Retiree Health Plan Advisory Board
Modernization Committee
Meeting Agenda

Date: Tuesday, April 21, 2026
Time: 1:30 pm – 3:00 pm
Location: Join the meeting now | ANC Atwood 19th Floor
Telephone Only: +1 907-202-7104, 924 334 723#
Committee Members: Paula Harrison, Mike Humphrey, Jennifer Mannix

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1:30 pm Call to Order
- Roll Call and Introductions
- Approval of Agenda
- Ethics Disclosure

1:35 pm Public Comment

1:40 pm Modernization Topics/Priorities
- Division Updates on ongoing Requests for Proposals (RFPs):
  - Pharmacy Benefit Manager RFP
  - Oncology Support RFP
  - Voluntary Supplemental Benefits RFP
  - Political Subdivision Group Health Insurance RFP
- Modernization Topics
  - RHPAB Modernization List
  - RPEA Letter

2:50 pm Public Comment

3:00 pm Wrap up/Adjourn

DRAFT

AlaskaCare Retiree Health Plan Modernization Topics*

1. Active Topics

Proposal Number	Plan	Title	RHPAB Priority	Division Priority	Level Of Effort	Proposal/ Actuarial
R***	Medical	Behavioral/Mental Health Program Offerings		L	M	-
R* **	**Medical**	**Oncology Support Services**		**H**	**M**	**-**
R***	Medical	Rehabilitative Care/Licensed Massage Therapists		L	M-H	-
R***	Multiple	Chronic Disease Management Program(s)		M	H	-
R***	DVA	Standard DVA Plan audio benefits		L	M	-
R***	Medical	Members Not Eligible for Medicare Part A		H	H	-
R***	Pharmacy	Weight Loss and Diabetes prescription cost		M	M-H	-
R***	Medical	Dependent coverage to age 26		M	H	-

**P=draft proposal available, A=actuarial analysis available*

*Topics are subject to change as the proposals evolve through additional analysis, committee guidance and discussion.

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AlaskaCare Retiree Health Plan Modernization Topics*

2. Pended Topics

Proposal #	Plan	Description
R002	Medical	Network Incentive: 70% out-of-network and 90% in-network
R003	Medical	Increase deductible, out-of-pocket maximum
R004	Medical	In-network enhanced clinical review of high-tech imaging and testing
R005	Medical	OON reimbursement as % of Medicare
R006	Medical	Expanded Telehealth Services
R010	Rx	Drugs with over the counter (OTC) equivalents
R011	Rx	Implement high-value pharmacy network with lower copays for chronic meds, medical synchronization, counseling, and packaging options for participating members.
R013	DVA & Medical	Consider expanding coverage for implants related to periodontal disease under the medical plan and/or under the dental plan
R014	Rx	3 tier pharmacy benefit; review oon benefits
R015	Rx	Limit compound coverage to high-quality, narrow network of pharmacies
R017	Medical	Copayment for primary care
R018		Plan Housekeeping/Review (ex., clarify reimbursement policies for surgical assistants, DVA standalone booklet)
R028	Medical	Pacific Health Coalition Membership
R012	Medical	Lifestyle/Wellness Programs
R025	Medical	Medicare Advantage

