

Introduced: 1/13/81
Referred: Health, Education &
Social Services and Finance

1 IN THE SENATE

BY ZIEGLER

2 SENATE BILL NO. 4

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to health care services and the cover-
7 age of the services of nurse midwives under the insur-
8 ance laws of the state."

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

10 * Section 1. AS 21.42 is amended by adding a new section to read:

11 Sec. 21.42.347. COVERAGE FOR COST OF SERVICES PROVIDED BY NURSE
12 MIDWIVES. All individual and group health insurance policies providing
13 coverage on an expense-incurred basis, and all individual and group
14 service or indemnity contracts issued by a nonprofit corporation, shall
15 provide that the health insurance benefits applicable to maternity shall
16 be payable for maternity services furnished by advanced nurse practi-
17 tioners certified to practice as nurse midwives in accordance with
18 regulations adopted under AS 08.68.410(5).

19 * Sec. 2. AS 21.84.590(6) is amended to read:

20 (6) AS 21.42.290 and AS 21.42.347

21 * Sec. 3. AS 21.87.070(4) is amended to read:

22 (4) if a medical service corporation, it must have in force
23 service agreements with participant providers [PHYSICIANS] located in
24 the areas of the subscribers' residences convenient as to location and
25 sufficient in numbers and facilities reasonably to furnish the medical
26 and surgical services provided or proposed to be provided by the corpo-
27 ration to its subscribers;

28 * Sec. 4. AS 21.87.080(b)(3) is amended to read:

29 (3) if a medical service corporation, a copy of each form of

1 service agreement entered into or proposed to be entered into with
2 participant providers [PHYSICIANS], together with a list showing the
3 name, residence and office addresses, and date of execution of the
4 service agreement by each participant provider [PHYSICIAN];

5 * Sec. 5. AS 21.87.120(a)(1) is amended to read:

6 (1) medical and surgical services furnished to the subscriber
7 by participant providers [PHYSICIANS];

8 * Sec. 6. AS 21.87.120(a)(2) is amended to read:

9 (2) indemnity in reasonable amount with respect to medical
10 and surgical services furnished to the subscriber by nonparticipant
11 providers [PHYSICIANS], but subject to AS 21.87.070(4);

12 * Sec. 7. AS 21.87.120(a)(3) is amended to read:

13 (3) indemnity in reasonable amount with respect to hospital
14 services furnished the subscriber while under the care and treatment of
15 a participant provider [PHYSICIAN] or under the care and treatment of
16 another provider [PHYSICIAN] upon referral by a participant provider
17 [PHYSICIAN];

18 * Sec. 8. AS 21.87.140(a) is amended to read:

19 (a) A medical service corporation shall enter into service agree-
20 ments with providers [PHYSICIANS] licensed by the state only.

21 * Sec. 9. AS 21.87.140(b) is amended to read:

22 (b) Each service agreement shall require the participant providers
23 [PHYSICIANS] to furnish to subscribers of the service corporation the
24 medical and/or surgical services which are, under the subscriber's
25 contract, to be furnished by participant providers [PHYSICIANS]. This
26 obligation to furnish the service, as provided for in the subscriber's
27 contract, shall be a direct obligation of the participant providers
28 [PHYSICIANS] to the subscribers as well as to the service corporation.

29 * Sec. 10. AS 21.87.140(c)(1) is amended to read:

1 (1) the participant provider [PHYSICIAN] shall be compensated
2 for services rendered to a subscriber in accordance with a schedule of
3 fees contained in the agreement or attached to and made a part of the
4 agreement, and that the participant provider [PHYSICIAN] may not request
5 or receive from the service corporation compensation for the services
6 which is not in accord with the schedule;

7 * Sec. 11. AS 21.87.140(c)(3) is amended to read:

8 (3) if the participant provider [PHYSICIAN] withdraws from
9 the agreement, the withdrawal may not be effective as to a subscriber's
10 contract in force on the date of the withdrawal until the termination of
11 the subscriber's contract or the next anniversary of the subscriber's
12 contract, whichever date is the earlier.

13 * Sec. 12. AS 21.87.160(a) is amended to read:

14 (a) Each subscriber's contract issued after July 1, 1966, by a
15 service corporation constitutes a direct obligation of the participant
16 providers [PHYSICIANS] and/or participant hospitals of the service
17 corporation to render the medical or hospital services, as the case may
18 be, as agreed to be rendered by the participants in the subscriber's
19 contract.

20 * Sec. 13. AS 21.87.160(b)(1) is amended to read:

21 (1) the services to which the subscriber is entitled from
22 participant providers [PHYSICIANS] and/or participant hospitals, as the
23 case may be;

24 * Sec. 14. AS 21.87.160(c) is amended to read:

25 (c) No contract may restrict the subscriber's right to free choice
26 of provider [PHYSICIAN] or hospital, but shall restrict benefits to be
27 provided on a service basis to services rendered by participant pro-
28 viders [PHYSICIANS] and participant hospitals.

