HOUSE BILL NO. 92

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE JOHNSTON

Introduced: 3/13/19
Referred: Health and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

"An Act exempting direct health care agreements from regulation as insurance; establishing a direct care payment program for medical assistance recipients; and providing for an effective date."

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

* Section 1. AS 21.03.021 is amended by adding new subsections to read:

(1) This title does not apply to a written health care agreement for direct care between a health care provider and an individual patient or the patient's representative that

(1) describes the health care services to be provided by the health care provider to the patient in exchange for payment of a periodic fee;

(2) allows the health care provider or the patient to terminate the agreement in writing, without penalty or payment of a termination fee, at any time or after notice of not more than 60 days, as specified in the agreement;

(3) specifies the periodic fee the patient must pay for the health care
services and any additional fee that the health care provider may charge; the 
agreement may allow an individual who is not the patient to pay the periodic fee or 
additional fees;

(4) conspicuously states that the agreement is not health insurance and 
does not meet an individual or other health insurance mandate that may be required by 
federal or state law; and 

(5) prohibits the health care provider from charging or receiving 
compensation in addition to the fees described in this subsection for the health care 
services included in the agreement.

(m) In (l) of this section,

(1) "health care" means care, treatment, a service, or a procedure to 
maintain, diagnose, detect, manage, or promote an individual's physical or mental 
condition;

(2) "health care provider" means a person who is licensed, registered, 
or otherwise authorized under AS 08 to provide health care services or an individual 
who is an employee of the person and acting within the course and scope of 
employment.

* Sec. 2. AS 21.03.021(l), enacted by sec. 1 of this Act, is amended to read:

(l) This title does not apply to a written health care agreement for direct care 
between a health care provider and an individual patient or the patient's representative 
if the 

(1) health care provider 

(A) accepts new patients who are medical assistance or 
Medicare recipients; or 

(B) maintains a practice in which 20 percent or more of the 
patients are medical assistance or Medicare recipients; and 

(2) written health care agreement for direct care 

(A) [THAT (1)] describes the health care services to be 
provided by the health care provider to the patient in exchange for payment of 
a periodic fee;

(B) [(2)] allows the health care provider or the patient to
terminate the agreement in writing, without penalty or payment of a termination fee, at any time or after notice of not more than 60 days, as specified in the agreement;

(C) [(3)] specifies the periodic fee the patient must pay for the health care services and any additional fee that the health care provider may charge; the agreement may allow an individual who is not the patient to pay the periodic fee or additional fees;

(D) [(4)] conspicuously states that the agreement is not health insurance and does not meet an individual or other health insurance mandate that may be required by federal or state law; and

(E) [(5)] prohibits the health care provider from charging or receiving compensation in addition to the fees described in this subsection for the health care services included in the agreement.

* Sec. 3. AS 47.07.036 is amended by adding a new subsection to read:

(h) The department shall establish and implement a direct care program for payment to health care providers for services to medical assistance recipients. Under the program, the department may contract directly with health care providers to provide specified health care services covered under AS 47.07.030 to recipients for a periodic fee paid by the department. The program must

(1) establish criteria for a health care provider's participation in the program;

(2) allow a recipient to

(A) enroll voluntarily in the direct care program; and

(B) select a participating health care provider as the recipient's primary source for health care services;

(3) describe the health care services to be provided to a recipient by the health care provider; and

(4) establish periodic fees that the department may pay to a health care provider under the program.

* Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to read:
MEDICAID STATE PLAN; FEDERAL APPROVAL; NOTICE TO REVISOR OF STATUTES. The Department of Health and Social Services shall immediately amend and submit for federal approval the state Medicaid plan to authorize direct care payments under AS 47.07.036(h), enacted by sec. 3 of this Act. The Department of Health and Social Services shall apply to the United States Department of Health and Human Services for any waivers necessary to implement AS 47.07.036(h), enacted by sec. 3 of this Act. The commissioner of health and social services shall notify the revisor of statutes in writing if the United States Department of Health and Human Services approves a state Medicaid plan to authorize direct care payments under AS 47.07.036(h), enacted by sec. 3 of this Act.

* Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section to read:

CONDITIONAL EFFECT. AS 21.03.021(l), as amended by sec. 2 of this Act, and AS 47.07.036(h), enacted by sec. 3 of this Act, take effect only if the commissioner of health and social services notifies the revisor of statutes in writing under sec. 4 of this Act, on or before October 1, 2021, that the United States Department of Health and Human Services has approved a state Medicaid plan to authorize direct care payments under AS 47.07.036(h).

* Sec. 6. If, under sec. 5 of this Act, sec. 3 of this Act takes effect, it takes effect on the day after the date the commissioner of health and social services notifies the revisor of statutes under sec. 4 of this Act.

* Sec. 7. If, under sec. 5 of this Act, sec. 2 of this Act takes effect, it takes effect 180 days after the date the commissioner of health and social services notifies the revisor of statutes under sec. 4 of this Act.