

Retiree Health Plan Advisory Board Meeting Agenda

Date: Thursday, May 7, 2026
Time: 1:30 pm – 3:30 pm
Location: [Join the meeting now](#) | ANC Atwood 19th Floor
Telephone Only: [+1 907-202-7104, 342 396 474#](#)
Board Members: Dallas Hargrave, Lorne Bretz, Paula Harrison, Michael Humphrey, Donna White

- 1:30 pm** **Call to Order**
- Roll Call and Introductions
 - Approval of Agenda and Minutes
 - Ethics Disclosure and Public Comment
- 1:35 pm** **Public Comment**
- 1:40 pm** **Division Updates/ Modernization Topics**
- RFPs – Upcoming or in progress
 - Pharmacy Benefit Manager
 - Oncology Support Program
 - Voluntary Supplemental Benefits
 - Political Subdivision Group Health Insurance
 - Long-Term Care
 - Delta Dental Out-of-Network Methodology
 - Follow-up items
 - RHPAB Requests
 - FAIR Health overview
 - Oncology denials
 - LTC from a relative who is a licensed healthcare professional
 - Modernization Committee Topics
 - Licensed LMTs
 - Travel
 - Members not eligible for Medicare Part A
 - RHPAB Meeting Dates for fall
 - October 29, 2026 to align with quarterly TPA meeting; or
 - November 5, 2026 to align with standard timeframe
- 3:20 pm** **Public Comment**
- 3:30 pm** **Wrap up/Adjourn**

AlaskaCare Retiree Health Plan Advisory Board Meeting Minutes

Thursday, February 12, 2026

Board Members		DRB		Guests	
Lorne Bretz	P	Chris Murray	P	Randall Burns	P
Dallas Hargrave	P	Ronan Tagsip	P	Wendy Woolf	P
Paula Harrison	P	Liz Hawkins	P	Sharon Hoffbeck	P
Michael Humphrey	P	Marie Speegle	P	Richard Ward (Segal)	P
Donna White	P	Clara Roomsburg	P	Quentin Gunn (Segal)	P
		Erin Russell	P	Tanya Sun (Segal)	P
		Erika Burkhouse	P	Stacy Carmichael (Delta Dental)	P
				Alex Van Dyke (Delta Dental)	P
				Teri Barichello (Delta Dental)	P
				Alex Vanos (Delta Dental)	P
				Matthew Cozine (Delta Dental)	P

Call to Order

Chris Murray called the meeting to order at 1:33 p.m. and announced that a Board Chair and Vice Chair needed to be named in the business portion of the meeting. Mr. Murray asked if the RHPAB should move straight into RHPAB business or if there should first be roll call, introductions, approval of the agenda, etc.

Donna White noted that she was traveling and had sporadic cell service and wished to select the Chair and Vice Chair.

Mr. Murray suggested first doing public comment, then addressing RHPAB business, and then doing roll call, etc., and the Board agreed.

Public Comment

Randall Burns, President of Retired Public Employees of Alaska, thanked Division staff for working with the Northern Region Executive Vice President to support the Long-Term Care Workshop last week. The RPEA was restructuring its oversight of the Retiree Health Plan as an advocacy role. The Director of the Health Benefits Committee was on the Executive Board. To balance the advocacy workload, the RPEA suggested changes to the management of the Committee. Cammy Taylor and Stephanie Rhoades served as co-chairs of the Health Benefits Committee. Mr. Burns requested an update on the Pharmacy Benefit Manager RFP and asked if the Oncology RFP was released and if the Department of Law addressed the issue of licensed healthcare workers who were family members providing care to AlaskaCare members with long-term care insurance. On behalf of the RPEA, Mr. Burns thanked Division staff and RHPAB members for their work.

RHPAB Business

Liz Hawkins created a breakout room for RHPAB members to privately discuss and select a RHPAB Chair and Vice Chair and a Modernization Committee member for the RPEA's designated seat. Ms. Hawkins requested that members of the public vacate the room in Anchorage until after the RHPAB discussion.

Dallas Hargrave inquired if any Division staff should be invited in the executive session.

The Board did not consider it necessary, but Division staff could be invited in at a later time if needed.

The Board went into and then returned from executive session.

Motion by Paula Harrison to nominate Dallas Hargrave as Chair, Michael Humphrey as Vice Chair, and Jennifer Mannix as the RPEA representative for the Modernization Committee.

Second by Michael Humphrey.

Result: Motion passed without objections.

Roll Call

Chair Dallas Hargrave called roll and declared that Vice Chair Michael Humphrey, Lorne Bretz, and Paula Harrison were present. Donna White was probably transferring back to the meeting because she had been on the call at the beginning of the meeting and had been in the executive session.

Liz Hawkins noted that Donna White might not rejoin the meeting as it appeared that she was having connection difficulties.

Chris Murray, Acting Deputy Director of Health in the Division of Retirement Benefits and Chief Health Official; Erin Russell, AlaskaCare Eligibility Manager; Marie Speegle, Operations Program Coordinator; Ronan Tagsip, Health Operations Program Manager; Erika Burkhouse, Vendor Manager; Clara Roomsburg, AlaskaCare Policy Program Coordinator; and Liz Hawkins, Policy Program Coordinator introduced themselves.

The Segal team introduced themselves – Team Leader for Consultants and Actuaries working with AlaskaCare Richard Ward and Senior Consultant Quentin Gunn. VP and Health Actuary Tanya Sun was in attendance but was having technical difficulties.

Approval of Meeting Agenda and Minutes

The agenda displayed on the shared screen was approved.

The minutes from the last meeting were adopted.

Division Updates/Modernization Topics

Chris Murray suggested that Delta Dental discuss out-of-network methodology before the Board addressed the RFPs, and there were no objections. There had been internal discussions concerning potential changes in an out-of-network reimbursement methodology for dental services. Mr. Murray explained why it was being considered. There was a Segal memo in the packet addressing the potential to change the methodology.

