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**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

M E M O R A N D U M

TO: Teri Rasmussen, Department of Administration
FROM: April Simpson, Office of the Lieutenant Governor 
465.4081
DATE: November 3, 2023
RE: Filed Permanent Regulations: Department of Administration

Department of Administration, Division of Retirement non-APA regulations re: Retiree Major Medical & Dental Insurance Coverage (2 AAC 39.390 - .399, .280-.290)

Attorney General File:	2023200515
Regulation Filed:	11/3/2023
Effective Date:	11/30/2023
Print:	248, January 2024

cc with enclosures: Colleen Bailey, Department of Law
Judy Herndon, LexisNexis



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Law

CIVIL DIVISION

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November 2, 2023

The Honorable Nancy Dahlstrom
Lieutenant Governor
State of Alaska
P.O. Box 110015
Juneau, AK 99811-0015

Re: *2 AAC 39.390-.399, .280-.290: Div. of Retirement - Retiree Major Medical
& Dental Insurance Coverage*
Our file: 2023200515

Dear Lieutenant Governor Dahlstrom:

The Department of Law has reviewed the attached regulations of the Department of Administration, Division of Retirement and Benefits against the statutory standards of AS 14.25.005, AS 39.35.005, and the technical requirements of the Administrative Procedure Act. Based upon our review, we find no legal problems. This letter constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations. The regulations were adopted by the Commissioner of Administration after the close of the public comment period.

The regulations concern the revision of the standards applicable to alterations of the medical and dental plans offered to public pension retirees under the Public Employees' Retirement System, Teachers' Retirement System, the Judicial Retirement System, and the Elected Public Officials Retirement System. The regulations delineate the process for making changes and amendment to the respective plans and plan booklets.

The attached regulations are generally exempt from the requirements of the APA under AS 14.25.005 and AS 39.35.005, however, the December 13, 2022, public notice states that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.060 is not required.

We have made some technical corrections to conform the regulations in accordance with AS 44.62.060. The corrections are incorporated into the attached copy of

the regulations.

AS 14.25.005, AS 39.35.005, and the order of adoption indicate that the regulations are effective 30 days after adoption by the commissioner of administration. The commissioner adopted the regulations on October 31, 2023.

Sincerely,

TREG TAYLOR
ATTORNEY GENERAL

By: **Rebecca C. Polizzotto**
Rebecca C. Polizzotto
Chief Assistant Attorney General
Legislation, Regulations, and
Legislative Research Section

Digitally signed by
Rebecca C. Polizzotto
Date: 2023.11.02
12:25:08 -08'00'

RCP/KMD

CC w/enclosure: Ajay Desai, Division Director
Division of Retirement and Benefits
Department of Administration

Teri Rasmussen, Program Coordinator
Division of Retirement and Benefits
Department of Administration

Andrew Bocanmenth, Assistant Attorney General
Department of Law

APPENDIX I: Adoption Order

ORDER ADOPTING CHANGES TO THE REGULATIONS
OF THE DIVISION OF RETIREMENT AND BENEFITS

The attached ^{seven} eight pages of regulations, dealing with the process the Division of Retirement and Benefits will use to make changes to the benefits provided by the AlaskaCare retiree Dental-Vision-Audio (DVA) plan and major medical (medical) insurance plans and to amend the description of the DVA and medical insurance coverage published in the plan booklet are adopted and certified to be a correct copy of the regulation changes that the Division of Retirement and Benefits adopts under the authority of AS 14.25.003, AS 14.25.168, AS 22.25.027, AS 22.25.090, AS 39.30.090, AS 39.30.098, AS 39.35.003, and AS 39.35.535.

The attached regulations are exempt from the adoption procedures of the Administrative Procedure Act and take effect on the 30th day after their adoption by the Commissioner of Administration.

Date: 10/31/2023



Paula Vrana
Commissioner
Department of Administration

FILING CERTIFICATION

April Simpson for
I, Nancy Dahlstrom, Lieutenant Governor for the State of Alaska, certify that on

November 3, 2023, at 1:47 p.m., I filed the attached regulation.

April Simpson
for Lieutenant Governor Nancy Dahlstrom

Effective: November 30, 2023

Register: 248, January 2024

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, NANCY DAHLSTROM, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA, designate the following state employees to perform the Administrative Procedures Act filing functions of the Office of the Lieutenant Governor:

April Simpson, Regulations and Initiatives Specialist

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on May 15th, 2023.



