

ESTABLISH A REINSURANCE PROGRAM TO REINSURE HIGH RISK RESIDENTS OF THIS STATE

ADDITIONAL REGULATIONS NOTICE INFORMATION  
(AS 44.62.190(d))

1. Adopting agency: Division of Insurance, Department of Commerce, Community, and Economic Development
2. General subject of regulation: Establish the Alaska Reinsurance Program to reinsure high risk residents of this state
3. Citation of regulation (may be grouped): 3 AAC 31.500 – 3 AAC 31.549
4. Department of Law file number, if any: \_\_\_\_\_
5. Reason for the proposed action:
  - Compliance with federal law or action (identify): \_\_\_\_\_
  - Compliance with new or changed state statute
  - Compliance with Federal or state court decision (identify) \_\_\_\_\_
  - Development of program standards
  - Other (identify): \_\_\_\_\_
6. Appropriation/Allocation: Insurance Operations/Insurance Operations
7. Estimated annual costs in the aggregate to comply with the proposed action to:
 

A private person: Health care insurers participating in the Alaska Reinsurance Program would be required to pay to the Alaska Comprehensive Health Insurance Association, the premiums and pharmacy rebates they received relating to high risk persons covered under the program, however, except for deductions for the association's administrative costs, the premium and pharmacy rebates would be utilized for reinsurance payments to the participating health care insurers.

Another state agency: None are anticipated, however, the Comprehensive Health Insurance Association, a nonprofit incorporated legal entity established under AS 21.55.010 – 21.55.060, is estimated to have \$200,000 - \$250,000 in expenses to implement and administer the proposed reinsurance program under the proposed regulations.

A municipality: None are anticipated.
8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>16</u>	Subsequent Years
Operating Cost	\$ <u>30,000</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>

1004 General fund	\$ <u>30,000</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>
Other (identify)	\$ <u>0</u>	\$ <u>0</u>

9. The name of the contact person for the regulation:

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Title: Insurance Specialist III

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10. The origin of the proposed action:

Staff of state agency

Federal government

General public

Petition for regulation change

Other (identify) New state legislation (Chapter 5 4SSLA 16)

11. Date: \_\_\_\_\_ Prepared by: \_\_\_\_\_

[signature]

Name (printed): Anna Latham

Title (printed): Deputy Director

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