

HB

222

<target><bill>HB 222</bill><subject>HB
222</subject><comm>HFIN26</comm></target>



Representative Lindsey Holmes

House Bill 222 Sponsor Statement

HB 222 is a bill that will update several sections of Alaska's health insurance code to comply with recent changes made in federal law. If we do not update Alaska's code to reflect the federal changes, our Division of insurance will not be able to enforce the law when the federal changes go into effect. These updates include:

- Prohibiting health care insurers from discriminating against individuals on the basis of genetic information.
- Requiring that insurers continue to cover college students under their parent's health insurance coverage when the students take leave from school for medical reasons.
- Requiring insurers to provide parity in mental health and substance abuse treatment coverage.
- Requiring insurers to allow eligible employees and their dependents to enroll in the employer's health insurance plans when the employee or dependent loses Medicaid or state child health coverage or when an employee or dependent becomes eligible for assistance for their employer plan.
- Updating the definition of dentist for insurance purposes to include dentists who are licensed outside the state of Alaska

HB 222 also updates the law to bring substance abuse treatment coverage in line with the new mental health parity requirements. It would replace the mandate that insurers provide coverage for substance abuse treatment. In place of the mandate, it would require that insurers offer coverage for substance abuse treatment and prohibit insurers from placing extra restrictions on substance abuse treatment coverage.

Please join me in supporting HB 222 to ensure that our Division of Insurance can continue enforcing insurance law in the state of Alaska.

State Capitol, Juneau, Alaska 99801 · (907) 465-4919 · Fax: (907) 465-2137
Rep.Lindsey.Holmes@legis.state.ak.us



Representative Lindsey Holmes

House Bill 222 Sectional Analysis

- Section 1: This section incorporates requirements in 42 U.S.C. 300gg-53 into state law. 42 U.S.C. 300gg-54 prohibits health care insurers from discriminating against individuals on the basis of genetic information. It prohibits health care insurers from requiring individuals to undergo genetic testing as a condition of insurance.
- Section 2: This section changes the requirements for insurance coverage for treatment of alcoholism or drug abuse. Currently, insurers are mandated to provide coverage for treatment of alcoholism and drug abuse to employer groups with 20 or more employees and mandates that insurers offer such coverage to employer groups with fewer than 20 employees. This section would replace that mandate and only require insurers to offer coverage for substance abuse to all employer groups. Under the mental health parity provisions in Section 6 of the bill insurers are prohibited from placing limits on substance abuse coverage that are not placed on the general medical coverage of the plan.
- Section 3: This section amends the definition of dentist for insurance purposes to cover dentists who are not licensed in Alaska.
- Section 4: This section incorporates requirements in 42 U.S.C. 300gg-54 and 42 U.S.C. 300gg-7 into state law. Those sections of federal statute require that health care insurers continue to cover college students under their parent's health insurance coverage when the students take leave from school for medical reasons.
- Section 5: This section has two changes to enrollment requirements for employees who are eligible for their employer's health insurance plans but have previously chosen to not enroll in that plan. The first change allows a person who was covered by Medicaid or similar plan and loses eligibility for that plan, to enroll in their employer's health insurance plan. The second change allows a person to enroll in their employer's health insurance plan if they become eligible for assistance to help pay for their employer's health insurance plan from Medicaid or a similar plan.
- Section 6: This section incorporates requirements in 42 U.S.C. 300gg-5 to apply to state law. The federal requirements are that a health care insurer may not place restrictions on mental health and substance use coverage in an insurance plan that are not placed on the general medical coverage of that plan.
- Section 7: This section provides an effective date for section 1 of the bill.

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Section 8: This section provides an effective date for sections 4 and 6 of the bill.

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FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB222
() Publish Date: _____

Identifier (file name): HB222-DHSS-MS-04-11-09 Dept. Affected: Health & Social Services
Title: Medical Insurance Eligibility Nondiscrimination RDU: Health Care Services
Sponsor: Holmes Component: Medicaid Services
Requester: House L&C Component Number: 2077

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES (
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

This bill will not result in increased costs to the Medicaid program. It could reduce Medicaid benefit costs by continuing coverage for dependent students during medically necessary leaves of absence from college and requiring group health insurers to allow an employee to request coverage under a group health insurance plan within 60 days if the employee or a dependent loses medical assistance coverage or becomes eligible for medical assistance. The costs avoided are indeterminate but are likely to be small because most medical assistance enrollees do not have access to private health insurance.

