LAWS OF ALASKA

2026

Source
HB 14 am S(efd add S)

Chapter No.
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AN ACT

Relating to health care insurance; relating to insurance reimbursement for health care services provided through telehealth; relating to telehealth; relating to workers' compensation coverage for disability from diseases for certain firefighters; repealing programs for catastrophic illness assistance and medical assistance for chronic and acute medical conditions; relating to occupational disability benefits and medical benefits available under the public employees' retirement system; providing for an effective date by amending the effective date of secs. 9 and 10, ch. 38, SLA 2022; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

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*** Section 1.** AS 21.42.422(b) is amended by adding a new paragraph to read:

(3) "health care provider" has the meaning given in AS 21.07.250.

*** Sec. 2.** AS 21.42.422 is amended by adding a new subsection to read:

(c) A health care insurer shall reimburse a health care provider for health care services, including behavioral health services, provided through telehealth on the same basis and at least at the same rate as for comparable health care services provided in person. A health care insurer may use a geographic pay differential to reimburse out-of-state health care providers.

*** Sec. 3.** AS 23.30.121(b) is amended to read:

(b) For a firefighter covered under AS 23.30.243,

(1) there is a presumption that a claim for compensation for disability as a result of the following diseases is within the provisions of this chapter:

(A) respiratory disease;

(B) cardiovascular events that are experienced within 72 hours after exposure to smoke, fumes, or toxic substances; and

(C) the following cancers:

(i) primary brain cancer;

(ii) malignant melanoma;

(iii) leukemia;

(iv) non-Hodgkin's lymphoma;

(v) bladder cancer;

(vi) ureter cancer;

(vii) kidney cancer;

(viii) prostate cancer; and

(ix) breast cancer;

(2) notwithstanding AS 23.30.100(a), following termination of service, the presumption established in (1) of this subsection extends to the firefighter for a period of **six** [THREE] calendar months for each year of requisite service but may not extend more than **120** [60] calendar months following the last date of employment;

(3) the presumption established in (1) of this subsection applies only to an active or former firefighter who has a disease described in (1) of this subsection that develops or manifests itself after the firefighter has served in the state for at least **six** [SEVEN] years and who

(A) **underwent** [WAS GIVEN] a qualifying medical

examination

(i) upon **the first employment as** [BECOMING] a firefighter that did not show evidence of the disease;

(ii) at least once every two years [(B) WAS GIVEN AN ANNUAL MEDICAL EXAM] during [EACH OF] the first **six** [SEVEN] years of employment **as a firefighter** that did not show evidence of the disease; and

(B) [(C)] with regard to diseases described in (1)(C) of this subsection, demonstrates that, while in the course of employment as a firefighter, the firefighter was exposed to a known carcinogen, as defined by the International Agency for Research on Cancer or the National Toxicology Program, and the carcinogen is associated with a disabling cancer.

*** Sec. 4.** AS 29.10.200 is amended by adding a new paragraph to read:

(68) AS 29.20.420 (health care insurance plans).

*** Sec. 5.** AS 29.20 is amended by adding a new section to article 5 to read:

Sec. 29.20.420. Health care insurance plans. (a) If a municipality offers a group health care insurance plan covering municipal employees, including by means of self-insurance, the municipal health care insurance plan is subject to the requirements of AS 21.42.422(c).

(b) This section applies to home rule and general law municipalities.

(c) In this section, "health care insurance plan" has the meaning given in AS 21.54.500.

*** Sec. 6.** AS 36.30.850(b)(11) is amended to read:

(11) agreements with providers of services under AS 47.25.071 - 47.25.095; AS 47.07; [AS 47.08;] AS 47.10; AS 47.12; AS 47.14; AS 47.17; AS 47.24; and AS 47.27, including contractors under AS 47.27.050;

*** Sec. 7.** AS 39.30.090(a) is amended to read:

(a) The Department of Administration may obtain a policy or policies of group insurance covering state employees, persons entitled to coverage under AS 14.25.168, 14.25.480, AS 22.25.090, AS 39.35.535, 39.35.880, or former AS 39.37.145, employees of other participating governmental units, or persons entitled to coverage

under AS 23.15.136, subject to the following conditions:

(1) a group insurance policy shall provide one or more of the following benefits: life insurance, accidental death and dismemberment insurance, weekly indemnity insurance, hospital expense insurance, surgical expense insurance, dental expense insurance, audiovisual insurance, or other medical care insurance;

(2) each eligible employee of the state, the spouse and the unmarried children chiefly dependent on the eligible employee for support, and each eligible employee of another participating governmental unit shall be covered by the group policy, unless exempt under regulations adopted by the commissioner of administration;

(3) a governmental unit may participate under a group policy if

(A) its governing body adopts a resolution authorizing participation and payment of required premiums;

