



"Strengthening competitive insurance markets while protecting Alaskans."

# STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

## Division of Insurance

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### Division Response to Questions Received

#### Relevant to Regulations Project

#### Changes on the Basis of Payment for Health Care Claims

##### **Question 1:**

For clarification purposes only, does the Division continue to maintain the position that this specific section (3 AAC 26.110) is not applicable to the long-term care insurance industry?

##### **Answer:**

The 80th percentile does not include LTC.

##### **Question 2:**

Does this 80th percentile rule that is currently in place apply to all health care including dentistry?

##### **Answer:**

The 80th percentile rule applies to health care reimbursements for health insurance plans subject to the Alaska insurance code which would include dental plans that are not self-funded.

**Question 3:**

I have looked over and studied the proposed changes I need to clarify from you and the DOI what the reimbursement mechanism will be. I could not tell from the proposed rule change what insurers were supposed to pay. It appears that the rule is just deleting the 80th percentile floor but not establishing an alternative payment mechanism. Could you help me clarify please?

**Answer:**

You are correct that the proposal deletes the 80th percentile floor but does not establish an alternative payment methodology. We certainly invite comments and suggestions regarding this proposal. The deadline for written comments is 5:00 pm March 6, 2023.

**Question 4:**

I wanted to confirm something with you really quickly; this is an administrative repeal correct? This is not taking legislative action to repeal correct?

**Answer:**

That is correct. It is a regulation that we are looking at. Legislation is not needed for the repeal.