

Offered: 4/19/82
Referred: Finance

Original sponsors: Buchholdt, Cato,
Gardiner, et al

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 41 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a state health insurance program."

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

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

9 CHAPTER 27. STATE HEALTH INSURANCE PROGRAM.

10 Sec. 18.27.010. STATE HEALTH INSURANCE PROGRAM. (a) The com-
11 missioner shall establish a state health insurance program for resi-
12 dents.

13 (b) The commissioner shall by regulation specify the professional
14 and institutional benefits to be provided by the program.

15 (c) The commissioner shall contract for the underwriting of the
16 program and may contract for the administration of the program. A
17 contract entered into under this subsection shall be based on competi-
18 tive proposals.

19 (d) The program shall provide for copayments and deductibles, and
20 shall provide for an annual deductible for each enrolled resident and
21 for each enrolled family.

22 (e) The program shall provide a limit on the amount of reim-
23 bursable charges to be paid by an enrolled resident for institutional
24 and professional services received by the enrolled resident or depen-
25 dents of the resident who are enrolled in the program.

26 (f) The program may provide to enrolled residents a choice of
27 benefit options.

28 Sec. 18.27.020. STATE PAYMENT OF INSURANCE PREMIUMS. (a) The
29 commissioner shall pay the insurance premium for a resident who is

enrolled in the program and who qualifies under the following formula:

(1) if the total adjusted gross income of the resident and dependents of the resident who are enrolled in the program is at or below 75 percent of the base income, 100 percent of the premium cost of the program;

(2) if the total adjusted gross income of the resident and dependents of the resident who are enrolled in the program is between 75 percent and 125 percent of the base income, a graduated percentage of the premium cost of the program between 100 percent and zero percent.

(b) The commissioner may not pay the insurance premium for a resident and the dependents of the resident if, and to the extent that, subsidized medical care or subsidized health insurance (other than insurance under the program) is, or would be, available to the resident upon application.

Sec. 18.27.030. DEFINITIONS. In this chapter

(1) "adjusted gross income" means the adjusted gross income of the resident determined under the regulations of the commissioner;

(2) "base income" means

(A) family median income for Alaska determined by the United States Bureau of the Census; and

(B) regional adjustments established by the commissioner to the family median income for Alaska determined by the United States Bureau of the Census, that are based on relative costs of living in the state;

(3) "commissioner" means the commissioner of administration;

(4) "copayment" means the portion of covered expenses payable by the resident after the deductible has been met;

(5) "deductible" means a clause in a health insurance policy stating that the insurer shall pay the portion of a claim remaining

1 after a stipulated amount, to be paid by the insured party, is deducted;

2 (6) "dependent" means a dependent under 26 U.S.C. sec. 152;

3 (7) "insurance" means prepaid health plans or health indemnity plans;

4
5 (8) "program" means the state health insurance program
6 established under this chapter;

7 (9) "resident" means a person who maintains a permanent
8 place of abode in the state and a voting residence in the state and who
9 has maintained both for 12 consecutive months immediately preceding
10 enrollment in the state health insurance program under this chapter;

11 (10) "subsidized health insurance" means health insurance
12 all or part of the premiums of which are paid by an employer or trade
13 union of the insured;

14 (11) "subsidized medical care" means medical care provided
15 at reduced charge or no charge to a resident or a dependent of the
16 resident.

17 * Sec. 2. AS 21.54.060 is amended by adding a new paragraph to read:

18 (7) under a policy issued to the state to insure residents
19 of the state under AS 18.27.

20 * Sec. 3. The commissioner of administration shall establish the state
21 health insurance program and provide for state health insurance cost sharing
22 by July 1, 1983.
23
24
25
26
27
28
29