## **HOUSE BILL NO. 141**

# IN THE LEGISLATURE OF THE STATE OF ALASKA TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

#### BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced: 2/25/13

Referred: Labor and Commerce

## A BILL

# FOR AN ACT ENTITLED

| 1        | "An Act setting the fee for medical treatment or services performed outside the state                               |
|----------|---|
| 2        | under the Alaska Workers' Compensation Act, requiring a provider of medical   |
| 3        | treatment or services under the Alaska Workers' Compensation Act to submit bills for                                |
| 4        | treatment or services to employers within 180 days after the date the treatment or                                  |
| 5        | services are rendered, and limiting the time for appealing an employer's denial or                                  |
| 6        | reduction of a bill; and providing for an effective date."  |
| 7        | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  |
| 8        | * <b>Section 1.</b> AS 23.30.097(a) is amended to read:   |
| 9        | (a) All fees and other charges for medical treatment or service are subject to                                      |
| 10       | regulation by the board consistent with this section. A fee or other charge for medical                             |
| 11       | treatment or service  |
|          |   |
| 12       | (1) rendered in the state may not exceed the lowest of  |
| 12<br>13 | (1) rendered in the state may not exceed the lowest of  (A) [(1)] the usual, customary, and reasonable fees for the |

| 1  | treatment of service in the community in which it is rendered, for treatment of    |
|----|--|
| 2  | service provided on or after December 31, 2010, not to exceed the fees or other    |
| 3  | charges as specified in a fee schedule established by the board and adopted by     |
| 4  | reference in regulation; the fee schedule must be based on statistically credible  |
| 5  | data, including charges for the most recent category I, II, and III medical        |
| 6  | services maintained by the American Medical Association and the Health Care        |
| 7  | Procedure Coding System for medical supplies, injections, emergency                |
| 8  | transportation, and other medically related services, and must result in a         |
| 9  | schedule that  |
| 10 | (i) [(A)] reflects the cost in the geographical area where                         |
| 11 | services are provided; and   |
| 12 | (ii) [(B)] is at the 90th percentile;  |
| 13 | (B) [(2)] the fee or charge for the treatment or service when                      |
| 14 | provided to the general public; or   |
| 15 | (C) [(3)] the fee or charge for the treatment or service                           |
| 16 | negotiated by the provider and the employer under (c) of this section:             |
| 17 | (2) rendered in another state may not exceed the fee or charge for                 |
| 18 | a treatment or service set by the workers' compensation statutes of the state      |
| 19 | where the services are rendered.   |
| 20 | * Sec. 2. AS 23.30.097 is amended by adding new subsections to read:               |
| 21 | (h) A provider of medical treatment or services may receive payment for            |
| 22 | medical treatment and services under this chapter only if the bill for services is |
| 23 | received by the employer within 180 days after the later of                        |
| 24 | (1) the date of service; or  |
| 25 | (2) the date that the provider knew of the claim and knew that the                 |
| 26 | claim related to employment.   |
| 27 | (i) A provider whose bill has been denied or reduced by                            |
| 28 | the employer may file an appeal with the board within 60 days after                |
| 29 | receiving notice of the denial or reduction. A provider who fails to file          |
|    |  |
| 30 | an appeal of a denial or reduction of a bill within the 60-day period              |

- \* Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to read:
- 3 APPLICABILITY. AS 23.30.097(a), as amended by sec. 1 of this Act, and
- 4 AS 23.30.097(h) and 23.30.097(i), added by sec. 2 of this Act, apply to fees and charges for
- 5 medical treatment and services rendered before, on, or after the effective date of this Act.
- \* Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to read:
- 8 TRANSITIONAL PROVISIONS. (a) Notwithstanding AS 23.30.097(h), added by sec. 2 of this Act, a provider may submit bills for services rendered before the effective date of this Act within 180 days after the effective date of the Act.
- 11 (b) Notwithstanding AS 23.30.097(i), added by sec. 2 of this Act, a provider may 12 appeal an employer's denial or reduction of a bill denied or reduced before the effective date 13 of this Act if the appeal is filed within 60 days after the effective date of this Act.
- \* Sec. 5. The uncodified law of the State of Alaska is amended by adding a new section to read:
- RETROACTIVITY. AS 23.30.097(a), as amended by sec. 1 of this Act, and AS 23.30.097(h) and (i), added by sec. 2 of this Act, are retroactive.
- \* **Sec. 6.** This Act takes effect immediately under AS 01.10.070(c).