29 * Sec. 15. AS 21.87.170(a) is amended to read:

1 (a) Each service agreement and subscriber's contract entered into
2 or issued by a service corporation shall provide for health care ser-
3 vices of a substantial and broad character to be rendered to subscribers
4 on a service basis by participant providers [PHYSICIANS] or participant
5 hospitals.

6 * Sec. 16. AS 21.87.190(a) is amended to read:

7 (a) Subscription rates, fees, and payments to be charged by a
8 service corporation to or on account of its subscribers may not be
9 excessive, inadequate, or unfairly discriminatory; and rates of payments
10 to be made to participant providers [PHYSICIANS] and participant hospi-
11 tals for services rendered under a subscriber's contract, shall be fair
12 and reasonable.

13 * Sec. 17. AS 21.87.200(a)(2) is amended to read:

14 (2) a reserve equal to not less than the amount necessary by
15 reasonable estimate to pay all claims incurred under subscriber's con-
16 tracts but currently unpaid, and including a reasonable additional
17 amount to cover claims incurred but not reported to the corporation at
18 the time of determination of the corporation's financial condition; but
19 subject, as to amounts payable to participant providers [PHYSICIANS] or
20 participant hospitals, to the right of the service corporation to pro-
21 rate the amounts in accordance with the provisions of the service agree-
22 ment;

23 * Sec. 18. AS 21.87.300(a) is amended to read:

24 (a) At least once each year each service corporation shall make a
25 special accounting, at which time any prorated settlements for bills
26 submitted by participant providers [PHYSICIANS] or hospitals for ser-
27 vices rendered during the preceding calendar year shall be adjusted, and
28 any deficits made up on a uniform basis as to all participants to the
29 extent of funds available.

1 * Sec. 19. AS 21.87.300(b)(1) is amended to read:

2 (1) to liquidate on a uniform and pro rata basis charges for
3 services by participant providers [PHYSICIANS] or participant hospitals
4 not paid in full upon the settlement of bills in previous years;

5 * Sec. 20. AS 21.87.330(5) is amended to read:

6 (5) "service agreement" is a contract between a service
7 corporation and a provider [PHYSICIAN] or hospital under which the
8 provider [PHYSICIAN] or hospital agrees to render all or part of one or
9 more health care services to subscribers of the service corporation;

10 * Sec. 21. AS 21.87.330(6) is amended to read:

11 (6) "subscriber's contract" is that between the service
12 corporation and its subscriber under which all or part of one or more
13 health care services is to be rendered to or on behalf of the subscriber
14 by a participant provider [PHYSICIAN] or hospital that has entered into
15 a service agreement with the corporation covering the services;

16 * Sec. 22. AS 21.87.330(8) is repealed and re-enacted to read:

17 (8) "participant provider" means a provider who has entered
18 into a service agreement with a service corporation;

19 * Sec. 23. AS 21.87.330 is amended by adding new paragraphs to read:

20 (10) "nurse midwife" means a registered professional nurse who
21 is certified as an advanced nurse practitioner under AS 08.68.410(9) and
22 authorized to practice as a nurse midwife under regulations adopted in
23 accordance with AS 08.68.410(5);

24 (11) "provider" means a physician, dentist, osteopath,
25 optometrist, chiropractor, nurse midwife, or other licensed health care
26 practitioner.

27 * Sec. 24. AS 21.87.340(15) is amended to read:

28 (15) AS 21.42.345 and AS 21.42.347

29 * Sec. 25. AS 47.07.030 is amended to read:

1 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical services
2 to be offered to eligible persons include inpatient hospital, outpatient
3 hospital, rural health clinic, outpatient surgical care centers, labora-
4 tory and X-ray, refractions and eye examinations by ophthalmologists or
5 optometrists, eyeglasses prescribed by a physician skilled in diseases
6 of the eye or by an optometrist, inpatient psychiatric hospital for
7 persons age 65 or older and persons under age 21, skilled and inter-
8 mediate nursing home, physician, nurse midwife, home health care ser-
9 vices, early periodic screening diagnosis and treatment of persons under
10 21 years of age, clinic services, treatment of speech, hearing and
11 language disorders, and reasonable transportation to and from the point
12 of medical care. No additional services may be provided unless approved
13 by the legislature.

14 * Sec. 26. AS 47.07.080 is amended by adding a new paragraph to read:

15 (5) "nurse midwife" means a registered professional nurse who
16 is certified as an advanced nurse practitioner under AS 08.68.410(9) and
17 authorized to practice as a nurse midwife under regulations adopted in
18 accordance with AS 08.68.410(5).
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