(B) a certified copy of the resolution is filed with the Department of Administration; and

(C) the commissioner of administration approves the participation in writing;

(4) in procuring a policy of group health or group life insurance as provided under this section or excess loss insurance as provided in AS 39.30.091, the Department of Administration shall comply with the dual choice requirements of AS 21.86.310, and shall obtain the insurance policy from an insurer authorized to transact business in the state under AS 21.09, a hospital or medical service corporation authorized to transact business in this state under AS 21.87, or a health maintenance organization authorized to operate in this state under AS 21.86; an excess loss insurance policy may be obtained from a life or health insurer authorized to transact business in this state under AS 21.09 or from a hospital or medical service corporation authorized to transact business in this state under AS 21.87;

(5) the Department of Administration shall make available bid specifications for desired insurance benefits or for administration of benefit claims and payments to (A) all insurance carriers authorized to transact business in this state under AS 21.09 and all hospital or medical service corporations authorized to transact business under AS 21.87 who are qualified to provide the desired benefits; and (B) insurance

carriers authorized to transact business in this state under AS 21.09, hospital or medical service corporations authorized to transact business under AS 21.87, and third-party administrators licensed to transact business in this state and qualified to provide administrative services; the specifications shall be made available at least once every five years; the lowest responsible bid submitted by an insurance carrier, hospital or medical service corporation, or third-party administrator with adequate servicing facilities shall govern selection of a carrier, hospital or medical service corporation, or third-party administrator under this section or the selection of an insurance carrier or a hospital or medical service corporation to provide excess loss insurance as provided in AS 39.30.091;

(6) if the aggregate of dividends payable under the group insurance policy exceeds the governmental unit's share of the premium, the excess shall be applied by the governmental unit for the sole benefit of the employees;

(7) a person receiving benefits under AS 14.25.110, AS 22.25, AS 39.35, or former AS 39.37 may continue the life insurance coverage that was in effect under this section at the time of termination of employment with the state or participating governmental unit;

(8) a person electing to have insurance under (7) of this subsection shall pay the cost of this insurance;

(9) for each permanent part-time employee electing coverage under this section, the state shall contribute one-half the state contribution rate for permanent full-time state employees, and the permanent part-time employee shall contribute the other one-half;

(10) a person receiving benefits under AS 14.25, AS 22.25, AS 39.35, or former AS 39.37 may obtain auditory, visual, and dental insurance for that person and eligible dependents under this section; the level of coverage for persons over 65 shall be the same as that available before reaching age 65 except that the benefits payable shall be supplemental to any benefits provided under the federal old age, survivors, and disability insurance program; a person electing to have insurance under this paragraph shall pay the cost of the insurance; the commissioner of administration shall adopt regulations implementing this paragraph;

(11) a person receiving benefits under AS 14.25, AS 22.25, AS 39.35, or former AS 39.37 may obtain long-term care insurance for that person and eligible dependents under this section; a person who elects insurance under this paragraph shall pay the cost of the insurance premium; the commissioner of administration shall adopt regulations to implement this paragraph;

(12) each licensee holding a current operating agreement for a vending facility under AS 23.15.010 - 23.15.210 shall be covered by the group policy that applies to governmental units other than the state**;**

(13) a group health insurance policy covering employees of a participating governmental unit must meet the requirements of AS 21.42.422(c).

*** Sec. 8.** AS 39.30.091 is amended to read:

Sec. 39.30.091. Authorization for self-insurance and excess loss insurance. Notwithstanding AS 21.86.310 or AS 39.30.090, the Department of Administration may provide, by means of self-insurance, one or more of the benefits listed in AS 39.30.090(a)(1) for state employees eligible for the benefits by law or under a collective bargaining agreement and for persons receiving benefits under AS 14.25, AS 22.25, AS 39.35, or former AS 39.37, and their dependents. The department shall procure any necessary excess loss insurance under AS 39.30.090. **A self-insured group health insurance plan covering active state employees provided under this section is subject to the requirements of AS 21.42.422(c).**

*** Sec. 9.** AS 39.35.410(d) is amended to read:

(d) The monthly amount of an occupational disability benefit is **75** [40] percent of the disabled employee's gross monthly compensation at the time of termination due to disability.

*** Sec. 10.** AS 39.35.870 is amended by adding a new subsection to read:

(h) Notwithstanding (a) and (g) of this section, a disabled employee who is eligible to obtain a disability benefit under AS 39.35.890 is eligible to obtain retiree major medical insurance benefits under AS 39.35.880.