Delta Dental Account Executive Alex Van Dyke introduced the team – VP and Chief Dental Officer Dr. Teri Barichello, VP of Sales and Service Stacy Carmichael, and Alex Vanos and Matt Cosine from the Actuary Department.

Stacy Carmichael provided a presentation, which had been presented to the State in early November 2025. There were 2 networks – the PPO network and the Premier network. The PPO network was a subset of the Premier providers who agreed to a significantly lower rate. The Premier network was the largest network throughout the United States. Both networks had balanced billing protection. Ms. Carmichael described the current out-of-network pricing methodology. The focus was on the retiree standard plan. The proposal did not include the legacy plan. Ms. Carmichael referenced FAIR Health, which was a nonprofit striving to bring transparency to healthcare costs and insurance information. The proposed out-of-network pricing methodology would align the State more closely to the Delta Dental fee structure, which reflected reasonable and customary charges within the industry, and it would create additional incentive for providers to contract with Delta Dental, which could enhance network access. There would be cost savings that could benefit the plan. If such a change was implemented, out-of-network costs would potentially increase.

Vice Chair Michael Humphrey queried how many in-network people were in the 995 and 997 zip codes and the percentage of claims processing out of network.

Ms. Carmichael would provide that information by zip codes or boroughs and rural communities at a later date.

Mr. Murray emphasized that this would be for the standard plan only. There would be no changes to the legacy plan. The Division was in the early stages of considering this and would consider it for the active employee plan as well. The DVA plan was 100-percent funded by retirees, and the change could represent an offset in premiums of \$1 to \$4, but consideration should be given to the impact for those who might get balance billed extra. There were network providers available in many of the rural areas where employees were choosing non-network providers, so it seemed to be a matter of choice as opposed to necessity.

Vice Chair Michael Humphrey noted that age distribution was an issue, and he was uncomfortable shifting that much cost to retirees.

Ms. Carmichael responded that communication would be a critical component to help folks understand and make a choice.

Paula Harrison agreed with Vice Chair Michael Humphrey.

Richard Ward commented there should be a balanced consideration of cost impact and access at the individual and plan levels. It was a policy decision whether the premium for everyone would cover the higher out-of-pocket reimbursements for a portion of the membership.

Mr. Murray voiced that as soon as Delta Dental provided information related to this meeting's feedback it would be distributed to RHPAB members. Mr. Murray advanced the conversation to the RFPs. The

Division has many RFPs, which are time-consuming. The Pharmacy Benefit Manager RFP is a big undertaking, and bids have been received, which Procurement and Segal are assessing. There have been some process-related and procedural delays. Because the contract is complicated, everyone is being abundantly cautious to ensure that everything goes according to plan, so the review is taking more time than desired. Everything was in progress, and there is a plan to have the new contract in place on January 1, 2027, but implementation may take a few more weeks because of procedural delays that had occurred primarily on the procurement side.

Ms. Harrison questioned if Senate Bill 134 (Senator Cathy Giessel's legislation) would affect the public sector or only the private sector.

Mr. Murray was not aware that Senator Giessel had a PBM bill out this year, but he would review it.

Mr. Ward stated that every change could not be anticipated, but the RFP was written with potential future legislation requirements in mind. It was written to require that the PBM, if necessary, comply with State law to renegotiate terms on a cost-neutral or better basis to provide the State and the PBM flexibility should there be legislation changing the requirements of the contract.

Ms. Harrison encouraged all to read the legislation.

Mr. Murray glanced at the bill and believed it addressed a requirement to license PBMs, but he would review it in more detail. Mr. Murray advanced the conversation to the Oncology Support Program. The RFP process had begun, and The Division was working on the most recent draft, although it was a lower priority than the PBM RFP. Procurement needed to be reviewed by the Law team, and Office of Information Technology reviews needed to be done. It should proceed smoothly. This program did not need to sync up with plan years and could be stood up midyear, but the intent was to do it ASAP.

Marie Speegle added that the team was addressing Draft 3.

Vice Chair Michael Humphrey thought it was a wonderful idea.

Mr. Murray addressed the Voluntary Supplemental Benefits RFP, which concerned supplemental life insurance plans. The contract will expire December 31, 2026, so there would be a new contract in place as of January 1, 2027. The Division was in the beginning stages of working on it, and it was a much less complicated RFP process than the PBM. In addition, The Division was in the process of working on an RFP for the Political Subdivision Group Health Insurance, which was not particularly relevant to retirees. It would expire June 30, 2027, but the Division was in the beginning stages of drafting it, and there would be an updated timeline later in the year.

Vice Chair Michael Humphrey asked if the Voluntary Supplemental Benefits was only life insurance.

Mr. Murray answered that for retirees the Voluntary Supplemental Benefits was only life insurance, but there were other options for employees. Mr. Murray addressed quarterly vendor meetings. The Division had internally discussed ways to improve the structure to better meet stakeholder needs and

questioned whether there should be changes in structure, timing, or cadence and if the RHPAB found some information to be unnecessary and/or if there should be more of a focus on certain topics.

Vice Chair Michael Humphrey would think about ways to improve the quarterly vendor meetings.

Mr. Murray requested that the Board share any thoughts at future RHPAB meetings or via email. Mr. Murray addressed modernization topics and shared a slide showing past topics. RPEA had submitted a letter listing priorities for the Board to consider. Mr. Murray asked RHPAB what should be prioritized throughout the year. As there was much RFP work taking place, the Division would probably not be able to move as quickly as they had in recent years.

