.18.110. PROHIBITED PRACTICES. (a) No health maintenance
17 organization, or representative of it, may cause or knowingly permit
18 the use of advertising which is untrue or misleading, solicitation
19 which is untrue or misleading, or any form of evidence of coverage
20 which is deceptive. For purposes of this chapter

21 (1) a statement or item of information shall be considered
22 to be untrue if it does not conform to fact in any respect which is or
23 may be significant to an enrollee of, or person considering enrollment
24 in, a health care plan;

25 (2) a statement or item of information shall be considered
26 to be misleading, whether or not it may be literally untrue, if, in
27 the total context in which the statement is made or the item of infor-
28 mation is communicated, the statement or item of information may be
29 reasonably understood by a reasonable person, not possessing special

1 knowledge regarding health care coverage, as indicating any benefit or
2 advantage or the absence of any exclusion, limitation, or disadvantage
3 of possible significance to an enrollee of, or person considering
4 enrollment in, a health care plan, if the benefit or advantage or
5 absence of limitation, exclusion or disadvantage does not in fact exist;

6 (3) an evidence of coverage shall be considered to be decep-
7 tive if the evidence of coverage taken as a whole, and with considera-
8 tion given to typography and format, as well as language, is such as
9 to cause a reasonable person, not possessing special knowledge regarding
10 health care plans and evidences of coverage for them, to expect bene-
11 fits, services, charges, or other advantages which the evidence of
12 coverage does not provide or which the health care plan issuing the
13 evidence of coverage does not regularly make available for enrollees
14 covered under such evidence of coverage.

15 (b) AS 45.50.471 - 45.50.561 apply to health maintenance organiza-
16 tions, health care plans and evidences of coverage except to the extent
17 that the commissioner determines by regulation that the nature of health
18 maintenance organizations, health care plans and evidences of coverage
19 render these sections clearly inappropriate.

20 (c) An enrollee may not be cancelled or nonrenewed except for the
21 failure to pay the charge for the coverage, or for those other reasons
22 as may be promulgated by regulation by the commissioner.

23 (d) No health maintenance organization, unless licensed as an
24 insurer, may use in its name, contracts, or literature any of the words
25 "insurance", "casualty", "surety", "mutual", or any other words descrip-
26 tive of the insurance, casualty, or surety business or deceptively
27 similar to the name or description of any insurance or surety corpora-
28 tion doing business in this state.

29 Sec. 18.18.120. EXAMINATIONS. (a) The commissioner may make

1 an examination of the affairs of any health maintenance organization
2 and providers with whom that organization has contracts, agreements, or
3 other arrangements under its health care plan as often as he considers
4 necessary for the protection of the interests of the people of this
5 state but at least once every three years.

6 (b) The commissioner may make an examination concerning the
7 quality of health care services of any health maintenance organization
8 and providers with whom the organization has contracts, agreements, or
9 other arrangements under its health care plan as often as he considers
10 necessary for the protection of the interests of the people of this
11 state but at least once every three years.

12 (c) Every health maintenance organization and provider shall
13 submit its books and records relating to the health care plan to the
14 examinations and in every way facilitate them. For the purpose of
15 examinations, the commissioner may administer oaths to and examine the
16 officers and agents of the health maintenance organization and the
17 principals of the providers concerning their business.

18 Sec. 18.18.130. SUSPENSION OR REVOCATION OF CERTIFICATE OF
19 AUTHORITY. (a) The commissioner may suspend or revoke any certificate
20 of authority issued to a health maintenance organization under this
21 chapter if he finds that any of the following conditions exist:

22 (1) the health maintenance organization is operating signi-
23 ficantly in contravention of its basic organizational document, its
24 health care plan, or in a manner contrary to that described in and
25 reasonably inferred from any other information submitted under sec. 10
26 of this chapter, unless amendments to the submissions have been filed
27 with and approved by the commissioner;

28 (2) the health maintenance organization issues evidence of
29 coverage or uses a schedule of charges for health care services which

1 do not comply with the requirements of sec. 70 or sec. 30(a) of this
2 chapter;