*** Sec. 11.** AS 39.35.880(g) is amended to read:

(g) **Except as provided under (*l*) of this section, the** [THE] cost of premiums for retiree major medical insurance coverage for an eligible member or surviving spouse

who is

(1) not eligible for Medicare is an amount equal to the full monthly group premiums for retiree major medical insurance coverage;

(2) eligible for Medicare is the following percentage of the premium amounts established for retirees who are eligible for Medicare:

(A) 30 percent if the member had 10 or more, but less than 15, years of service;

(B) 25 percent if the member had 15 or more, but less than 20, years of service;

(C) 20 percent if the member had 20 or more, but less than 25, years of service;

(D) 15 percent if the member had 25 or more, but less than 30, years of service;

(E) 10 percent if the member had 30 or more years of service.

*** Sec. 12.** AS 39.35.880 is amended by adding a new subsection to read:

(*l*) An eligible member or surviving spouse who receives a disability benefit as provided under AS 39.35.890 or 39.35.891 and is not eligible for Medicare is not required to pay a premium for retiree major medical insurance coverage.

*** Sec. 13.** AS 39.35.890(d) is amended to read:

(d) The monthly amount of an occupational disability benefit is **75** [40] percent of the disabled employee's gross monthly compensation at the time of termination due to disability. Notwithstanding AS 39.35.790(b), at the time a member is appointed to disability, the member becomes fully vested in the employer contributions made under AS 39.35.750(a). A disabled member is fully vested in the contributions to the member's individual account made under this subsection. An employee is not entitled to elect distributions from the employee's individual contribution account under AS 39.35.810 while the employee is receiving disability benefits under this section. While an employee is receiving disability benefits, based on the disabled employee's gross monthly compensation at the time of termination due to disability, the employer shall make contributions

(1) to the employee's individual account under AS 39.35.730 on behalf

of the employee, without deduction from the employee's disability payments; and

(2) on behalf of the employee under AS 39.35.750.

*** Sec. 14.** AS 47.05.085(a) is amended to read:

(a) The commissioner or the commissioner's designee at the director level may issue subpoenas to compel the production of books, papers, correspondence, memoranda, and other records considered necessary as evidence in connection with an investigation under or the administration of AS 47.07 (medical assistance), [AS 47.08 (ASSISTANCE FOR CATASTROPHIC ILLNESSES AND ACUTE OR CHRONIC MEDICAL CONDITIONS),] AS 47.25 (child care assistance, child care grants, general relief, adult public assistance, and food stamps), and AS 47.27 (Alaska temporary assistance program).

*** Sec. 15.** AS 47.05.200(d) is amended to read:

(d) As a condition of obtaining payment under AS 47.07 [AND AS 47.08] and for purposes of this section, a provider shall allow

(1) the department reasonable access to the records of medical assistance recipients and providers; and

(2) audit and inspection of the records by state and federal agencies.

*** Sec. 16.** AS 47.05.210(a) is amended to read:

(a) A person commits the crime of medical assistance fraud if the person

(1) knowingly submits or authorizes the submission of a claim to a medical assistance agency for property, services, or a benefit with reckless disregard that the claimant is not entitled to the property, services, or benefit;

(2) knowingly prepares or assists another person to prepare a claim for submission to a medical assistance agency for property, services, or a benefit with reckless disregard that the claimant is not entitled to the property, services, or benefit;

(3) except as otherwise authorized under the medical assistance program, confers, offers to confer, solicits, agrees to accept, or accepts property, services, or a benefit

(A) to refer a medical assistance recipient to a health care provider; or

(B) for providing health care to a medical assistance recipient if

the property, services, or benefit is in addition to payment by a medical assistance agency;

(4) does not produce medical assistance records to a person authorized to request the records;

(5) knowingly makes a false entry in or falsely alters a medical assistance record;

(6) knowingly destroys, mutilates, suppresses, conceals, removes, or otherwise impairs the verity, legibility, or availability of a medical assistance record knowing that the person lacks the authority to do so; or

(7) violates a provision of AS 47.07 [OR AS 47.08] or a regulation adopted under AS 47.07 [OR AS 47.08].

*** Sec. 17.** AS 47.05.240 is amended to read:

Sec. 47.05.240. Exclusion from medical assistance programs. (a) The commissioner may exclude an applicant to or disenroll a medical assistance provider in the medical assistance program in AS 47.07 [OR AS 47.08, OR BOTH,] for a period of up to 10 years after unconditional discharge on a conviction

(1) for medical assistance fraud under AS 47.05.210 or misconduct involving a controlled substance under AS 11.71; or

(2) in a court of the United States or a court of another state or territory, for a crime with elements similar to the crimes included under (1) of this subsection.

(b) After a period of exclusion under (a) of this section, an applicant may not participate in a medical assistance program under AS 47.07 [OR AS 47.08] until the applicant establishes to the commissioner by clear and convincing evidence that the applicant possesses all required licenses and certificates and is qualified to participate.