3. Completed Topics

Proposal #	Plan	Description	Effective Date
R001	Medical	Add supplemental non-emergent surgery and travel benefits	01/01/2025
R007	Medical	Expand preventive coverage to add full suite of preventive services	01/01/2022
R008	Medical	Raise or eliminate lifetime maximum benefit	01/01/2024
R009c	Medical	Add acupuncture and licensed acupuncturists	01/01/2025
R016	Medical	Add medically necessary treatment of gender dysphoria including surgery – *public comment proposal*	01/01/2021
R020	Rx	Add prior authorizations for certain specialty medications	01/01/2022
R022	Medical/ Rx	GCIT designated network benefits	01/01/2023
R023	Medical	Remove penalty for failure to precertify certain services	01/01/2023
R024	DVA	Standard DVA Plan dental preventive first and annual max	01/01/2025
R026	DVA	Standard DVA Plan Vision benefit and network addition	01/01/2025
R027	Medical	Add virtual physical therapy and musculoskeletal care program	01/01/2025
		Lantern deferred deductible	01/01/2025
R029	Medical	Breast imaging in-network cost share adjustment	01/01/2025
R032	Medical	Colonoscopy in-network cost share adjustment	01/01/2026
R030	Dental	Standard Dental Plan benefit enhancements	01/01/2026
R031	Medical	Foreign ambulance services	01/01/2026
R034	Medical	Teladoc	01/01/2026

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January 23, 2026

Chris Murray, Acting Deputy Director and Chief Health Administrator
Division of Retirement and Benefits
P. O. Box 110203
Juneau, AK 99811—0203

Current Members
Retiree Health Plan Advisory Board (RHPAB)
P. O. Box 110203
Juneau, AK 99811—0203

Dear Mr. Murray and RHPAB Members:

The Executive Board of the Retired Public Employees of Alaska (RPEA) understands that the Retiree Health Plan Advisory Board (RHPAB) will meet soon, in part to discuss the prioritization of the many retiree health plan (Plan) modernization topics that the Alaska Division of Retirement and Benefits (Division or DRB), in coordination with the RHPAB Modernization Subcommittee and the RHPAB itself, has introduced since 2020.

As the Division and the RHPAB, together with its Modernization Subcommittee, undertake in 2026 the continuing work of establishing Plan priorities, the RPEA respectfully submits the requests presented below on topics that it believes should be addressed as a part of any discussion around updating Plan benefits, to be prioritized along with those topics already identified by the DRB and the RHPAB.

1. Plan Booklet Section 3.1.4. Recognized Charge

   RPEA asks that DRB review what AlaskaCare / Aetna presently uses / recognizes as the current posted charge for each medical service (the "recognized charge"). We are concerned that deficient contributions to the Fair Health database for Alaska have resulted in the ongoing use of stale and derived recognized charge data from Fair Health. Please confirm that AlaskaCare third-party administrators (TPAs) regularly provide data to Fair Health, and that Aetna uses the most current information from Fair Health when determining the recognized charge for services.

2. Remedy Plan Booklet Section 3.1.7 Effect of Medicare on the Retiree 'Special Population' and Address Fair Coverage

As you know, there exists a "special population" of 65 and older AlaskaCare retiree members who worked decades for the State of Alaska – or any of the other many public entities in Alaska – but who are not eligible for premium-free Medicare Part A.

Recent information informally shared by the DRB indicates that there are more than 400 members in this population. While this is not a substantial number of Plan members, for that very reason we believe the low numbers together with the criticality of their situation, mandates immediate attention.

Historically, with little guidance from the Plan Booklet, those who are a part of this "special population" looked to DRB interpretations to understand their coverage. The DRB Publication "Medicare Parts A & B and the AlaskaCare," dated **June 2007**, stated:

> If you are not eligible for Part A, Social Security will send you a letter confirming that. You must send a copy of that letter to the claims administrator. AlaskaCare will then continue to pay for Part A services *just as it did* before you turned aged 65 (emphasis added).

DRB's latest Medicare Overview (on the current DRB Website) continues to say AlaskaCare will pay *as primary* for Part A services, just as it did before age 65:

> https://drb.alaska.gov/retiree/healthplans.html#medicareOverview states, in part:
>
> If you are a Defined Benefit member and you are not provided with premium-free Medicare Part A, **you will not be required to enroll in Part A,** but you must submit a copy of your decision letter from Social Security to the AlaskaCare medical claims administrator and to the Division of Retirement and Benefits, and **AlaskaCare will continue to pay as your primary plan for Part A services received under your Defined Benefit Retiree Health Plan.** (Emphasis added.)