3 (3) the health maintenance organization is unable to fulfill
4 its obligations to furnish health care services as required under its
5 health care plan;

6 (4) the health maintenance organization is no longer finan-
7 cially responsible and may reasonably be expected to be unable to meet
8 its obligations to enrollees or prospective enrollees;

9 (5) the health maintenance organization has failed to imple-
10 ment a mechanism affording the enrollees an opportunity to participate
11 in matters of policy and operation under sec. 50 of this chapter;

12 (6) the health maintenance organization has failed to imple-
13 ment the complaint system required by sec. 100 of this chapter in a
14 manner to reasonably resolve valid complaints;

15 (7) the health maintenance organization, or any person on
16 its behalf, has advertised or merchandised its services in an untrue,
17 misrepresentative, misleading, deceptive, or unfair manner;

18 (8) the continued operation of the health maintenance organi-
19 zation would be hazardous to its enrollees;

20 (9) the health maintenance organization has otherwise failed
21 to substantially comply with this chapter.

22 (b) A certificate of authority shall be suspended or revoked only
23 after compliance with the requirements of sec. 150 of this chapter.

24 (c) When the certificate of authority of a health maintenance
25 organization is suspended, the health maintenance organization may not,
26 during the period of the suspension, enroll any additional enrollees
27 except newborn children or other newly acquired dependents of existing
28 enrollees, and may not engage in any advertising or solicitation what-
29 soever.

1 (d) When the certificate of authority of a health maintenance
2 organization is revoked, the organization shall proceed, immediately
3 following the effective date of the order of revocation, to wind up
4 its affairs, and may conduct no further business except as may be
5 essential to the orderly conclusion of the affairs of the organization.
6 It shall engage in no further advertising or solicitation whatsoever.
7 The commissioner may, by written order, permit the further operation
8 of the organization that he may find to be in the best interest of
9 enrollees, to the end that enrollees will be afforded the greatest
10 practical opportunity to obtain continuing health care coverage.

11 Sec. 18.18.140. REGULATIONS. The commissioner may, in accordance
12 with the Administrative Procedure Act (AS 44.62), promulgate reasonable
13 regulations as are necessary to carry out the provisions of this
14 chapter.

15 Sec. 18.18.150. ADMINISTRATIVE PROCEDURES. (a) When the
16 commissioner has reason to believe that grounds for the denial of an
17 application for a certificate of authority exist, or that grounds for
18 the suspension or revocation of a certificate of authority exist, he
19 shall notify the health maintenance organization in writing speci-
20 fically stating the grounds for denial, suspension, or revocation and
21 fixing a time for a hearing on the matter.

22 (b) A hearing officer shall be appointed by the commissioners of
23 health and social services, commerce and revenue, and shall, after
24 hearing at which the health maintenance organization and the commis-
25 sioners testify, decide if the certificate of authority is to be
26 denied, suspended or revoked. The decision of the hearing officer is
27 binding upon the commissioner. The action, recommendation and findings
28 of the hearing officer are subject to review. The court may, in
29 disposing of the issue before it, modify, affirm, or reverse the order

1 in whole or in part.

2 (c) The provisions of the Administrative Procedure Act (AS 44.62)
3 apply to proceedings under this section to the extent they are not in
4 conflict with (a) and (b) of this section.

5 Sec. 18.18.160. FEES. Every health maintenance organization
6 subject to this chapter shall pay to the commissioner fees as follows:

7 (1) for filing an application for a certificate of authority
8 or amendment to it \$100

9 (2) for issuance of an initial certificate of authority
10 or each renewal \$ 65

11 (3) for filing annual statement of financial
12 condition \$ 10

13 Sec. 18.18.170. PENALTIES AND ENFORCEMENT. (a) The commis-
14 sioner may, instead of suspension or revocation of a certificate of
15 authority under sec. 120 of this chapter, levy an administrative
16 penalty in an amount of \$100 if reasonable notice in writing is given
17 of the intent to levy the penalty and the health maintenance organi-
18 zation has a reasonable time within which to remedy the defect in its
19 operations which gave rise to the penalty citation. The commissioner
20 may augment this penalty by an amount equal to the sum that he calcu-
21 lates to be the damages suffered by enrollees or other members of the
22 public.