*** Sec. 18.** AS 47.05.290(9) is amended to read:

(9) "medical assistance program" means a program under AS 47.07 [OR AS 47.08];

*** Sec. 19.** AS 47.05.290(10) is amended to read:

(10) "medical assistance provider" or "provider" means a person or organization that provides, attempts to provide, or claims to have provided services or products to a medical assistance recipient that may qualify for reimbursement under

AS 47.07 [OR AS 47.08] or a person or organization that participates in or has applied to participate in a medical assistance program as a supplier of a service or product;

*** Sec. 20.** AS 47.05.290(17) is amended to read:

(17) "services" or "medical assistance services" means a health care benefit that may qualify for reimbursement under AS 47.07 [OR AS 47.08], including health care benefits provided, attempted to be provided, or claimed to have been provided to another, by a medical assistance provider, or "services" as defined in AS 11.81.900;

*** Sec. 21.** AS 47.05.330(a) is amended to read:

(a) The Department of Health and the Department of Family and Community Services shall by regulation identify each database that department will review when conducting a civil history check under AS 47.05.325 to identify each individual

(1) whom a court or the applicable department has found

(A) to have committed abuse, neglect, undue influence, or exploitation of a vulnerable adult;

(B) under AS 47.32 or regulations adopted under AS 47.32, to have significantly adversely affected the health, safety, or welfare of an individual who is receiving a service from an entity licensed under AS 47.32; a finding described in this subparagraph includes a decision to revoke, suspend, or deny a license or license renewal, or the relinquishment of a license as part of a settlement agreement;

(2) who has been subject to criminal or civil penalties for a violation of AS 09.58, AS 47.05, AS 47.06, AS 47.07, **former** AS 47.08, or regulations adopted under AS 09.58, AS 47.05, AS 47.06, AS 47.07, or **former** AS 47.08;

(3) about whom the applicable department or a court has made a substantiated finding of child abuse or neglect under AS 47.10 or AS 47.14;

(4) who was a biological or adoptive parent, guardian, custodian, or Indian custodian of a child at the time the child was the subject of a child-in-need-of-aid petition under AS 47.10;

(5) who, in the course of employment with the state, has been terminated from employment or has had an allegation of assaultive, abusive, neglectful, or

exploitive behavior or actions substantiated;

(6) who, in this state or another jurisdiction, for reasons related to abuse, neglect, undue influence, exploitation, or other reasons that are inconsistent with standards for the protection of public health, safety, or welfare, has had a professional license, certification, or similar professional designation revoked, suspended, or denied, or has had a request for renewal of a professional license, certification, or similar professional designation denied;

(7) whom another state or jurisdiction has identified on a civil registry or database substantially similar to the databases identified under this section for reasons substantially similar to the reasons identified in (1) - (6) of this subsection.

*** Sec. 22.** AS 47.08.010, 47.08.020, 47.08.030, 47.08.040, 47.08.050, 47.08.060, 47.08.070, 47.08.080, 47.08.090, 47.08.100, 47.08.110, 47.08.120, 47.08.130, 47.08.140, and 47.08.150 are repealed.

*** Sec. 23.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. AS 47.05.210(a), as amended by sec. 16 of this Act, applies to offenses committed on or after the effective date of sec. 16 of this Act.

*** Sec. 24.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION. (a) Notwithstanding AS 47.05.085(a), as amended by sec. 14 of this Act, the commissioner of health or the commissioner's designee at the director level may issue subpoenas to compel the production of books, papers, correspondence, memoranda, and other records considered necessary as evidence in connection with an investigation under AS 47.08 that began before the effective date of sec. 14 of this Act or for an investigation of a violation of AS 47.08 that occurred before the effective date of sec. 14 of this Act.

(b) Notwithstanding AS 47.05.200(d), as amended by sec. 15 of this Act, a provider shall allow the department reasonable access to the records of medical assistance recipients and providers and allow audit and inspection of the records by state and federal agencies

(1) in order to receive payment for a service provided under AS 47.08 before the effective date of sec. 15 of this Act; and

(2) in connection with an audit under AS 47.05.200 for activities that occurred

before the effective date of sec. 15 of this Act.

*** Sec. 25.** Section 14, ch. 38, SLA 2022, is amended to read:

Sec. 14. If secs. 9 and 10**, ch. 38, SLA 2022,** [OF THIS ACT] take effect under sec. 13**, ch. 38, SLA 2022** [OF THIS ACT], they take effect June 30, **2040** [2030].

*** Sec. 26.** Sections 1, 2, 4, 5, 7, 8, and 25 of this Act take effect January 1, 2027.

*** Sec. 27.** Sections 3 and 9 - 13 of this Act take effect immediately under AS 01.10.070(c).