

NOTICE OF PROPOSED REGULATION CHANGES ON THE BASIS OF PAYMENT FOR
HEALTH CARE SERVICE CLAIMS IN THE REGULATIONS OF THE DIVISION OF
INSURANCE

BRIEF DESCRIPTION

The Alaska Division of Insurance proposes to adopt regulation changes in Title 3 of the Alaska Administrative Code, dealing with the basis of payment for health care services or supplies including the following:

3AAC 26.110 is proposed to be amended to delete paragraphs (a)(1) and (2) and revise (4) & (5)(A). The intent of this amendment is to abolish the 80th percentile as the floor for health care claim payments. The change may lower the cost of health care in the state as the reimbursement level established in these paragraphs has been identified as increasing the cost of health care.

The existing 80th percentile regulation requires health care insurers to pay out-of-network health care providers for covered services or supplies based on an amount that is equal to or greater than the 80th percentile of charges in the geographical area. The 80th percentile has long served as a mechanism for consumer protection at the state level. The federal No Surprises Act was implemented January 1, 2022, and protects consumers from some kinds of surprise medical bills from out-of-network providers.

You may comment on the proposed regulation changes, including the potential costs to private persons in complying with the proposed changes, by submitting written comments to Sarah Bailey, P.O. Box 110805, Juneau, AK 99811-0805. Additionally, the Division of Insurance will accept comments by fax at 907-465-3422 and by electronic mail at sarah.bailey@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received not later than 5:00 pm on March 6, 2022. Oral or written comments also may be submitted in person at the scheduled hearings.

Anchorage

An in-person hearing will be held on February 22, 2023, at Room 104, 550 West 7th Avenue, Anchorage, Alaska, from 3:00 p.m. to 7:00 p.m. If you would like to join virtually via Microsoft Teams, use the links below:

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Phone Conference ID: 572 923 133#

An additional in-person hearing will be held on February 24, at Room 102, 550 West 7th Avenue, Anchorage, Alaska from 1:00 p.m. to 5:30 p.m. If you would like to join virtually via Microsoft Teams, use the links below:

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Phone Conference ID: 377 227 527#

Juneau

An additional hearing will be held on March 1, 2023, at Conference Room A, on the 9th floor of the State Office Building at 333 Willoughby Ave in Juneau, Alaska from 1:00 p.m. to 5:00 p.m. If you would like to join virtually via Microsoft Teams, use the links below:

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Meeting ID: 252 164 501 888

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Or call in (audio only)

[+1 907-202-7104,,928898457#](tel:+19072027104928898457#) United States, Anchorage

Phone Conference ID: 928 898 457#

You may submit written questions relevant to the proposed action to the Division of Insurance; Attention: Sarah Bailey; P.O. Box 110805, Juneau, AK 99811-0805 or by email to sarah.bailey@alaska.gov. The questions must be received at least 10 days before the end of the public comment period. The Division of Insurance will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and the Division of Insurance website.

If you are a person with a disability who needs a special accommodation in order to participate in the process, please contact Kelli Patterson at kelli.patterson@alaska.gov or 907-465-2596 no later than February 15, 2023, to ensure any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting Sarah Bailey at sarah.bailey@alaska.gov or 907-465-4608.

After the public comment period ends, the Division of Insurance will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

Statutory authority: AS 21.06.090, AS 21.36.125

Statutes being implemented, interpreted, or made specific: AS 21.36.125.

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

The Division of Insurance keeps a list of individuals and organizations interested in its regulations. Those on the list will automatically be sent a copy of all of the Division of Insurance notices of proposed regulation changes. To be added to or removed from the list, send a request to the Division of Insurance Publications Specialist Mike Gorman at mike.gorman@alaska.gov, giving your name, and either your e-mail address or mailing address, as you prefer for receiving notices.

Date: January 31, 2023



Lori Wing-Heier
Director