

2 AAC 39.210 is amended by adding a new subsection to read:

(b) A benefit recipient with multiple retirement accounts may elect dental-vision-audio insurance under each retirement account. If a benefit recipient elects coverage under multiple retirement accounts, different coverage tiers as outlined in (a) of this section may be elected for each separate account so long as the same plan option is elected for all accounts.

2 AAC 39.240(a) is amended to read:

(a) A benefit recipient who elects dental-vision-audio insurance coverage must pay for that coverage by paying the premium established by the administrator. Premium payments are deducted from the monthly benefit warrant unless the benefit is insufficient to permit the deduction of the full monthly premium. If at any time the benefit amount is insufficient to cover the full monthly premium, the administrator will notify the benefit recipient, and all premium payments due after the notice must be made by the [BENEFIT] recipient directly to the insurance carrier. Retroactive premiums, to the date coverage would have lapsed due to an insufficient benefit warrant, must be paid directly to the insurance carrier by the benefit recipient.

2 AAC 39.260(a) is amended to read:

(a) A benefit recipient may discontinue dental-vision-audio insurance coverage for a recipient's covered dependent at any time. Once coverage has been discontinued it may be reelected only in accordance with (b), [OR] (d), **(f)** of this section.

When a regulation is being amended, new material that is being added to an existing provision appears in **bold and is underlined**. Material that is being deleted appears [IN ALL CAPITALS AND IS BRACKETED].

2 AAC 39.260(b) is amended to read:

(b) A benefit recipient may add coverage for the recipient's eligible dependents [ONLY] when a change has occurred in the recipient's family structure **or in a dependent's eligibility as defined in AS 39.35.680(12) or AS 14.25.220(13)**. A change in family structure occurs at the marriage of a recipient or at the birth, [OR] adoption, **or assumption of legal custody or legal guardianship** of a **dependent** [FIRST] child. Application for the additional coverage must be made within 120 days after the change in the recipient's family structure **or the dependent's eligibility status** occurs.

2 AAC 39.260(c) is amended to read:

(c) An application for a change in coverage must be submitted in writing and is subject to verification by the administrator. A change in coverage based on an application that is postmarked or received on or before the 15th of a month, will be effective on the first day of the next calendar month. A change in coverage based on an application that is postmarked or received after the 15th of a month, will be effective no later than the first day of the second month after the date of postmark or receipt of the application. **The division will make retroactive adjustments to premiums if necessary** [RETROACTIVE ADJUSTMENTS OF PREMIUMS WILL BE MADE IF NECESSARY].

2 AAC 39.260 is amended by adding new subsections to read:

(e) A benefit recipient may increase or change dental-vision-audio insurance coverage during an annual open enrollment period under 2 AAC 39.265.

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(f) A benefit recipient already enrolled in dental-vision-audio insurance coverage may change his or her coverage if the recipient subsequently becomes eligible under 2 AAC 39.220.

(g) If the division becomes aware that a benefit recipient's dependent is not eligible for coverage, the division will automatically decrease the recipient's coverage tier and corresponding premiums to appropriately reflect the recipient's family structure.

2 AAC 39.265 is amended to read:

**2 AAC 39.265. Open enrollment period.** An open enrollment period will be held once a year [DURING THE MONTHS OF OCTOBER AND NOVEMBER] for new law benefit recipients who elect major medical insurance coverage under AS 14.25.168(d) or AS 39.35.535(c). Only during this open enrollment period may a new law benefit recipient **increase** [ADD] or change dental-vision-audio insurance coverage and only if the recipient selects the same or greater level of major medical insurance coverage under 2 AAC 39.300.

2 AAC 36.265 is amended by adding a new subsection to read:

(b) During the open enrollment period of each benefit year, benefit recipients already enrolled in a dental-vision-audio plan may elect an offered dental-vision-audio plan option and increase or decrease their coverage tier level. Coverage premiums for elected benefits are subject to change under 2 AAC 39.280.

When a regulation is being amended, new material that is being added to an existing provision appears in **bold and is underlined**. Material that is being deleted appears [IN ALL CAPITALS AND IS BRACKETED].

2 AAC 39.290(1) is amended to read:

(1) "administrator" means the director of the division of retirement and benefits of the department of administration **or their designee**;

When a regulation is being amended, new material that is being added to an existing provision appears in **bold and is underlined**. Material that is being deleted appears [IN ALL CAPITALS AND IS BRACKETED].