Given the similarity of these instructions, we must ask: why are retirees in this unfortunate group being treated differently? As the Division is aware, AlaskaCare is *not* paying these AlaskaCare members "just as it did" before a person turned 65: it is treating them differently and putting them in a "special population."

This population deserves what has been represented. Manual collection of the precise number involved in this special population should not be difficult and explicit clarification in the Plan Booklet of their coverage is required. It is our understanding that Aetna processes claims for this "special population" under a plan or network called "CMED." What is this CMED and why is Aetna using a different plan or network other than the AlaskaCare Retiree Plan? RPEA requests a copy of the CMED plan/network booklet apparently being used to handle the Part A claims of this AlaskaCare population.

As you know, the DRB has recognized for some time the harsh consequences to this group of retirees and in 2014 sought to rectify them. Mike Barnhill, then Commissioner of Department of Administration, drafted this language at that time:

> Effective [_____], if you submit a copy of a letter to you from Medicare certifying that neither you nor your spouse are eligible for premium-free Medicare Part A, the Division will reimburse you for 100% of the premium charged by Medicare and paid by you for Part A coverage.

Another remedy could be to direct administration of their inpatient claims as though they were under-65 AlaskaCare insureds. Other possible remedies may well be found as a result of the DRB and the RHPAB working in consultation.

Clearly the unfairness to this "special population" has been on the radar of the Division since at least 2014. It is unfair to make the needs of this "special population" wait years for a functioning BEARS system to measure and address the coverage needs of this group. Indeed, another consequence of treating these Plan members differently is that there currently is no limit on their out-of-pocket expenses, as mandated in Section 3.1.3 of the AlaskaCare Retiree Plan Booklet for other AlaskaCare participants.

RPEA requests that the DRB take steps to develop a plan to address this 'special population' and present it to the RHPAB for consideration during this current year.

3. Add Licensed Massage Therapists as Qualified Providers in Plan Booklet Section 3.3.3

The original Retiree Health Plan adopted Section 3.3.3 defining the 'qualified providers' who can provide and bill for services. At the time, these were providers licensed by the State and who could bill for services.

Since that date, the State of Alaska instituted professional licensing of Acupuncturists and Massage Therapists. Acupuncture and Massage Services were always covered in the Plan. Prior to being licensed, Acupuncturists or Massage Therapists typically billed their services through a Section 3.3.3 'qualified provider'. Since becoming licensed, many of these professionals no longer utilize Section 3.3.3 providers to bill for their services; they bill the retiree directly.

In 2025, licensed acupuncturists were added as qualified providers in Section 3.3.3. As a result, Plan members now have access to acupuncture services not previously available because the Plan did not recognize licensed acupuncturists, and the original list of Section 3.3.3 providers were not generally providers of acupuncture services.

This is also true today of massage therapists. Prior to their being licensed by the State of Alaska, these providers were often co-located with a Section 3.3.3 provider and billed through / under the license of that provider. After massage therapists became licensed, many of them halted using Section 3.3.3 providers to gain access to billing for their services and they now bill the Plan directly.

However, unlike the now-recognized acupuncturists, under the current Plan, retirees are presently denied access to massage therapy services from massage therapists who do not work for or under the license of another recognized Section 3.3.3 provider. From our perspective, this essentially means that because massage therapists are not recognized as 'qualified providers' under the Plan, AlaskaCare members are being denied medically necessary services.

Section 3.3.3 should be immediately amended to add massage therapists as qualified providers for the same reason acupuncturists were added. It is nonsensical and a de facto denial of medically necessary massage services when the current Plan covers massage therapy services when billed under the license of a recognized provider who is NOT a professional licensed massage therapist but deny that same service if it is billed directly to the Plan by a State-licensed massage therapist professional.