Vice Chair Michael Humphrey mentioned Teladoc and behavioral health, and the latest information indicated that most behavioral health happened via telephone. Oncology support was being addressed. Massage therapist was a big issue for retirees, and there should be a discussion as it did not appear that it would work effectively in the retiree plan. Disease management programs did not work. The Medicare Part A issue needed to be solved. Weight loss and diabetic prescriptions were popular, and reducing weight would probably eliminate knee and back surgeries and provide enjoyment of life. Vice Chair Michael Humphrey inquired if retirees had an interest in dependents over the age of 26.

Mr. Murray did not know if retirees had an interest in dependents over the age of 26. Mr. Murray had not heard much about it from retirees, although it was not considered a concern. The cost of doing so would be negligible, but it was administratively burdensome for The Division and for members. If dependent coverage was extended to only age 26, all those issues would be eliminated.

Vice Chair Michael Humphrey queried what the cost estimate would be if dependent coverage was extended to only age 26.

Mr. Murray stated the Division had considered the cost, although he did not have that information at the meeting, but the cost was fairly negligible compared to the overall plan spend.

Chair Dallas Hargrave questioned what percentage of the population on the retiree plan had a dependent under 26.

Mr. Murray had that information, but it was not available at the meeting.

Richard Ward anticipated there would be approximately 1,700 to 1,800 additional child dependents. They would be non-Medicare eligible. If eligible for Medicare, they would be disabled and likely on the plan. Last year, the annual projected increase was about \$16M on a \$900M baseline, which was a little less than 2 percent. With the Delta Dental analysis, there could be a bump dollar-wise, but it was not expected to be much of a difference in the percentage. If considered for the DVA Plan, it was anticipated there would be a total increase in cost of about \$950K to \$1M, but it was expected that some retirees would move up to higher tiers, so it would result in higher premiums, but it would not offset the costs completely, so it could cost an additional \$100K or so.

Mr. Bretz recommended that RHPAB stop trying to find new ways to spend money. If there was a desire to spend more, he suggested looking at existing coverage to see where it was lacking, such as oncology.

Vice Chair Michael Humphrey requested that Segal provide a presentation on FAIR Health and the relevant Alaska data. Travel for surgery, etc., was important to retirees.

Mr. Murray asked if the Board could prioritize 2 or 3 of the suggestions for The Division to closely look at this year.

The Board would try to prioritize 2 or 3 of the suggestions for The Division.

Chair Dallas Hargrave wanted to know what priorities were important to The Division.

Mr. Murray would provide the RHPAB with The Division's priorities at a later date. The Division was willing to add RHPAB's priorities to the list. The Division's top priority was the RFPs.

Mr. Bretz requested there be a focus on oncology support services and denials, and he envisioned going through the EOBs to review the denials.

Mr. Murray stated that could be done if the Board wanted to move in that direction. The Division would provide its priority list to RHPAB early next week for review. Mr. Murray suggested that the Board provide the Division with the Board's highest priorities, which would help The Division direct its efforts, especially since limited bandwidth was available as the RFP processes were being worked through. The Division was considering the next Modernization Subcommittee meeting being in April or May and asked if the Board had a preference. Upcoming RHPAB meetings were scheduled for May 7, August 6, and October 29, 2026.

Chair Dallas Hargrave asked who was on the Modernization Subcommittee.

Ms. Harrison would be out of town May 7 and would not be able to call in.

Vice Chair Michael Humphrey preferred afternoon RHPAB meetings.

Liz Hawkins would send options for afternoon RHPAB meetings. If there should not be a quorum on May 7, the meeting would need to be rescheduled. The Modernization Subcommittee consisted of Michael Humphrey, Mauri Long, Jennifer Mannix, and Paula Harrison.

Mr. Murray noted that with the unfortunate passing of July Salo, the Modernization Subcommittee needed another member. Mr. Murray would send out suggestions for Modernization Subcommittee meeting dates and times.

Chair Dallas Hargrave inquired if there was new information from the Law Department on licensed healthcare workers being family members.

Mr. Murray would prioritize following up with the Law Department concerning licensed healthcare workers being family members and request an answer ASAP.

Public Comment

Wendy Woolf, RPEA Executive Board Member, encouraged the Division to set up the Modernization Subcommittee meeting prior to the next RHPAB meeting. The RPEA had sent a letter outlining its priorities and hoped that the Division would review it. It was important that the Division address massage therapists and the special population. Mauri Long was no longer on the Committee, so her name should be removed from the list. RPEA hoped the Modernization Committee would discuss the issues raised by RPEA.

Wrap Up/Adjourn

Chair Dallas Hargrave adjourned the meeting.



State of Alaska - Retirees Out of Network Pricing Alternative



© 2024 Oregon Dental Service. All rights reserved. This information is proprietary and may not be reproduced in whole or in part without the prior written consent of an authorized representative of Delta Dental of Oregon and Alaska.



Delta Dental **PPO**[™] Network

bigger savings

The Delta Dental PPO[™] Network offers these dental plans:
Delta Dental EPO • Delta Dental PPO
Delta Dental PPO MAC



 Lowest cost!