23 (b) The commissioner may issue an order directing a health mainte-
24 nance organization or a representative of a health maintenance organiza-
25 tion to cease and desist from engaging in any act or practice in
26 violation of the provisions of this chapter. Within 10 days after
27 service of the cease and desist order, the respondent may request a
28 hearing on the question of whether acts or practices in violation of
29 this chapter have occurred. The hearings shall be conducted in

1 accordance with the Administrative Procedure Act (AS 44.62).

2 (c) In the case of any violation of the provisions of this chapter,
3 if the commissioner elects not to issue a cease and desist order, or
4 in the event of noncompliance with a cease and desist order issued under
5 this section, the commissioner may request the attorney general to
6 institute a proceeding to obtain injunctive relief or seek other appro-
7 priate relief in the superior court of the judicial district where the
8 alleged violation occurred.

9 Sec. 18.18.180. FILINGS AND REPORTS AS PUBLIC DOCUMENTS. All
10 applications, filings and reports required under this chapter shall be
11 treated as public documents, under AS 40.21.

12 Sec. 18.18.190. CONFIDENTIALITY OF MEDICAL INFORMATION. Any data
13 or information pertaining to the diagnosis, treatment, or health of any
14 enrollee or applicant obtained from that person or from any provider
15 by any health maintenance organization shall be held in confidence and
16 may not be disclosed to any person. However, to the extent that it may
17 be necessary to carry out the purposes of this chapter, or upon the
18 express consent of the enrollee or applicant, or under law or court
19 order for the production of evidence or the discovery of it, or in the
20 event of claim or litigation between a person and the health maintenance
21 organization wherein that data or information is pertinent, disclosure
22 may occur. A health maintenance organization may claim any statutory
23 privileges against disclosure which the provider who furnished the
24 information to the health maintenance organization may claim.

25 Sec. 18.18.200. COMMISSIONER'S AUTHORITY TO CONTRACT. The
26 commissioner, in carrying out his obligations under secs. 30(a),
27 120(b) and 130(a) of this chapter, may contract with qualified persons
28 to make recommendations concerning the determinations required to be
29 made by him. These recommendations may be accepted in full or in part

1 by the commissioner.

2 Sec. 18.18.210. REGULATION OF AGENTS. The commissioner may,
3 after notice and hearing, promulgate under the Administrative Procedure
4 Act (AS 44.62) reasonable regulations that are necessary to provide for
5 the licensing of agents. An agent means a person directly or indirectly
6 associated with a health care plan who engages in solicitation or
7 enrollment.

8 Sec. 18.18.220. DEFINITIONS. In this chapter

9 (1) "basic health care services" means health care services
10 which an enrolled population might reasonably require in order to be
11 maintained in good health, including as a minimum, emergency care,
12 inpatient hospital and physician care, and outpatient medical services;

13 (2) "commissioner" means the commissioner of health and
14 social services;

15 (3) "enrollee" means an individual who has been enrolled in
16 a health care plan;

17 (4) "evidence of coverage" means any certificate, agreement,
18 or contract issued to an enrollee setting out the coverage to which
19 he is entitled;

20 (5) "health care plan" means an arrangement whereby a person
21 undertakes to provide, arrange for, pay for, or reimburse any part of
22 the cost of any health care services and at least part of that arrange-
23 ment consists of arranging for or the provision of health care services,
24 as distinguished from mere indemnification against the cost of the
25 services, on a prepaid basis through insurance or otherwise;

26 (6) "health care services" means any services included in
27 the furnishing to any individual of medical or dental care, or hospitali-
28 zation or incident to the furnishing of the care or hospitalization,
29 as well as the furnishing to any person of any and all other services

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for the purpose of preventing, alleviating, curing, or healing human illness or injury;

(7) "health maintenance organization" means a person who contracts to provide or arrange for one or more health care plans;

(8) "provider" means a physician, hospital, or other person which is licensed or otherwise authorized in this state to furnish health care services.

Sec. 18.18.230. SHORT TITLE. This chapter may be cited as the Alaska Health Maintenance Organization Act.