Prepared by: William J. Streur, Deputy Commissioner Phone 907-334-2520
Division: Health Care Services Date/Time 4/11/09 12:00 AM
Approved by: Allison Elgee, Assistant Commissioner Date 4/11/2009
DHSS Finance and Management Services

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB222
 () Publish Date: _____

Identifier (file name): HB222-DHSS-BHMS-04-11-09 Dept. Affected: Health & Social Services
 Title Medical Insurance Eligibility Nondiscrimination RDU Behavioral Health Services
 Component Behavioral Health Medicaid Services
 Sponsor Holmes
 Requester House L&C Component Number 2660

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES (
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0		0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0		0.0	0.0	0.0	0.0	0.0
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

This bill will not result in increased costs to the Medicaid program. It could reduce Medicaid benefit costs by increasing private insurance coverage for drug & alcohol abuse services, continuing coverage for dependent students during medically necessary leaves of absence from college, and requiring group health insurers to allow an employee to request coverage under a group health insurance plan within 60 days if the employee or a dependent loses medical assistance coverage or becomes eligible for medical assistance. The costs avoided are indeterminate but are likely to be small because most medical assistance enrollees do not have access to private health insurance.

Prepared by: William J. Streur, Deputy Commissioner Phone 907-334-2520
 Division Health Care Services Date/Time 4/11/09 12:00 AM
 Approved by: Alison Elgee, Assistant Commissioner Date 4/11/2009
DHSS Finance and Management Services

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 222
 (H) Publish Date: 4/11/09

Identifier (file name): HB222-CED-INS-04-08-09 Dept. Affected: DCCED
 Title: Med. Ins. Eligibility/Nondiscrimination RDU: Insurance (116)
 Component: Insurance
 Sponsor: Representative Holmes
 Requester: House Labor and Commerce Committee Component Number: 354

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

HB 222 will update several sections of Alaska's health insurance code to comply with recent changes made in federal law. These updates include:

- Prohibiting health care insurers from discriminating against individuals on the basis of genetic information.
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- Requiring insurers to provide parity in mental health and substance abuse treatment coverage.
- Updating the definition of dentist for insurance purposes to include dentist who are licensed outside of the State of Alaska.

Prepared by: Linda S. Hall, Director
 Division: Insurance
 Approved by: Emil R. Notti, Commissioner
Commerce, Community, and Economic Development

Phone: 907-269-7900
 Date/Time: 4/8/09 1:40 PM
 Date: 4/8/2009

FISCAL NOTE #1

STATE OF ALASKA
2009 LEGISLATIVE SESSION

BILL NO. HB 222

ANALYSIS CONTINUATION

•Requiring insurers to allow eligible employees and their dependents to enroll in the employer's health insurance plans when the employee or dependent loses Medicaid or state child health coverage or when an employee or dependent becomes eligible.

These changes will allow the Division of Insurance to enforce the laws when the federal laws go into effect and will have no fiscal impact.

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

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 Title Med. Ins. Eligibility/Nondiscrimination RDU Insurance (116)
 Component Insurance
 Sponsor Representative Holmes
 Requester House Labor and Commerce Committee Component Number 354

Expenditures/Revenues (Thousands of Dollars)

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	Appropriation Required	Information					
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OPERATING EXPENDITURES							
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Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES ()							
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FUND SOURCE (Thousands of Dollars)

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1002 Federal Receipts						
1003 GF Match						
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Other Interagency Receipts						
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Estimate of any current year (FY2009) cost: _____

POSITIONS

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
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Part-time						
Temporary						

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FISCAL NOTE #1

STATE OF ALASKA
2009 LEGISLATIVE SESSION

BILL NO. HB 222

ANALYSIS CONTINUATION

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