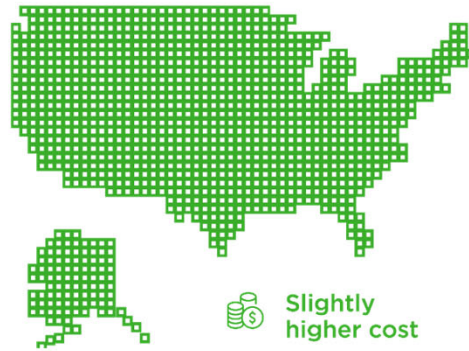
 Large network of dentists

OR

Delta Dental **Premier**[®] Network

more choice

The Delta Dental Premier[®] Network offers this dental plan:
Delta Dental Premier 1000



 Slightly higher cost

 Largest dental network in Oregon

- The Delta Dental Premier[®] Network provides members with access to 153,000 unique providers nationally in 424,000 national access points
- Through the Delta Dental PPO[™] Network, provides members with access to over 116,000 unique providers nationally in 362,000 national access points



Out of Network Pricing - Retirees

- Retirees (Group 1001459) Standard plan – 75% of the 80th percentile of Fair Health (except for Endodontic within the state of Alaska is 100% of the 80th percentile).
- Retirees (Group 1001459) Legacy Plan - 100% of the 90th percentile of Fair Health. *(this plan was not included in the proposal).*



Out of Network Pricing – Proposed for 2027 Delta Dental Standard

- Non-participating fee schedule
- Discounted from Fair Health arrangement (that is in place today)



© 2024 Oregon Dental Service. All rights reserved. This information is proprietary and may not be reproduced in whole or in part without the prior written consent of an authorized representative of Delta Dental.

Savings Analysis

Spend by Plan	Total Spend	Discounted Savings w/ new OON pricing	Net Savings, Percentage of Total Spend
State of Alaska Retiree (Standard plan only)	\$ 23,778,505	\$ 1,060,000	4.5%



Savings Analysis within Alaska – Retiree (Standard)

Alaska by Zip Code	Total Spend	Savings	
995	\$ 6,475,586	\$ 197,000	3.0%
996	\$ 4,635,414	\$ 71,000	1.5%
997	\$ 2,135,310	\$ 105,000	4.9%
998	\$ 2,428,939	\$ 61,000	2.5%
999	\$ 362,110	\$ 16,000	4.4%
Outside of Alaska	\$ 7,741,145	\$ 606,000	7.8%
Total	\$ 23,778,505	\$ 1,056,000	4.4%



© 2024 Oregon Dental Service. All rights reserved. This information is proprietary and may not be reproduced in whole or in part without the prior written consent of an authorized representative of Delta Dental of Oregon and Alaska.

Strategy/Next Steps



© 2024 Oregon Dental Service. All rights reserved. This information is proprietary and may not be reproduced in whole or in part without the prior written consent of an authorized representative of Delta Dental of Oregon and Alaska.

Recruitment Efforts, Strategy

- Prioritized based upon SoA out of network utilization.
- Targets include:
 - Juneau
 - Anchorage/Mat-Su Valley
 - Specialty providers



© 2024 Oregon Dental Service. All rights reserved. This information is proprietary and may not be reproduced in whole or in part without the prior written consent of an authorized representative of Delta Dental of Oregon and Alaska.

Thank you



© 2024 Oregon Dental Service. All rights reserved. This information is proprietary and may not be reproduced in whole or in part without the prior written consent of an authorized representative of Delta Dental of Oregon and Alaska.

Delta Dental – Out-of-Network Pricing Alternative: Follow-up Items

Density of Network Providers in Ketchikan								
Network	Endodontist	General Practitioner	Orthodontist	Oral Surgeon	Pediatric Dentist	Periodontist	Prosthodontist	Total
Premier	0	10	0	2	4	0	0	16
PPO	0	3	0	0	0	0	0	3

Outreach Strategy

Claims-Based Targeting: DDAK will analyze out-of-network claims within the State of Alaska plans to identify high-volume providers and prioritize those providers in outreach for contracting (in person meetings included)

PPO Network Expansion: DDAK will focus on providers that represent the greatest opportunity to enhance adequacy and improve member access.

Regional Prioritization: By identifying geographic areas with high utilization and limited network availability, we can direct our contracting efforts where they will have the most impact.

Delta Dental Out-of-Network Pricing Alternative - Claim Examples

Current OON pricing:						
Code	Charged amount	Allowed Fee	Deductible	Coinsurance	Benefit	Total Patient responsibility
D0120- Exam	\$100.00	\$71.25	\$0.00	\$0.00	\$71.25	\$28.75
D0274- Bitewing X-rays	\$100.00	\$82.67	\$0.00	\$0.00	\$82.67	\$17.33
D1110- Prophylaxis	\$200.00	\$136.52	\$0.00	\$0.00	\$136.52	\$63.48
D2740- Crown Porcelain	\$2,000.00	\$1,506.18	\$50.00	\$728.09	\$728.09	\$1,271.91
D2750- Crown Porcelain fused to high noble metal	\$2,000.00	\$1,505.51	\$50.00	\$727.75	\$727.75	\$1,272.25
D2790- Crown High noble metal	\$2,000.00	\$1,452.83	\$50.00	\$701.41	\$701.41	\$1,298.59
D2950- Build up	\$500.00	\$354.15	\$50.00	\$60.83	\$243.32	\$256.68
D3310- Root Canal Anterior	\$1,200.00	\$1,001.96	\$50.00	\$190.39	\$761.57	\$438.43
D3320- Root Canal Bicuspid	\$1,500.00	\$1,241.32	\$50.00	\$238.26	\$953.06	\$546.94
D3330- Root Canal Molar	\$1,800.00	\$1,522.58	\$50.00	\$294.52	\$1,178.06	\$621.94

Proposed OON pricing methodology:						
Code	Charged amount	Allowed Fee	Deductible	Coinsurance	Benefit	Total Patient responsibility
D0120- Exam	\$100.00	\$72	\$0.00	\$0.00	\$72.00	\$28.00
D0274- Bitewing X-rays	\$100.00	\$82	\$0.00	\$0.00	\$82.00	\$18.00
D1110- Prophylaxis	\$200.00	\$119	\$0.00	\$0.00	\$119.00	\$81.00
D2740- Crown Porcelain	\$2,000.00	\$1,277	\$50.00	\$613.50	\$613.50	\$1,386.50
D2750- Crown Porcelain fused to high noble metal	\$2,000.00	\$1,223	\$50.00	\$586.50	\$586.50	\$1,413.50
D2790- Crown High noble metal	\$2,000.00	\$1,259	\$50.00	\$604.50	\$604.50	\$1,395.50
D2950- Build up	\$500.00	\$311	\$50.00	\$52.20	\$208.80	\$291.20
D3310- Root Canal Anterior	\$1,200.00	\$852	\$50.00	\$160.40	\$641.60	\$558.40
D3320- Root Canal Bicuspid	\$1,500.00	\$977	\$50.00	\$185.40	\$741.60	\$758.40
D3330- Root Canal Molar	\$1,800.00	\$1,194	\$50.00	\$228.80	\$915.20	\$884.80

