

**SENATE BILL NO.**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY SENATOR GIESSEL

Introduced:  
Referred:

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the determination by an insurer of a final payment for a covered  
2 service or supply; and annulling regulations relating to determination by an insurer of a  
3 final payment for a covered service or supply based on geographical areas."

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

5 \* **Section 1.** AS 21.42.205 is amended to read:

6 **Sec. 21.42.205. Coordination of benefits and determination of final**  
7 **payment for a covered service or supply.** (a) Unless prohibited by federal law, an  
8 insurer authorized under AS 21.09 to offer, issue for delivery, deliver, or renew an  
9 individual or group health insurance policy for major medical coverage on an expense  
10 incurred basis; a health maintenance organization authorized under AS 21.86 to offer a  
11 contract to provide major medical health care services on a prepaid basis; or a service  
12 corporation authorized under AS 21.87 to offer or renew an individual or group  
13 subscriber's contract for major medical coverage shall

14 **(1)** include a coordination of benefits provision in a major medical

1 policy or contract; and

2 (2) determine the final payment for a covered service or supply  
3 based on an amount that is at least 200 times the amount reimbursed by  
4 Medicare for that service or supply under an applicable Medicare fee schedule.

5 (b) The director may adopt regulations to implement this section, except that  
6 the director may not adopt a regulation that requires the final payment for a  
7 covered service or supply to be equal to or greater than the 80th percentile of  
8 charges among geographical areas.

9 \* **Sec. 2.3 AAC 26.110(a)(2)(B) and (5)(A) are annulled.**