



**BULLETIN B 18-05**

**TO: HEALTH CARE INSURERS AUTHORIZED TO TRANSACT INSURANCE IN THE STATE OF ALASKA AND OTHER INTERESTED PARTIES SUCH AS INDEPENDENT REVIEW ORGANIZATIONS**

**RE: HEALTH CARE INSURER UTILIZATION REVIEW AND BENEFIT DETERMINATIONS, GRIEVANCE PROCEDURES, AND EXTERNAL REVIEW REGULATIONS**

Under the authority of Alaska Statute (AS) 21.06.090 and AS 21.07.005, the director of the Division of Insurance (division) adopted regulations to modernize standards for health care insurer utilization review and benefit determinations, grievance procedures, and external reviews. In keeping with AS 21.07.005, the regulations are at least as restrictive as the following National Association of Insurance Commissioners (NAIC) model laws:

- Utilization Review and Benefit Determination Model Act (adopted June 22, 2003)
- Health Carrier Grievance Procedure Model Act (adopted June 22, 2003)
- Uniform Health Carrier External Review Model Act (adopted June 2, 2008)

The regulations, which were filed in the Lieutenant Governor's Office with an effective date of March 15, 2018, also establish standards regarding qualifications, registration fees, and operational procedures for independent review organizations.

The notice and proposed regulations are posted at  
<https://www.commerce.alaska.gov/web/ins/Resources/Notices.aspx>

For a copy of the final version of the regulations, go to:  
<https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=188809>

Independent review organizations interested in providing external reviews for Alaska's authorized health care insurers are encouraged to immediately contact the division for information regarding registration. In addition to meeting nationally recognized accreditation requirements, applicants will be required to pay a \$1,000 biennial registration fee.

Insurers are encouraged to review health care insurance contract language to ensure compliance with the utilization review, grievance procedures, and external review regulations. The division expects the U.S. Department of Health and Human Services Center for Medicare and Medicaid Services (HHS) to deem Alaska's External Review process as NAIC-parallel. Accordingly, insurers will need to change from using the HHS administered process to using Alaska's external review process. Insurers may contact the division for guidance on form filing and implementation dates.

The State of Alaska did not exempt dental insurance policies from the new regulations, and since these plans are excluded from the current HHS Administered Process/Independent Review Organization process and standards, insurers are encouraged to carefully evaluate dental plan contracts, which meet the definition for “health and health care insurance” under AS 21.12.050, and that contain utilization review elements, for contract language revisions necessary to ensure compliance with the new regulations.

In accordance with federal regulations, the Alaska regulations have special requirements that benefit determinations must be issued in a culturally and linguistically appropriate manner when more than 10 percent of residents in a particular area are literate only in an applicable non-English language. Based on the applicable determination adopted by referenced in the division’s regulations, Alaska has two counties (Aleutians East Borough and Aleutians West Census Area) that require additional language notice requirements.<sup>1</sup>

Insurers are cautioned to ensure that written utilization review, grievance, and external review procedures are in compliance with Alaska’s requirements.

Dated this 14<sup>th</sup> day of March, 2018, at Juneau, Alaska.



Lori Wing-Heier  
Director

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<sup>1</sup>[\*CLAS County Data, Edition Date January 2016\*](#) issued by the U.S. Department of Health and Human Service Centers for Medicare and Medicaid Services on January 27, 2016