



# LAWS OF ALASKA

1998

**Source**  
HCS CSSB 197(HES)

**Chapter No.**  
60

## AN ACT

Relating to health care services provided by, and practices of, a health maintenance organization; providing that an enrollee in a health maintenance organization has the right to select a treating chiropractor; specifying certain chiropractic health care reports, examinations, and limits on treatment; and prohibiting health maintenance organizations from limiting free speech of health care providers.

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

THE ACT FOLLOWS ON PAGE 1

**Approved by the Governor:** June 1, 1998  
**Actual Effective Date:** August 30, 1998

AN ACT

1 Relating to health care services provided by, and practices of, a health maintenance  
2 organization; providing that an enrollee in a health maintenance organization has the right to  
3 select a treating chiropractor; specifying certain chiropractic health care reports, examinations,  
4 and limits on treatment; and prohibiting health maintenance organizations from limiting free  
5 speech of health care providers.

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7 \* **Section 1.** AS 21.36.090(d) is amended to read:

8 (d) Except to the extent necessary to comply with AS 21.42.365 and AS 21.56,  
9 a person may not practice or permit unfair discrimination against a person who  
10 provides a service covered under a group health insurance policy that extends coverage  
11 on an expense incurred basis, or under a group service or indemnity type contract  
12 issued by a health maintenance organization or a nonprofit corporation, if the

Chapter 60

1 service is within the scope of the provider's occupational license. In this subsection,  
2 "provider" means a state licensed physician, dentist, osteopath, optometrist,  
3 chiropractor, nurse midwife, advanced nurse practitioner, naturopath, physical therapist,  
4 occupational therapist, psychologist, psychological associate, or licensed clinical social  
5 worker, or certified direct-entry midwife.

6 \* Sec. 2. AS 21.86.060(a) is amended to read:

7 (a) A health maintenance organization may provide **provider** [PHYSICIAN]  
8 services directly, through **provider** [PHYSICIAN] employees, or may provide the  
9 services under arrangements with individual **providers** [PHYSICIANS] or one or more  
10 groups of **providers** [PHYSICIANS].

11 \* Sec. 3. AS 21.86.070(c) is amended to read:

12 (c) An evidence of coverage

13 (1) may not contain a provision or statement that is unjust, unfair,  
14 inequitable, misleading, deceptive, or encourages misrepresentation, or that is untrue,  
15 misleading, or prohibited under AS 21.86.150; and

16 (2) must contain a clear and concise statement [,] if a contract, or a  
17 reasonably complete summary [,] if a certificate, of

18 (A) the health care services and the insurance or other benefits,  
19 if any, to which the enrollee is entitled;

20 (B) limitations on the services, kind of services, benefits, or  
21 kind of benefits, to be provided, including a deductible or copayment feature;

22 (C) where, and in what manner, information is available as to  
23 how services may be obtained;

24 (D) the total amount of payment for health care services and the  
25 indemnity or service benefits, if any, that the enrollee is obligated to pay with  
26 respect to individual contracts; [AND]

27 (E) the health maintenance organization's method for resolving  
28 enrollee complaints; **and**

29 **(F) guidelines explaining when treatment may be denied.**

30 \* Sec. 4. AS 21.86 is amended by adding new sections to read:

31 **Sec. 21.86.075. Chiropractic health care services.** (a) An enrollee may use

1 the services of a licensed chiropractor of the enrollee's choosing and may not be  
2 required to obtain the prior approval of the enrollee's health maintenance organization,  
3 a gatekeeper, or primary care physician. Within 10 days after an enrollee's first visit,  
4 a chiropractor shall transmit a report containing the enrollee's primary complaint,  
5 related history, examination findings, initial diagnosis, and treatment plan to the  
6 enrollee's health maintenance organization. If the enrollee and the enrollee's  
7 chiropractor determine that the condition of the enrollee has not improved within 30  
8 days after the initial treatment, the chiropractor shall refer the enrollee back to the  
9 enrollee's health maintenance organization for examination and possible concurrent  
10 care.