Two different scenarios illustrate this point:

> One member was referred to Orthopedic Physicians of Alaska (OPA) by a physician for massage therapy. The licensed massage therapist at OPA billed Aetna directly under his license. The service was not covered because that licensed provider is not listed in Section 3.3.3, though the member was referred to a reputable entity for treatment and the treatment itself is covered by the Plan.
>
> Second scenario: One member was referred to a chiropractor who contracts with a massage therapist co-located in his office. The chiropractor bills for those services and the identical services are covered because the chiropractor happens to be is listed as a qualified provider in section 3.3.3.

Massage is a service always covered by the Plan. Members should not be placed in this rather existential situation, made vulnerable by the fact that the Plan now has a disconnect between which providers were first listed as qualified to be licensed in the State of Alaska at the Plan's inception and which providers have subsequently been recognized and licensed by the State in the face of – and for the sake of – responsible, quality, and safe practices.

In fairness to members, that disconnect must be remedied. It is entirely out of synch with other major market plans – most notably, the AlaskaCare Active employee plan, which counts licensed massage therapists as qualified providers. It is critical that Massage Therapists be added as qualified providers in Section 3.3.3 to conform the plan to current medical practice standards and billing procedures.

4. Globally Address Plan Booklet Section 3.3.18 Travel

RPEA asks that the admittedly rather complex issue of travel be globally addressed by the DRB and the RHPAB. We recognize that it is complex because travel both in-state and out-of-state contributes to the constraint on people seeking to live and work here in Alaska, especially as they age. Travel is both expensive and time consuming for Alaskans who live, work, and retire in Alaska.

Many retirees living in outlying areas of the state are required to use the AlaskaCare travel benefit to access medical and surgical care in more urban Alaska locations, or outside the state. As the DRB knows, necessary medical care even for more urban-based retirees is often referred to medical providers and facilities outside Alaska.

The RPEA firmly believes the present travel benefit is insufficient. For example, it does not cover the travel associated with diagnostic services, services which are often as critical as treatment. Further, we do not believe that travel should require precertification, as it is not a medical service or supply. Finally, there is no benefit for the travel or lodging of an accompanying adult to assist the Plan beneficiary with the logistics associated with sometimes major medical and surgical treatments away from home.

In addition, we must mention again that for those rural Alaskans dependent on the Alaska Ferry System to access medical care, the travel benefit covers the cost of ferry travel for the retiree only and does not also cover the cost of the member's vehicle. A good example of the need to reconcile Plan travel policies: when the Alaska State ferry drops members in Whittier or Valdez, travel from the ferry dock to the nearest medical care facility or doctor's office requires a motor vehicle.

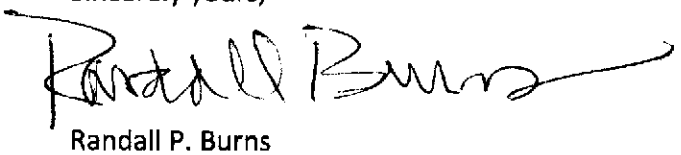
5. Full Plan Booklet Review

   The RPEA believes that a wholistic review and redraft of the Plan booklet is necessary to coordinate the many amendments since 2003 and to integrate all terms consistently within and across the entire document.

Finally, the RPEA is concerned that changes to the 2026 preauthorization requirement for GLP-1 drugs was not discussed with the RHPAB before it was put into effect. We believe these types of changes should go through the public process as outlined in 2 AAC 39.390 and discussed with the RHPAB prior to being implemented.

In closing, the RPEA thanks the Division and the RHPAB and its members for considering these suggestions. We look forward to working collaboratively to assure Plan changes keep step with the ever-changing nature of the health / medical care field while also mindful of the limits of our health trust, which – at least for the moment – appears not to be a significant issue.

Sincerely yours,



Randall P. Burns
President
Retired Public Employees of Alaska

cc: RPEA Executive Board
Members, RPEA Health Benefit Committee
RPEA Membership