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**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

MEMORANDUM

TO: Chip Wagoner, AAC Contact
Division of Insurance

FROM: Scott Meriwether, Special Assistant 

DATE: November 17, 2015

RE: Filed Permanent Regulations: Division of Insurance

Regulations re: final payment for a vaccine that an insurance policy covers, that is an included vaccine under the statewide immunization program under AS 18.09, and that is purchased by the provider instead of obtained from the state under AS 18.09 (3 AAC 26.110(a))

Attorney General File:	JU2015200334
Regulation Filed:	November 16, 2015
Effective Date:	December 16, 2015
Print:	Register 216, January 2016

cc with enclosures: Linda Miller, Department of Law
Jesse Logan, Administrative Regulation Review Committee
Judy Herndon, LexisNexis

ORDER RA 15-02a ADOPTING CHANGES TO
REGULATIONS OF THE DIVISION OF INSURANCE

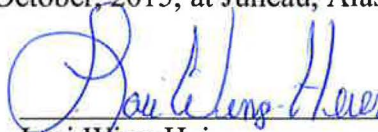
The attached three pages of regulations dealing with the determination of final payment for a vaccine covered by an insurance policy that is an "included vaccine" as defined under AS 18.09.900 and purchased by a provider instead of obtained from the state under the statewide immunization program established under AS 18.09.200 are hereby adopted and certified to be a correct copy of the regulation changes that the Division of Insurance adopts (3 AAC 26.110) under the authority of AS 21.06.090; AS 21.36.125; and AS 21.42.205, and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

In considering public comments, the Division of Insurance paid special attention to the cost to private persons of the regulatory action being taken.

The regulations adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor.

DATED this 28th day of October, 2015, at Juneau, Alaska.



Lori Wing-Heier
Director
Division of Insurance
Department of Commerce, Community, and
Economic Development

FILING CERTIFICATION

I, Byron Mallott, Lieutenant Governor for the State of Alaska, certify that on November 16, 2015, at 1:30 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.



Lieutenant Governor

Effective December 16, 2015

Register 216, January 2016

Title 3. Commerce, Community, and Economic Development.

Part 2. Division of Insurance.

Chapter 26. Trade Practices.

3 AAC 26.110(a) is repealed and readopted to read:

(a) A person that provides coverage in this state for health care services or supplies on an expense incurred basis for which benefits are based on an amount that is less than the actual amount billed for the health care services or supplies shall

(1) maintain or use a statistically credible profile of covered health care services and supplies on which to base payment; the profile must

(A) be updated at least every six months;

(B) contain billed charges for services performed not more than one year before the date of the most recent profile; and

(C) contain billed charges for each geographical area in which a claimant might receive treatment or, if statistically credible data for a particular service or supply item in a certain geographical area is unavailable, contain a sufficient number of billed charges for that service or supply item from another geographical area so that a reliable basis is established;

(2) except as provided in (3) of this subsection, determine the final payment for a covered service or supply based on an amount that

(A) reflects the general cost differences between the geographical area where the service was performed and the other geographical areas used in establishing

the statistically credible profile under (1) of this subsection; the adjustment may be based on the Consumer Price Index, the medical care component of the Consumer Price Index, or another reasonable basis stated in writing; and

(B) is equal to or greater than the 80th percentile of charges under (1) of this subsection for the health care services or supplies;

(3) for a vaccine covered by an insurance policy that is an included vaccine and purchased by a provider instead of obtained from the state under the statewide immunization program established under AS 18.09.200, determine the final payment for the covered vaccine at an amount equal to or greater than the cost of the state purchased vaccine under the statewide immunization program; in this paragraph, "included vaccine" has the meaning given in AS 18.09.990;

(4) provide with any claim payment an explanation of the basis of payments in clear and simple terms, including explanation of any adjustments made under (2)(A) of this subsection, and document the explanation provided in the claim file; and

(5) provide an explanation in the health insurance policy of the basis of payments, including any payments for which a covered individual may be responsible and include on any schedule or summary of benefits page accompanying the policy

(A) the percentile used to determine final payment under (2)(B) of this subsection; and

(B) a statement regarding whether the covered individual is responsible for any amount billed for a health care service or supply item that exceeds the amount of final payment.

Register 216, January 2016 COMMERCE, COMMUNITY, AND EC. DEV.
(Eff. 5/6/89, Register 110; am 4/20/97, Register 142; am 1/2/98, Register, 145; am
9/15/2004, Register 171; am 10/16/2011, Register 200; am 12 / 16 / 2015, Register
216)

Authority: AS 21.06.090 AS 21.36.125 AS 21.42.205