

HEALTH DISCOUNT PLANS, FILINGS, RECORDKEEPING, LICENSING RENEWAL DATES,
DELIVERY OF EVIDENCE OF INSURANCE, INSURANCE CLAIMS, ANNUITY CONTRACT
DISCLOSURES, FEES AND DEFINITIONS

ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Division of Insurance, Department of Commerce, Community, and Economic Development
2. General subject of regulation: health discount plans, filings, recordkeeping, licensee renewal dates, delivery of evidence of insurance, insurance claims, annuity contract disclosures, definitions and returned check fee.
3. Citation of regulation (may be grouped): 3 AAC 21.480, 3 AAC 23.860, 3 AAC 25.060, 3 AAC 26.040, 3 AAC 26.050, 3 AAC 26.070, 3 AAC 26.075, 3 AAC 26.110, 3 AAC 26.300, 3 AAC 26.755, 3 AAC 26.769, 3 AAC 28.370, 3 AAC 29.220, 3 AAC 29.280, 3 AAC 29.500, 3 AAC 29.550, 3 AAC 30.200, 3 AAC 31.050, 3 AAC 31.060, 3 AAC 31.205, 3 AAC 31.210, 3 AAC 31.215, 3 AAC 31.217, 3 AAC 31.221, 3 AAC 31.225, 3 AAC 31.230, 3 AAC 31.235, 3 AAC 31.250, and 3 AAC 31.700 – 3 AAC 31.790.
4. Department of Law file number, if any: _____
5. Reason for the proposed action:
 - (x) Compliance with federal law or action (identify): 3 AAC 26.110 is being amended to meet the federal requirement that emergency services be paid at the in-network cost sharing amount. 42 U.S.C. 300gg-19A (Public Health Service Act), 42 U.S.C. 1395dd (Social Security Act) and 45 C.F. R. 147.138. This section is also being amended to meet the federal network adequacy requirement under 42 U.S.C. 300gg-1(c) (Public Health Service Act).
 - () Compliance with new or changed state statute
 - () Compliance with Federal or state court decision (identify) _____
 - (x) Development of program standards
 - (x) Other (identify): Implementation of AS 21.36.505
6. Appropriation/Allocation: _____
7. Estimated annual costs in the aggregate to comply with the proposed action to:
A private person: Persons desiring to sell, solicit, or negotiate health discount plans in this state will be required to register with the division and pay an initial registration fee of \$1,000. The biennial renewal fee would be \$200. The division estimates the cost of completing the registration application to be \$1,500. The total aggregate annual costs for the regulations relating to health discount plans is estimated to be \$21,000. The division is also proposing a returned check fee of \$25. Most of the remaining regulation changes relate to filings. The division does not have the resources or data to develop a reasonable estimate without subjecting the affected insurers to a data call which the division believes would be an unnecessary expense for the insurers to answer. The division does anticipate insurers will need to devote more time and resources to comply with

some regulations while saving time and resources due to other regulation changes. Overall, the division anticipates the impacts on the regulated community to be offsetting or absorbed as the normal costs of doing business.

Another state agency: None are anticipated.

A municipality: None are anticipated.

8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>16</u>	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>
Other (identify)	\$ <u>0</u>	\$ <u>0</u>

9. The name of the contact person for the regulation:

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Title: Regulations Specialist II

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10. The origin of the proposed action:

Staff of state agency

Federal government

General public

Petition for regulation change

Other (identify) _____

11. Date: 10/28/15 Prepared by: Chip Wagoner
[signature]

Name (printed): Chip Wagoner

Title (printed): Regulations Specialist II

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