Network: PPO									
County	Zip Codes	Endodontist	General Practitioner	Orthodontist	Oral Surgeon	Pediatric Dentist	Periodontist	Prosthodontist	Total
ANCHORAGE	99501–99524, 99529–99530, 99599	0	304	0	5	19	0	0	328
CHUGACH	99574, 99677, 99693, 99574, 99677	0	2	0	0	0	0	0	2
FAIRBANKS NORTH STAR	99701, 99702, 99703, 99705, 99706, 99707, 99708, 99709, 99710, 99711, 99712, 99714, 99716, 99725, 99767, 99775	0	28	0	0	2	0	1	31
JUNEAU	99801, 99802, 99803, 99811, 99821, 99824	0	4	0	0	1	0	0	5
KENAI PENINSULA	99556, 99568, 99572, 99603, 99605, 99610, 99611, 99631, 99635, 99639, 99663, 99664, 99669, 99672, 99682	0	14	0	0	2	0	0	16
KETCHIKAN GATEWAY	99950, 99901	0	3	0	0	0	0	0	3
KODIAK ISLAND	99615, 99619, 99697	0	16	5	0	0	0	0	21
MATANUSKA SUSITNA	99645, 99654, 99687, 99629, 99652, 99676, 99694, 99688, 99674, 99683, 99694, 99683	0	48	0	0	14	0	0	62
PETERSBURG	99833, 99830, 99836	0	1	0	0	0	0	0	1
SKAGWAY	99840	0	2	0	0	0	0	0	2
Total		0	422	5	5	38	0	1	471

Dental Network Utilization

State of Alaska - Standard Retiree Plan

Claims incurred between 1/2025 - 12/2025 as of 4/2025

Final and Non-Denied Services

Network Utilization by Claims

Category	PPO	Premier	PPO + Premier	Out of Network	Total
Claims	33,724	32,280	66,004	11,210	77,214
Network Percentage	43.7%	41.8%	85.5%	14.5%	
2024 Network Percentage	44.9%	41.1%	86.0%	14.0%	

Utilization - Top Cities and Boroughs by OON Claim Volume - In Alaska

Provider City	Provider State	Total Claim Count	# OON Claims	% OON In City or Borough	% of Total OON Claims
Anchorage	AK	17,033	2,629	15%	40.1%
Fairbanks	AK	5,031	1,723	34%	26.3%
Juneau	AK	5,710	470	8%	7.2%
Ketchikan	AK	734	445	61%	6.8%
Palmer	AK	1,213	251	21%	3.8%
Soldotna	AK	1,724	196	11%	3.0%
Sitka	AK	517	159	31%	2.4%
Kenai	AK	660	74	11%	1.1%
Sterling	AK	73	73	100%	1.1%
Eagle River	AK	1,775	70	4%	1.1%
All Other Cities		9,273	470	5%	7.2%
Total		43,743	6,560	15%	100.0%

Utilization - Top Cities and Boroughs by OON Claim Volume - Outside of Alaska

Provider City	Provider State	Total Claim Count	# OON Claims	% OON In City or Borough	% of Total OON Claims
Sequim	WA	467	198	42%	4.3%
Missoula	MT	188	104	55%	2.2%
Bozeman	MT	106	98	92%	2.1%
Reno	NV	169	67	40%	1.4%
Kalispell	MT	106	62	58%	1.3%
Anacortes	WA	172	50	29%	1.1%
Seattle	WA	370	49	13%	1.1%
Helena	MT	84	47	56%	1.0%
Tucson	AZ	575	44	8%	0.9%
Santa Fe	NM	125	41	33%	0.9%
All Other Cities		31,109	3,890	13%	83.7%
Total		33,471	4,650	14%	100.0%

