

Publications

December 23, 2025 • Updates

Alaska Eliminates TPA Licensing Exemptions, Expanding Licensing Requirements

Key Takeaways:

- **Alaska's new TPA licensing requirements take effect Jan. 1, 2026.** Senate Bill 132 eliminates a key exemptions and expands who must be licensed as a Third Party Administrator in the state.
- **TPAs affected by the change should reassess their status and prepare to apply.** Previously exempt entities may now need to become licensed to maintain compliance.

The Alaska Division of Insurance has issued new guidance for Third Party Administrators (TPAs) operating in the state. Bulletin B 25-09, published on Dec. 2, 2025, highlights changes made by Alaska Senate Bill 132 to various insurance laws effective Jan. 1, 2026. Key takeaways applicable to a TPA operating in Alaska are as follows:

- Senate Bill 132 amended AS 21.27.650(a)(2) to eliminate the exemption from the TPA licensing requirement that previously applied to a TPA that: (1) filed a certification with the Division certifying that the TPA is operating only for a foreign insurer other than a self-funded multiple employer welfare arrangement regulated under AS 21.85; and (2) is registered as a TPA by the TPA's resident insurance regulator in a state that the Division has determined has enacted provisions substantially similar to those contained in AS 21.27.630 — 21.27.650 and that is accredited by the National Association of Insurance Commissioners.
- The exemption from the TPA licensing requirement that was previously available pursuant to AS 21.27.630(f) has now been repealed. AS 21.27.630(f) previously exempted a person who performs management services for an admitted insurer if the person's compensation is not based on the volume of premium written and the person (1) is a wholly-owned subsidiary of the admitted insurer; (2) wholly owns the admitted insurer; (3) is a wholly-owned subsidiary of the insurance holding company that owns or controls the admitted insurer; or (4) is a United States manager of the United States branch of an alien admitted insurer.
- The new amendments to the TPA laws require a TPA doing business in Alaska to now be licensed in Alaska unless they fall within a few, narrow remaining exemptions, such as exclusively providing services to ERISA plans or employees of an insurer

Related People

- Justin T. Liby
- Steven L. Imber
- Jennifer L. Osborn
- Zachary R. Dyer

Related Capabilities

- Insurance
- Third Party Administrator (TPA) Licensing & Compliance Services

acting within the scope of the insurer's license.

- TPAs previously exempt pursuant to AS 21.27.630(a)(2) or AS 21.27.650(f) may now have to apply for a license using the application procedures set forth in AS 21.27.040, which require full organization documentation, designation of a compliance officer and satisfaction of all required financial and experience qualifications under AS 21.27.640. However, the Bulletin does not provide specific guidance about the process and, as of the date this article was published, the Division has not posted any additional guidance about the process for formerly exempt TPAs to become licensed nor has the Division updated the application forms on its website to reflect the changes under Senate Bill 132.
- Moving forward, TPAs that are exempt from licensure will be required to annually certify their exempt status with the Division by submitting the Division's Exempt TPA Annual Certification Form, pursuant to AS 21.27.630(l).
- Licensed TPAs will continue to have quarterly reporting requirements under the new law.
- TPAs may now be examined under the same authority as an insurer operating in Alaska pursuant to AS 21.06.120(a), and TPAs are financially responsible for paying the cost of an examination.

We are actively monitoring the Division's website for any new forms or applications they may publish regarding the new TPA licensing requirements in Alaska.

For More Information on Our TPA Team

Polsinelli's TPA team provides a number of services to TPAs, including licensing, regulatory and compliance services, assistance with audits, government examinations and investigations, drafting administrative services agreements and a myriad of other services. Our TPA team includes former state insurance regulators, former in-house counsel for TPAs and attorneys who are currently members of the Federation of Regulatory Counsel, which provides our TPA clients with significant experience to help navigate complex regulatory challenges efficiently.

By leveraging its extensive experience representing TPAs, our TPA team helps clients avoid the learning curve and related cost implications that can be experienced by working with companies or attorneys less familiar with the regulatory and compliance needs of TPAs.

Please feel free to contact us to discuss these new TPA changes in Alaska and/or to assist your company with submitting an Alaska TPA license application to the Division.