

Original sponsor: Ziegler

Offered: 3/12/81  
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 4 (Finance)

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  
7 coverage of the services of nurse midwives under the  
8 insurance 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. (a) If an individual or group disability insurance policy,  
13 subscriber's contract, or fraternal benefit society certificate provides  
14 indemnity for the cost of services of a physician provided to women  
15 during pregnancy, childbirth, and the period after childbirth, indemnity  
16 in a reasonable amount shall also be provided for the cost of an  
17 advanced nurse practitioner who provides the same services. Indemnity  
18 may be provided under this subsection only if the advanced nurse  
19 practitioner is certified to practice as a nurse midwife in accordance  
20 with regulations adopted under AS 08.68.410(5), and the services  
21 provided are within the scope of practice authorized by that certifi-  
22 cation.

23 (b) If a subscriber's contract provides for furnishing those  
24 services required of a physician in the care of women during pregnancy,  
25 childbirth, and the period after childbirth, the contract shall also  
26 provide for the furnishing of the same services by an advanced nurse  
27 practitioner. Services may be provided under this subsection only if  
28 the advanced nurse practitioner is certified to practice as a nurse  
29 midwife in accordance with regulations adopted under AS 08.68.410(5),

1 and the services provided are within the scope of practice authorized  
2 by that certification.

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

4 (6) AS 21.42.290 and AS 21.42.347

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

6 (4) if a medical service corporation, it must have in force  
7 ~~service~~ agreements with participant providers [PHYSICIANS] located in  
8 the areas of the subscribers' residences convenient as to location and  
9 sufficient in numbers and facilities reasonably to furnish the medical  
10 and surgical services provided or proposed to be provided by the corpo-  
11 ration to its subscribers;

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

13 (3) if a medical service corporation, a copy of each form of  
14 service agreement entered into or proposed to be entered into with  
15 participant providers [PHYSICIANS], together with a list showing the  
16 name, residence and office addresses, and date of execution of the  
17 service agreement by each participant provider [PHYSICIAN];

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

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

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

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

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

26 (3) indemnity in reasonable amount with respect to hospital  
27 services furnished the subscriber while under the care and treatment of  
28 a participant provider [PHYSICIAN] or under the care and treatment of  
29 another provider [PHYSICIAN] upon referral by a participant provider

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[PHYSICIAN];

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

(a) A medical service corporation shall enter into service agreements with providers [PHYSICIANS] licensed by the state only.

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

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

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

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

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

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

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

(a) Each subscriber's contract issued after July 1, 1966, by a service corporation constitutes a direct obligation of the participant

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1 providers [PHYSICIANS] and/or participant hospitals of the service  
2 corporation to render the medical or hospital services, as the case may  
3 be, as agreed to be rendered by the participants in the subscriber's  
4 contract.

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

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

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

10 (c) No contract may restrict the subscriber's right to free  
11 choice of provider [PHYSICIAN] or hospital, but shall restrict benefits  
12 to be provided on a service basis to services rendered by participant  
13 providers [PHYSICIANS] and participant hospitals.

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

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

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

21 (a) Subscription rates, fees, and payments to be charged by a  
22 service corporation to or on account of its subscribers may not be  
23 excessive, inadequate, or unfairly discriminatory; and rates of pay-  
24 ments to be made to participant providers [PHYSICIANS] and participant  
25 hospitals for services rendered under a subscriber's contract, shall be  
26 fair and reasonable.

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

28 (2) a reserve equal to not less than the amount necessary by  
29 reasonable estimate to pay all claims incurred under subscriber's con-

1 tracts but currently unpaid, and including a reasonable additional  
2 amount to cover claims incurred but not reported to the corporation at  
3 the time of determination of the corporation's financial condition; but  
4 subject, as to amounts payable to participant providers [PHYSICIANS] or  
5 participant hospitals, to the right of the service corporation to pro-  
6 rate the amounts in accordance with the provisions of the service  
7 agreement;

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

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

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

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

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

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

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

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

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

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

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

5 (10) "nurse midwife" means a registered professional nurse  
6 who is certified as an advanced nurse practitioner under AS 08.68.-  
7 410(9) and authorized to practice as a nurse midwife under regulations  
8 adopted in accordance with AS 08.68.410(5);

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

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

13 (15) AS 21.42.345 and AS 21.42.347

14 \* Sec. 25. AS 47.07.030 is amended to read:

15 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical services  
16 to be offered to eligible persons include inpatient hospital, outpatient  
17 hospital, rural health clinic, outpatient surgical care centers,  
18 laboratory and X-ray, refractions and eye examinations by ophthalmolo-  
19 gists or optometrists, eyeglasses prescribed by a physician skilled in  
20 diseases of the eye or by an optometrist, inpatient psychiatric hospital  
21 for persons age 65 or older and persons under age 21, skilled and  
22 intermediate nursing home, physician, nurse midwife, home health care  
23 services, early periodic screening diagnosis and treatment of persons  
24 under 21 years of age, clinic services, treatment of speech, hearing  
25 and language disorders, and reasonable transportation to and from the  
26 point of medical care. No additional services may be provided unless  
27 approved by the legislature.

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

29 (5) "nurse midwife" means a registered professional nurse



1 who is certified as an advanced nurse practitioner under AS 08.68.-  
2 410(9) and authorized to practice as a nurse midwife under regulations  
3 adopted in accordance with AS 08.68.410(5).

4 \* Sec. 27. Sections 1, 2, and 24 of this Act apply to any individual or  
5 group policy, subscriber's contract, or fraternity benefit society certifi-  
6 cate which is delivered in this state on or after January 1, 1982. Sections  
7 1, 2, and 24 of this Act also apply to any individual or group policy,  
8 subscriber's contract, or fraternity benefit society certificate delivered  
9 in this state before January 1, 1982, if after January 1, 1982, either the  
10 benefits are amended or the applicable collective bargaining agreement, if  
11 any, expires, whichever occurs later.

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