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SB 98 Sponsor Statement

"An Act relating to diagnosis, treatment, and prescription of drugs without a physical examination."

In 2014 the Alaska Legislature adopted legislation supporting the delivery of healthcare through telemedicine (HB 281). SB 98 addresses some challenges with the implementation of HB 281 that continue to provide barriers to the effective delivery of telemedicine healthcare services in Alaska.

SB 98 clarifies that the legislature intended to allow prescribing, dispensing and administering prescription drugs without an in-person physical, and that providing treatment, or prescribing, dispensing and administering a prescription drug cannot happen without a diagnosis.

SB 98 eliminates the requirement that the physician is located in the state, and retains the requirement that physicians be licensed by the Alaska Medical Board. Providers of telemedicine have not been able to recruit Alaskan physicians in spite of adding a signing bonus and 25% increase in the basic fee. This was done in response to research that showed that routine "single problem office visits" in other states, including Hawaii pay approximately \$55. In Alaska the same visit pays approximately \$175. The recruiting problem seems clearly financial.

One independent study by a Harvard Medical School researcher suggests that bringing competition to Alaska through telemedicine can save upwards of \$673 per consult versus the weighted average cost of the alternatives.

HB 281 attempted to encourage the use of physicians living in Alaska. While significant attempts have been made, it appears that pricing has not encouraged physician involvement. The two possible solutions are to remove the location requirement or to increase the pricing to Medicaid, private insurance providers, and private businesses by a factor of 3.

SB 98 clarifies patient control of the distribution of their medical records. Current statutory language is not entirely clear that a patient's records are controlled by the patient, as the practice should be.

SB 98 provides clarification to existing law and a change to allow telemedicine to be available to Alaskans who want to use the service.

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