Network: Premier									
County	Zip Codes	Endodontist	General Practitioner	Orthodontist	Oral Surgeon	Pediatric Dentist	Periodontist	Prosthodontist	Total
ALEUTIANS WEST	99685, 99692, 99591, 99595	0	1	0	0	0	0	0	1
ANCHORAGE	99501–99524, 99529–99530, 99599	4	511	14	19	38	1	5	592
BETHEL	99559	0	1	0	0	0	0	0	1
BRISTOL BAY	99633, 99670	0	2	0	0	0	0	0	2
CHUGACH	99574, 99677, 99693, 99574, 99677	0	3	0	0	0	0	0	3
FAIRBANKS NORTH STAR	99701, 99702, 99703, 99705, 99706, 99707, 99708, 99709, 99710, 99711, 99712, 99714, 99716, 99725, 99767, 99775	0	41	0	0	2	0	1	44
HAINES	99827	0	28	3	1	3	0	0	35
HOONAH ANGOON	99829, 99820, 99826, 99832,b 99841, 99825, 99820	0	37	3	0	4	0	0	44
JUNEAU	99801, 99802, 99803, 99811, 99821, 99824	0	54	4	4	7	0	0	69
KENAI PENINSULA	99556, 99568, 99572, 99603, 99605, 99610, 99611, 99631, 99635, 99639, 99663, 99664, 99669, 99672, 99682	0	27	0	1	6	0	0	34
KETCHIKAN GATEWAY	99950, 99901	0	10	0	2	4	0	0	16
KODIAK ISLAND	99615, 99619, 99697	0	17	5	0	0	0	0	22
LAKE AND PENINSULA		0	5	0	0	0	0	0	5
MATANUSKA SUSITNA	99645, 99654, 99687, 99629, 99652, 99676, 99694, 99688, 99674, 99683, 99694, 99683	0	106	2	6	17	0	1	132
NORTH SLOPE	99723, 99789, 99726, 99732, 99734, 99759, 99766, 99782	0	1	0	0	0	0	0	1
PETERSBURG	99833, 99830, 99836	0	30	1	1	3	0	0	35
PRINCE OF WALES HYDE	99923, 99921, 99925, 99922, 99918, 99929	0	42	5	1	3	0	0	51
PRINCE WALES KETCHIK	99921, 99925, 99926, 99929	0	1	0	0	0	0	0	1
SITKA	99801, 99835	0	20	1	4	3	0	0	28
SKAGWAY	99840	0	14	1	0	1	0	0	16
SOUTHEAST FAIRBANKS	99729, 99737, 99738, 99780, 99714, 99764, 99779, 99706, 99731, 99776, 99732	0	2	0	0	0	0	0	2
WRANGELL	99903, 99929	0	17	1	1	1	0	0	20
YAKUTAT	99689	0	1	0	0	0	0	0	1
YUKON KOYUKUK	99722, 99724, 99733, 99740, 99741, 99748, 99767, 99781, 99788	0	3	0	0	0	0	0	3
Total		4	974	40	40	92	1	7	1,158



State of Alaska

Dental Network Access Review

Retiree Health Plan Advisory Board

May 2026



Background

- The Standard Dental Plan currently reimburses out-of-network dental services based on a percentage of prevailing local charges; the State is considering shifting to Delta Dental's established out-of-network fee schedule.
 - This method is widely used by other state and group plans.
 - No changes are proposed for Vision, Audio, or the Legacy Plan benefits.
- About 13-15% of dental claims are paid out-of-network each year for Standard Plan retirees in and out of Alaska.
- Under this new methodology, out-of-network providers would generally receive lower reimbursement amounts than they do currently.
- The change is intended to better align payments with industry standards, control plan costs, support long-term affordability for members who pay the full premium and encourage greater provider participation in Delta Dental's network.
- Lower out-of-network payments may increase the risk of balance billing and higher out-of-pocket costs for members using non-network providers, while network providers and the Legacy Plan would continue to offer higher payment protections.

GeoAccess[®] – Overview

- The GeoAccess[®] analysis determines how broad a network is based on certain access criteria related to each member's zip code based on a membership census.
- The zip codes are grouped into Rural or Urban/Suburban based on population density.
- The analysis determines whether members have a certain number of providers within a certain distance (e.g., 2 dentist within 10 miles).
 - The distances are measured from the center of each zip code and do not necessarily correspond to actual member addresses.
- The following types of providers were included in the analysis:

Provider Type	Urban/Suburban	Rural
General Dentist, Pediatric Dentist	2 providers in 10 miles	2 providers in 20 miles
Endodontist, Oral Surgeon, Periodontist, Prosthodontist	2 providers in 15 miles	2 providers in 30 miles

- Members in all States were included in the analysis.
- Delta Dental was asked to review for both Premier and PPO network results.

Overall Results

- Below is a summary of the results for all members across all States.

	Legacy Retirees	Standard Retirees
Total Census Count	28,942	33,315
General Dentists & Pediatric		
In Network	26,831	31,317
% In Network	92.7%	94.0%
Endodontists, Periodontists, Oral Surgeons, Prosthodontist		
In Network	20,299	24,832
% In Network	70.1%	74.5%

Results by Residency

- Below is a summary of the results for all members based on residency.

Inside Alaska	Legacy Retirees	Standard Retirees
Total Census Count	18,820	20,514
General Dentists & Pediatric		
In Network	17,155	18,929
% In Network	91.2%	92.3%
Endodontists, Periodontists, Oral Surgeons, Prosthodontist		
In Network	11,618	13,591
% In Network	61.7%	66.3%
Outside Alaska	Legacy Retirees	Standard Retirees
Total Census Count	10,122	12,801
General Dentists & Pediatric		
In Network	9,676	12,388
% In Network	95.6%	96.8%
Endodontists, Periodontists, Oral Surgeons, Prosthodontist		
In Network	26 of 42 8,681	11,241
% In Network	85.8%	87.8%

Select Cities – Standard Retirees

- The following select cities had out-of-network claims activity in calendar year 2025.
 - Q4 CY2025 activity is representative of OON activity.

City	Percentage of Q4 CY2025 OON In City	With Access General Dentist & Pediatric	With Access Endo, Perio, Oral Surgeon, Prosthodontist	Without Access General Dentist & Pediatric	Without Access Endo, Perio, Oral Surgeon, Prosthodontist
Anchorage	15%	6,247	6,247	0	0
Eagle River	4%	831	831	0	0
Fairbanks	35%	2,013	0	14	2,027
Juneau	8%	2,082	2,082	0	0
Kenai	11%	398	0	0	398
Ketchikan	69%	344	342	0	2
Palmer	21%	1,178	1,178	0	0
Sitka	34%	259	259	0	0
Soldotna	10%	615	0	0	615
Wasilla	1%	1,560	1,560	0	0

Select Cities – Legacy Retirees

- The following select cities had out-of-network claims activity in calendar year 2025.
 - Q4 CY2025 activity is representative of OON activity.