A handwritten signature in blue ink, reading "Nancy Dahlstrom", is written over a horizontal dotted line.

**NANCY DAHLSTROM
LIEUTENANT GOVERNOR**

2 AAC 39.280 is amended by adding new subsections to read:

(b) To change the benefits provided under dental-vision-audio insurance coverage, the administrator shall

(1) propose changes to the coverage; in drafting the proposal, the administrator shall consider the

(A) background and rationale for the proposed change;

(B) details and objectives of the proposed change;

(C) potential impact on benefit recipients;

(D) actuarial, financial, and operational impacts on the dental-vision-audio insurance plan; and

(E) input from stakeholders;

(2) post notice of the proposed change on the Alaska Online Public Notice System and the administrator's public Internet website, providing a minimum 30-day public notice and comment period, during which benefit recipients may review and provide comment prior to the adoption of a final proposal; notice under this paragraph must include

(A) a summary of the proposed change;

(B) instructions for accessing the draft proposed change;

(C) a deadline for written comments on the proposed change to be submitted by the public; and

(D) the time and place of any hearings at which oral comments from the public will be accepted;

(3) provide outreach to benefit recipients about the proposed change;

(4) consider comments submitted in response to public notice under this subsection; and

(5) issue a decision to adopt or reject a final proposal to change the benefits provided under dental-vision-audio insurance coverage after the close of the public comment period.

(c) The administrator may amend the description of dental-vision-audio insurance coverage published in the plan booklet. To amend the description of dental-vision-audio insurance coverage published in the plan booklet, the administrator shall

(1) propose amendments that clarify the benefits provided under the existing dental-vision-audio insurance coverage or that implement the changes adopted under (b) of this section;

(2) post notice of the proposed amendment on the Alaska Online Public Notice System and the administrator's public Internet website, providing a minimum 30-day public notice and comment period, during which benefit recipients may review and provide comment prior to the adoption of a final amendment; notice under this paragraph must include

(A) a summary of the proposed amendment;

(B) instructions for accessing the draft proposed amendment and comparison of proposed changes to current plan booklet language;

(C) a deadline for written comments on the proposed amendment to be submitted by the public; and

(D) the time and place of any hearings at which oral comments from the public will be accepted;

(3) provide outreach to benefit recipients about the proposed amendment;

(4) consider comments submitted in response to the public notice; and

(5) issue a decision to adopt or reject a final amendment to the description of dental-vision-audio insurance coverage published in the plan booklet after the close of the public comment period.

(d) Notwithstanding (b) and (c) of this section, the administrator may adopt an emergency amendment to the description of dental-vision-audio insurance coverage published in the plan booklet. An emergency amendment to the description of dental-vision-audio insurance coverage published in the plan booklet is effective immediately. To adopt an emergency amendment to the description of dental-vision-audio insurance coverage published in the plan booklet, the administrator must find that the emergency amendment is necessary in response to

(1) a public health or other state or national emergency;

(2) emerging technology or medical treatments and services; or

(3) a need for the immediate preservation of the orderly operation of the dental-vision-audio insurance plan.

(e) The administrator shall, not later than 10 days after the adoption of an emergency amendment, give public notice of the emergency coverage in accordance with (c) of this section.

(Eff. 2/1/93, Register 125; am 11 / 30 / 2023, Register 248)

Authority: AS 39.30.090 AS 39.30.098

2 AAC 39.290(1) is amended to read:

(1) "administrator" means the commissioner [DIRECTOR OF THE DIVISION OF RETIREMENT AND BENEFITS] of the Department of Administration [DEPARTMENT OF ADMINISTRATION] or their designee;

2 AAC 39.290 is amended by adding new paragraphs to read:

(7) "dental-vision-audio insurance coverage" means the benefits that are provided under AS 39.30.090(10), excluding benefits provided by major medical insurance coverage under AS 14.25.168, AS 22.25.090, and AS 39.35.535;

(8) "plan booklet" means publications of the Retiree Insurance Information Booklet issued by the administrator from time to time containing a written description of dental-vision-audio insurance coverage. (Eff. 7/1/82; am 5/31/87, Register 102; am 5/11/90, Register 114; am 2/1/93, Register 125; am 10/24/2020, Register 236; am 11 / 30 / 2023, Register 248)