11 (b) If the enrollee's chiropractor recommends chiropractic treatment beyond  
12 30 days, the chiropractor shall conduct a second examination and transmit the findings  
13 to the enrollee's health maintenance organization. The transmitted information must  
14 include the enrollee's current status regarding the primary complaint, the progress of  
15 a revised treatment plan, and the objectives for continued care.

16 (c) After receiving a 30-day treatment report from a chiropractor under (b) of  
17 this section, the enrollee's health maintenance organization may request a review by  
18 another chiropractor. The reviewing chiropractor shall conduct a physical examination  
19 of the enrollee. The findings of the reviewing chiropractor must be disclosed to the  
20 enrollee and the enrollee's chiropractor. Charges for additional chiropractic care  
21 recommended by the reviewing chiropractor must be included as covered health care  
22 services provided by the health maintenance organization.

23 (d) If the enrollee's treating chiropractor and the reviewing chiropractor  
24 determine that the enrollee's condition has stabilized, ongoing preventative or  
25 maintenance care is limited to two chiropractic visits a month. If the treating  
26 chiropractor and the reviewing chiropractor disagree on the enrollee's continued  
27 treatment, the enrollee and the health maintenance organization shall jointly select a  
28 third chiropractor to review the enrollee's chiropractic treatment. Selection of a third  
29 chiropractor must occur not more than 60 days after the date of the enrollee's initial  
30 treatment by the enrollee's treating chiropractor. Until the third chiropractor's opinion  
31 is received in writing by the enrollee and the health maintenance organization, the

1 enrollee may receive chiropractic treatment recommended by the treating chiropractor.  
2 The opinion of the third chiropractor as to continued chiropractic treatment is binding  
3 on the enrollee and the health maintenance organization. This subsection does not  
4 apply if a new documented injury or a substantial exacerbation of the enrollee's  
5 previous primary complaint occurs.

6 **Sec. 21.86.078. Choice of health care provider.** (a) A health maintenance  
7 organization shall offer to every enrollee a point-of-service plan option that would  
8 allow a covered person to receive covered services from an out-of-network health care  
9 provider without obtaining a referral or prior authorization from the health maintenance  
10 organization. The point-of-service plan option may require that an enrollee pay a  
11 higher deductible or copayment and higher premium for the plan.

12 (b) A health maintenance organization shall provide each enrollee with an  
13 opportunity at the time of enrollment and during the annual open enrollment period to  
14 enroll in the point-of-service plan option. The health maintenance organization shall  
15 provide written notice of the point-of-service plan option to each enrollee and shall  
16 include in that notice a detailed explanation of the financial costs to be incurred by an  
17 enrollee who selects that option.

18 \* **Sec. 5.** AS 21.86.150 is amended by adding new subsections to read:

19 (i) A health maintenance organization, including a health maintenance  
20 organization operating a managed care plan, or a representative of a health  
21 maintenance organization may not cause, request, or knowingly permit

22 (1) the imposition of limits regarding

23 (A) criticism by a health care provider of health care services  
24 provided by the health maintenance organization; or

25 (B) written or oral communications between a health care  
26 provider and an enrollee regarding health care services;

27 (2) the employment of a health care provider to be terminated unless  
28 the provider receives written notice of the cause for the termination before being  
29 terminated;

30 (3) denial of health care coverage for an enrollee unless the enrollee  
31 has been examined by at least two physicians; or

1                   (4) financial incentives to be given or offered to a provider for denying  
2 or delaying health care services.

3                   (j) A utilization review decision to deny, reduce, or terminate a health care  
4 benefit or to deny payment for a health care service because that service is not  
5 medically necessary may only be made by a health care provider trained in that  
6 specialty or subspecialty and licensed to practice in this state after consultation with  
7 the covered person's health care provider.