

NOTICE OF PROPOSED CHANGES TO THE ALASKA COMPREHENSIVE HEALTH  
INSURANCE ASSOCIATION REINSURANCE PROGRAM  
TO REINSURE HIGH RISK RESIDENTS OF THIS STATE  
IN THE REGULATIONS OF THE DIVISION OF INSURANCE

BRIEF DESCRIPTION

The Alaska Division of Insurance proposes to amend regulations to the Alaska Reinsurance Program to reinsure high risk residents. The amendments include changing the reporting dates and payment dates to align with ACA filing deadlines. The amendments also remove the list of covered conditions eligible for payment through the reinsurance program from the regulations for ease of updating them as needed or at least annually.

The Alaska Division of Insurance proposes to adopt regulation changes in Title 3, Chapter 31 of the Alaska Administrative Code dealing with the Alaska Reinsurance Program including the following:

**3 AAC 31** is proposed to be amended as follows:

**3 AAC 31.510. Association duties**, is proposed to be changed to add a requirement that the plan of operations for the Alaska Reinsurance Program (ARP) include information on the manner and time period in which an insurer pays quarterly premium amounts, pharmacy rebates, and cedes risk. The proposed changes also extend the date on which the Alaska Comprehensive Health Insurance Association ("the association") shall accept a ceded risk. The proposed amendment also adds a requirement that ACHIA will not use federal funds for coverage of abortion services.

**3 AAC 31.515. Health care insurer eligibility for reinsurance payments**, is proposed to be changed to amend the time requirements for a health care insurer to make payments for ceded premium amounts and pharmacy rebates to the association.

**3 AAC 31.520. Health care insurer duties and rules**, is proposed to be changed to require an insurer to cede risk to the association for a high risk resident. The proposed change also amends the date by which a health care insurer shall cede a risk and changes the timeframe in which a health care insurer is required to submit claims for a ceded risk. The proposed change also adds a requirement that insurers utilize the dates set in the plan of operations when ceding a risk.

**3 AAC 31.525. Premium and other financial matters**, is proposed to be changed to amend the payment requirements and procedures for a health care insurer's handling of premiums, expenses, and other financial matters.

**3 AAC 31.530. Accounting, reporting, and auditing**, is proposed to be changed to amend the date for the final accounting and annual claims true up and amending the submission date for ceded claims to be submitted to the association for reimbursement.

**3 AAC 31.535. Annual true-up**, is proposed to be changed to amend the date when the true-up must occur.

**3 AAC 31.540. Covered conditions**, is proposed to be changed to remove the list of covered health conditions of a high risk resident from regulations and adding a requirement that the director publish a list of covered conditions at least annually.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Division of Insurance; Attention: Sarah Bailey; P.O. Box 110805; Juneau, AK 99811-0805; by e-mail to [sarah.bailey@alaska.gov](mailto:sarah.bailey@alaska.gov); or by fax to (907) 465-3422. Comments may also be submitted through the Alaska Online Public Notice System at <http://aws.state.ak.us/OnlinePublicNotices>. All comments must be received **no later than 5:00 p.m., Monday, July 30, 2018**.

Oral or written comments also may be submitted at a hearing to be held on **Friday, July 20, 2018** in Conference Room B on the ninth floor of the State Office Building, located at 333 Willoughby Ave., Juneau, Alaska. The hearing will be held from **10:00 a.m. to 12:00 p.m.** and might be extended to accommodate those present before **12:00 p.m.** who did not have an opportunity to comment. If you are unable to attend the meeting in person and would like to participate by teleconference, please call 1-800-315-6338 and enter the access code 42070 followed by#.

You may submit written questions relevant to the proposed action to the Division of Insurance; Attention: Sarah Bailey; P.O. Box 110805, Juneau, AK 99811-0805 or by e-mail to [sarah.bailey@alaska.gov](mailto:sarah.bailey@alaska.gov). **The questions must be received at least 10 days before the end of the public comment period.** The division will aggregate its response to substantially similar questions and make the questions and responses available on the division's website at <https://www.commerce.alaska.gov/web/ins/Resources/Notices.aspx> and on the Alaska Online Public Notice System. The division may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in the process, please contact Laura Watson at [laura.watson@alaska.gov](mailto:laura.watson@alaska.gov) or (907) 465-2597 or TDD (907) 465-5437 no later than **Tuesday, July 10, 2018** to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the division's website at <https://www.commerce.alaska.gov/web/ins/Resources/Notices.aspx> on the Alaska Online Public Notice System, by contacting Sarah Bailey at [sarah.bailey@alaska.gov](mailto:sarah.bailey@alaska.gov) or by calling (907) 269-7900 in Anchorage or (907) 465-2515 in Juneau.

After the public comment period ends, the Division of Insurance will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. **YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR**

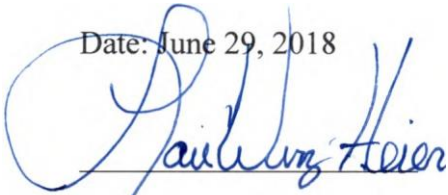
INTERESTS COULD BE AFFECTED. Written comments received are public records and are subject to public inspection.

**Statutory Authority:** AS 21.06.090; AS 21.55.040; AS 21.55.220; AS 21.55.400; AS 21.55.430

**Statutes Being Implemented, Interpreted, or Made Specific:** AS 21.55.220; AS 21.55.400.

**Fiscal information:** The proposed regulation changes are not expected to require an increased appropriation.

Date: June 29, 2018

A handwritten signature in blue ink, appearing to read "Lori Wing-Heier", is written over a horizontal line. The signature is stylized and cursive.

Lori Wing-Heier  
Director of Insurance