Authority: AS 39.30.090 AS 39.30.098

2 AAC 39.390 is amended by adding new subsections to read:

(b) To change the benefits provided under major medical insurance coverage, the administrator shall

(1) propose changes to the coverage; in drafting the proposal, the administrator shall consider the

(A) background and rationale for the proposed change;

(B) details and objectives of the proposed change;

(C) potential impact on benefit recipients;

(D) actuarial, financial, and operational impacts on the major medical insurance plan; and

(E) input from stakeholders;

(2) post notice of the proposed change on the Alaska Online Public Notice System and the administrator's public Internet website, providing a minimum 30-day public notice and

comment period, during which benefit recipients may review and provide comment prior to the adoption of a final proposal; notice under this paragraph must include

- (A) a summary of the proposed change;
- (B) instructions for accessing the draft proposed change;
- (C) a deadline for written comments on the proposed change to be submitted by the public; and
- (D) the time and place of any hearings at which oral comments from the public will be accepted;

(3) provide outreach to benefit recipients about the proposed change;

(4) consider comments submitted in response to public notice under this subsection; and

(5) issue a decision to adopt or reject a final proposal to change the benefits provided under major medical insurance coverage after the close of the public comment period.

(c) The administrator may amend the description of major medical insurance coverage published in the plan booklet. To amend the description of major medical insurance coverage published in the plan booklet, the administrator shall

(1) propose amendments that clarify benefits provided under the existing major medical insurance coverage or that implement the changes adopted under (b) of this section;

(2) post notice of the proposed amendment on the Alaska Online Public Notice System and the administrator's public Internet website, providing a minimum 30-day public notice and comment period, during which benefit recipients may review and provide comment prior to the adoption of a final amendment; notice under this paragraph must include

- (A) a summary of the proposed amendment;

(B) instructions for accessing the draft proposed amendment and comparison of proposed changes to current plan booklet language;

(C) a deadline for written comments on the proposed amendment to be submitted by the public; and

(D) the time and place of any hearings at which oral comments from the public will be accepted;

(3) provide outreach to benefit recipients about the proposed amendment;

(4) consider comments submitted in response to the public notice; and

(5) issue a decision to adopt or reject a final amendment to the description of major medical insurance coverage published in the plan booklet after the close of the public comment period.

(d) Notwithstanding (b) and (c) of this section, the administrator may adopt an emergency amendment to the description of major medical insurance coverage published in the plan booklet. An emergency amendment to the description of major medical insurance coverage published in the plan booklet is effective immediately. To adopt an emergency amendment to the description of major medical insurance coverage published in the plan booklet, the administrator must find that the emergency amendment is necessary in response to

(1) a public health or other state or national emergency;

(2) emerging technology or medical treatments and services; or

(3) a need for the immediate preservation of the orderly operation of the major medical insurance coverage.

(e) The administrator shall, not later than 10 days after the adoption of an emergency amendment, give public notice of the emergency coverage in accordance with (c) of this section.

(Eff. 2/1/93, Register 125; am 11 / 30 / 2023, Register 248)

Authority:	AS 14.25.003	AS 22.25.090	AS 39.35.003
	AS 14.25.168	AS 39.30.090	AS 39.35.535
	AS 22.25.027	AS 39.30.098	

2 AAC 39.399 (1) is amended as follows:

(1) "administrator" means the commissioner [DIRECTOR OF THE DIVISION OF RETIREMENT AND BENEFITS] of the Department of Administration or their designee;

2 AAC 39.399 is amended by adding new paragraphs to read:

(7) "major medical insurance coverage" means the benefits that are provided under AS 14.25.168, AS 22.25.090, and AS 39.35.535, excluding the benefits provided by dental-vision-audio insurance and long-term care insurance under AS 39.30.090(a)(10) - (11);

(8) "plan booklet" means publications of the Retiree Insurance Information Booklet issued by the administrator from time to time containing a written description of major medical insurance coverage. (Eff. 2/1/93, Register 125; am 11 / 30 / 2023, Register 248)

Authority:	AS 14.25.003	AS 22.25.090	AS 39.35.003
	AS 14.25.168	AS 39.30.090	AS 39.35.535
	AS 22.25.027	AS 39.30.098	