City	Percentage of Q4 CY2025 OON In City	With Access General Dentist & Pediatric	With Access Endo, Perio, Oral Surgeon, Prosthodontist	Without Access General Dentist & Pediatric	Without Access Endo, Perio, Oral Surgeon, Prosthodontist
Anchorage	21%	5,486	5,486	0	0
Bethel	100%	2	2	110	110
Dillingham	100%	0	0	63	63
Fairbanks	64%	2,348	0	14	2,362
Juneau	10%	1,762	1,762	0	0
Ketchikan	69%	439	439	0	0
Nome	100%	0	0	95	95
Palmer	31%	812	812	0	0
Sitka	55%	423	423	0	0
Soldotna	15%	540	0	0	540

Observations

- There appears to be adequate access in Juneau and Anchorage. Members selecting OON providers are doing so based on choice.
- Elsewhere in the State, there appears to be high levels of OON claims as a percentage of totals even with appropriate access.
 - Delta Dental could clarify if additional contracting opportunities exist.
- Many regions are lacking access completely due to provider availability.
 - Members traveling for procedures should be able to select from network providers, making OON claims a member choice.

Disclaimer

Disclaimer

This document has been prepared for the exclusive use and benefit of the State of Alaska, based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. Except as may be required by law, this document should not be shared, copied or quoted, in whole or in part, without the consent of Segal. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.

Memorandum

To: Chris Murray, Acting Deputy Director/AlaskaCare Chief Health Official, Division of Retirement and Benefits

From: Richard Ward, FSA, FCA, MAAA

Date: February 5, 2026

Re: Adjustments to Standard Dental Plan Out-of-Network Methodology (Retiree Plan)

The State of Alaska is exploring the possibility of modifying the methodology used for reimbursing out-of-network dental providers for the Standard Dental plan. Currently, reimbursements are generally based on the lesser of submitted charges or 75% of the 80th percentile of the prevailing charge rate for the geographic area in which the dental service is furnished, as determined by Delta Dental in accordance with its reimbursement policies.¹ The proposed change would transition to using the lesser of submitted charges or Delta Dental's proprietary out-of-network fee schedule as the basis for determining reimbursements. Approximately 13%-15% of claims are paid out-of-network on an annual basis for retirees residing in and out of Alaska.

No changes would be made to the out-of-network methodology for the Standard Vision or Audio benefits and no changes would be made to the Legacy Plan's Dental, Vision or Audio benefits.

Under this new methodology, out-of-network providers would generally receive lower reimbursement amounts than they do currently. This adjustment is intended to align the plan's payments more closely with Delta Dental's established fee structures, which are designed to reflect reasonable and customary charges within the industry. Most of Delta Dental's customers, including other state clients, utilize their propriety out-of-network fee structure rather than a percent of prevailing charges approach. The majority of other group plan sponsors in Alaska that contract with Delta Dental utilize this approach as well.

One of the primary benefits of this change is the potential for cost savings for the Standard Dental plan. As retirees enrolled in the DVA program are responsible for paying the entirety of their premiums, any reduction in plan expenses will directly benefit members in the form of lower premiums over time. By controlling costs, the plan seeks to maintain affordability and sustainability for all participants.

Lower payment levels for non-network providers creates an additional incentive to contract with Delta Dental and enhance network access for all members.

¹ Out-of-network services rendered by an endodontist in the State are reimbursed on the lesser of submitted charge or 100% of the 80th percentile of the prevailing charge rate for the geographic area where the service is furnished as determined by Delta Dental in accordance with its reimbursement policies.

This change may expose members to increased balance billing risk. If an out-of-network provider's charges exceed the amount reimbursed by the plan under the new methodology, the provider may require the member to pay the difference. As a result, members who utilize out-of-network dental services could experience higher out-of-pocket costs due to a reduction in the average reimbursement out-of-network providers would be receiving. Members will continue to have the option of choosing a lower cost network provider within the Standard Plan or changing to the Legacy Plan, which will continue to provide higher payments to non-network providers.

Below is a table outlining the current benefits offered under the Dental plan benefits:

Dental Benefits	Standard Plan	Legacy Plan
Deductible		
Annual individual deductible (applies to Class II and III)	\$50	\$50
Coinsurance		
Class I (preventive) services	100%	100%
Class II (restorative) services	80%	80%
Class III (prosthetic) services	50%	50%
Benefit Maximums		
Annual individual maximum (applies to all classes)	\$3,000	\$2,000

The Standard Plan dental benefits include a Prevention First provision, which excludes preventive services from the annual deductible and benefit limit.

For vision benefits, the Legacy Plan does not utilize a network and has a member cost share requirement of 20% for most services. The Standard DVA Plan allows access to a network of providers and members pay fixed copays for exams and have allowances for frames and contact lenses.

Below is a table outlining the current benefits offered under the Vision plan benefits:

Vision Benefits	Standard Plan	Legacy Plan
Network Provisions		
Access to a broad network of vision providers	Yes	No
Coinsurance		
All services	Member pays various copays and allowances	80%
Benefit Maximums		
Examinations	One per benefit year	One per benefit year
Lenses	Two per benefit year	Two per benefit year
Frames	Every other benefit year	One set every two consecutive years
Aphakic and contact lens lifetime maximum	N/A	\$400

The Audio benefits under the Plans pays up to \$2,000 for each person in a covered rolling 36-month period. There is no deductible and the plan pays 80% of the recognized charge for auditory services.

Actuarial Value

Because actuarial values reflect differences in cost-sharing provisions (i.e., deductibles, coinsurance, copayments, and out-of-pocket limits) and not a reflection on how broad or narrow the provider network is, there will not be any impact to actuarial value due to a change in OON methodology.

Financial Impact

The estimated financial impact to the plan is approximately \$700,000 - \$800,000 in claims savings for the Standard plan based on an analysis provided by Delta Dental. Because the underlying OON pricing analysis is based on Delta Dental's proprietary fee schedule specific to each State a retiree is receiving services from, Segal does not have direct access to all of the pricing schedules necessary to validate the savings. However, Delta Dental did provide Segal with some State of Alaska pricing information on an individual code basis that aligns with approximately a 25% decrease in out-of-network claims.

