

Introduced: 3/8/77
Referred: Commerce

BY OSTERBACK, BRADLEY AND
MALONE

1 IN THE HOUSE

2 HOUSE BILL NO. 319

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to required benefits in group, blanket
7 disability, and hospital and medical service corpora-
8 tion insurance policies; and providing for an effective
9 date."

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

11 * Section 1. It is the purpose of this Act to moderate the high cost of
12 health care in the state by making available to persons health and hospital
13 insurance policies which include economical and medically appropriate alter-
14 natives to costly hospital care.

15 * Sec. 2. AS 21.54 is amended by adding a new section to read:

16 Sec. 21.54.080. REQUIRED OFFERINGS. (a) Disability insurers
17 which offer for sale group or blanket policies in the state which pro-
18 vide for a definite or determinable payment intended to pay costs that a
19 person incurs should that person receive hospital services for more than
20 seven consecutive days or which indemnifies a person against costs so
21 incurred must also offer to the holders of those policies in the state
22 the option to purchase for an additional premium supplemental benefits
23 which provide payment for

24 (1) the services of a skilled nursing facility or inter-
25 mediate care facility for not less than 120 days in a calendar year, if
26 the services commence within 14 days following a confinement of at least
27 three consecutive days in a hospital and if the services are in response
28 to the same illness or injury which caused the confinement in the
29 hospital;

1 (2) home health agency services, as defined by the commis-
2 sioner of health and social services, up to a maximum of 180 visits in a
3 calendar year if the services commence within seven days following
4 confinement in a hospital, skilled nursing facility, or intermediate
5 care facility of at least three consecutive days and if the services are
6 in response to the same illness or injury which caused the confinement
7 in the hospital.

8 (b) For the purposes of this section

9 (1) "home health agency services" includes those services
10 included within the definition of "home health services" as defined in
11 42 U.S.C. sec. 1395x(m), as amended, and those other services which the
12 commissioner of the Department of Health and Social Services may desig-
13 nate by regulation;

14 (2) "hospital" means an institution encompassed within the
15 definitions of "hospital" in both 42 U.S.C. sec. 1395x(e), as amended,
16 and AS 18.20.210;

17 (3) "intermediate care facility" has the same meaning as
18 "intermediate care facility" as defined in 42 U.S.C. sec. 1396(d), as
19 amended;

20 (4) "skilled nursing facility" has the same meaning as
21 defined in 42 U.S.C. sec. 1395x(j), as amended.

22 * Sec. 3. AS 21.37 is amended by adding a new section to read:

23 Sec. 21.87.135. REQUIRED OFFERINGS. (a) A medical service cor-
24 poration which contracts with a subscriber to indemnify that subscriber
25 with respect to the cost of hospital services furnished that subscriber
26 for more than seven consecutive days under sec. 120(a)(3) of this chap-
27 ter, or a hospital service corporation which contracts with a subscriber
28 to indemnify him with respect to the cost of hospital services furnished
29 for more than seven consecutive days under sec. 130(a)(2) of this

1 chapter, or to provide those services under sec. 130(a)(1) of this
2 chapter, also is required to offer that subscriber the option to pur-
3 chase, at an additional subscription rate, fee, or payment, benefits
4 which provide indemnity for

5 (1) the services of a skilled nursing facility or inter-
6 mediate care facility for not less than 120 days in a calendar year, if
7 the services commence within 14 days following a confinement of at least
8 three consecutive days in a hospital and if the services are in response
9 to the same illness or injury which caused the confinement in the
10 hospital;

11 (2) home health agency services, up to a maximum of 180
12 visits in a calendar year, if the services commence within seven days
13 following confinement in a hospital, skilled nursing facility, or inter-
14 mediate care facility of at least three consecutive days and if the
15 services are in response to the same illness or injury which caused the
16 confinement in the hospital.

17 (b) For the purposes of this section

18 (1) "home health agency services" includes those services
19 included within the definition of "home health services" as defined in
20 42 U.S.C. sec. 1395x(m), as amended, and those other services which the
21 commissioner of the Department of Health and Social Services may desig-
22 nate by regulation;

23 (2) "hospital" means an institution encompassed within the
24 definition of "hospital" in both 42 U.S.C. sec. 1395x(e), as amended,
25 and AS 18.20.210;

26 (3) "intermediate care facility" has the same meaning as
27 "intermediate care facility" as defined in 42 U.S.C. sec. 1396(d), as
28 amended;

29 (4) "skilled nursing facility" has the same meaning as

1 defined in 42 U.S.C. sec. 1395x(j), as amended.

2 * Sec. 4. AS 21.37.120(a) is amended by adding a new paragraph to read:

3 (5) indemnity for services specified in sec. 135(a) of this
4 chapter.

5 * Sec. 5. AS 21.37.130(a) is amended by adding a new paragraph to read:

6 (4) indemnity for services specified in sec. 135(a) of this
7 chapter.

8 * Sec. 6. This Act takes effect January 1, 1978.