Using the most recent retiree DVA claims projection of \$59,900,000 for 2026 (dated September 18, 2025), this equates to be an approximate 1.1% - 1.3% decrease in annual net costs to the Plan. Specific to the Standard plan, this savings represents about 2.2% - 2.5% of the projected \$31,900,000 in plan cost for 2026. This will equate to approximately a \$1 - \$4 offset, dependent on tier, to future Standard Plan enrolled retiree per month contribution cost increase.

Additional Notes

The data used for this analysis was reviewed, but not audited, and found to be sufficient and credible.

The above projection is an estimate of future cost and is based on information available to Segal at the time the projection was made. Segal has not audited the information provided. A projection is not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, local market pressure, change in demographics, overall inflation rates and claims volatility. Projection of retiree costs takes into account only the dollar value of providing benefits for current retirees during the period referred to in the projection. It does not reflect the present value of any future retiree benefits for active, disabled, or terminated employees during a period other than that which is referred to in the projection, nor does it reflect any anticipated increase in the number of those eligible for retiree benefits, or any changes that may occur in the nature of benefits over time.

This document has been prepared for the exclusive use and benefit of State of Alaska, based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. Except as may be required by law, this document should not be shared, copied or quoted, in whole or in part, without the consent of Segal. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are

encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.

cc: Ronan Tagsip, Division of Retirement and Benefits
Noel Cruse, Segal
Tanya Sun, Segal
Quentin Gunn, Segal



Fair Health Background

Joel Krzan Senior Account Director, Aetna

May 2026

What is Fair Health?

FAIR Health is a national, independent not-for-profit organization dedicated to bringing transparency to healthcare costs and health insurance information through data products, consumer resources and health systems research support. FAIR Health possesses the nation's largest collection of private healthcare claims data, which includes over 52 billion claim records contributed by payors and administrators who insure or process claims for private insurance plans. FAIR Health licenses its privately billed data and data products to commercial insurers and self-insurers, employers, providers, hospitals and healthcare systems, government agencies, researchers and others.

ORIGINAL DATABASE

Was established in the 1970s and has changed hands a few times
After a state inquiry (NY) – the database moved from the industry (Optum) to the entity Fair Health, where it has resided since 2009

PURPOSE

Fair Health was tasked to utilize the database and create cost estimation tools by service and location on publicly available websites and tools and utilize the information for public education

CURRENT DATABASE

Over 50 billion claims and 10,000 procedures dating back to 2002
Over 75 payers (including Aetna) submit claims to Fair Health with data points that include billed amount, allowed amount, which service is rendered and when/where the service was rendered

OVERSIGHT

Fair Health is certified by CMS as a national qualified entity and has won several independent awards for its provider and consumer tools posted on its website

Using Fair Health to Compute Recognized Charges

GEOGRAPHY

Utilizes a 3 digit zip code as the geographic area from which to calculate the percentile of billed charges for a particular procedure
Regions never cross State lines but adjacent regions within the same State are sometimes combine if required to get credible volume

ALASKAN REGIONS

- Anchorage ('995)
- Kodiak ('996)
- Fairbanks ('997)
- Juneau ('998)
- Ketchikan/Wrangle ('999)
- Regions can be combined ('995/'997 and '996/'998 are the Alaskan combinations) to get sufficient data for a procedure

IF DATA IS INSUFFICIENT

If still insufficient: Derivation calculation assigns a relative value unit (RVU) of the procedure and looks at the %ile of charges for like procedures weighting for the RVUs of those like procedures



Oncology and Prior Authorization Results

Joel Krzan Senior Account Director, Aetna

May 2026

Oncology and Prior Authorization Results

METHODS

- We analyzed prior authorization detail based on a ‘decision-level’ outcome. It’s possible, for example a particular prior authorization had a medical necessity determination (did the medical evidence and medical records meet criteria) as well as an administrative determination (is this a covered service for a particular diagnosis). We counted each decision type as a unique event and 1 submission could have 2 different decision points.
- Due to the high number of Medicare-Aged retirees – we excluded all instances in which Aetna was the secondary payer.
- Oncology-related prior authorizations were identified using ICD-10 diagnosis codes associated with malignant and potentially malignant neoplasms. Diagnoses were categorized as oncology-related if they met one of the following criteria:
 - *C Codes representing malignant neoplasms, including hematologic/lymphoid and neuroendocrine cancers, D00-D009 for carcinomas; D37-D49 for neoplasms*
 - *We excluded benign neoplasms and benign neuroendocrine tumors (D10-D36 and D3A.*) as well as cancer-adjacent complications like fractures, anemias, etc.*
- It is very important to note that many prior authorization denials may represent partially denied payments but not denied care. Classic examples: an ICU inpatient bed day only qualified for a regular hospital bed reimbursement, or we redirected to a more appropriate infusion.

Oncology and Prior Authorization Results

RESULTS

1. Oncology related prior authorization requests had a significantly higher approval rate in 2025 vs. 2024.
2. In both years, the approval rate for prior authorization rate for Oncology was higher than the plan's overall average

ONCOLOGY PA DENIAL RATES - RETIREES			
	2024	2025	Trend
<i>Oncology</i> prior auth denial rate	13.1%	8.6%	-34.4%
Overall Prior Auths denial rate (<i>all diagnosis</i>)	19.1%	19.5%	2.1%
Oncology vs. overall denial rate	-31%	-56%	

TOTAL PRIOR AUTHORIZATION EVENTS		
ONCOLOGY	612	535
ALL DIAGNOSIS	4507	4799

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*

2. Proposed Modernization Committee Priorities

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

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

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 – <i>public comment proposal</i>	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

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