

**SENATE BILL NO. 272**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE HEALTH AND SOCIAL SERVICES COMMITTEE

Introduced: 2/25/26

Referred: Health & Social Services, Labor & Commerce

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the electronic health information exchange system; and providing  
2 for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** AS 18.23.300(a) is amended to read:

5 (a) The department shall establish and implement a statewide electronic health  
6 information exchange system and ensure the interoperability and compliance of the  
7 system with state and federal specifications and protocols for exchanging health  
8 records and related data.

9 \* **Sec. 2.** AS 18.23.300(b) is repealed and reenacted to read:

10 (b) The commissioner shall designate a qualified entity or combination of  
11 qualified entities in the state to perform the tasks described in this subsection. The  
12 designee must have an advisory or governing body made up of health system  
13 stakeholders that include members identified under (d) of this section. The designee  
14 shall

1 (1) develop a statewide program to support the system connecting  
2 electronic health records to the health information exchange infrastructure, including

3 (A) support for installation and training on the use of the  
4 system;

5 (B) a plan to encourage eligible participants to use electronic  
6 exchange of records over a sustained period;

7 (C) support to system participants for workflow redesign and  
8 quality improvement;

9 (D) a plan to provide for participation by all identified  
10 stakeholders in the planning and implementation of the system;

11 (E) measures for periodic evaluation and improvement of the  
12 system;

13 (F) oversight and technical assistance needed for planning and  
14 implementing the system;

15 (2) submit an annual budget for the program described in (1) of this  
16 subsection for approval by the designee's governing body;

17 (3) comply with state nondiscrimination and conflict of interest  
18 policies;

19 (4) comply with federal and state health information privacy laws,  
20 policies, and standards applicable to the exchange of individually identifiable  
21 information to ensure the privacy and security of the information that is part of the  
22 system;

23 (5) provide an estimate of costs of the hardware, software, services,  
24 and support needed to implement and maintain the technical infrastructure of the  
25 system; and

26 (6) provide cost and cost saving data associated with the development  
27 and use of the system to the department.

28 \* **Sec. 3.** AS 18.23.300(c) is amended to read:

29 (c) The department and the designee may [ENTER INTO CONTRACTS,]  
30 seek and accept available public [FEDERAL] and private funds and equipment. The  
31 department may enter into contracts [,] and adopt regulations necessary to carry out

1 the purposes of this section.

2 \* **Sec. 4.** AS 18.23.300(d) is amended to read:

3 (d) The designee [UNDER (b)(1)(A) OF THIS SECTION] may be a private  
4 for-profit or nonprofit entity or entities under contract with the state. The advisory or  
5 governing body of the designee must include

6 (1) the commissioner;

7 (2) **nine** [EIGHT] other individuals, each of whom represents one of  
8 the following interests:

9 (A) hospitals and nursing home facilities;

10 (B) private medical care providers;

11 (C) community-based primary care providers;

12 (D) federal health care providers;

13 (E) Alaska tribal health organizations;

14 (F) health insurers;

15 (G) health care consumers;

16 (H) employers or businesses;

17 **(I) behavioral health providers;** and

18 (3) **a** [TWO] nonvoting liaison **member** [MEMBERS] who shall serve  
19 to enhance communication and collaboration between the designee and [BOTH] the  
20 Board of Regents of the University of Alaska; and

21 **(4) at least one nonvoting liaison member chosen by the governing**  
22 **body to represent other stakeholders and community interest related to the**  
23 **system** [THE COMMISSION ESTABLISHED IN THE GOVERNOR'S OFFICE TO  
24 REVIEW HEALTH CARE POLICY].

25 \* **Sec. 5.** AS 18.23.305 is amended to read:

26 **Sec. 18.23.305. Department; duties.** In carrying out its duties under  
27 AS 18.23.300, the department shall

28 (1) in accordance with federal recommendations **and in consultation**  
29 **with the designee**, determine the manner in which the system is developed and  
30 operated;

31 (2) [PROVIDE OVERSIGHT AND TECHNICAL ASSISTANCE

1 NEEDED FOR PLANNING AND IMPLEMENTING THE SYSTEM;

2 (3) AUTHORIZE AND] facilitate applications for any [AVAILABLE  
3 FEDERAL] funding available for planning and implementing the system;

4 **(3)** [(4) ENSURE COMPLIANCE WITH APPLICABLE FEDERAL  
5 AND STATE HEALTH INFORMATION POLICIES AND STANDARDS;

6 (5) ENSURE COMPLIANCE WITH FEDERAL AND STATE LAW  
7 AND STANDARDS THAT SAFEGUARD THE PRIVACY AND SECURITY OF  
8 HEALTH INFORMATION;

9 (6)] ensure that the [HEALTH INFORMATION EXCHANGE] system  
10 becomes self-sustaining through a combination of user fees, which may include user  
11 fees charged to the department or other government entities, and other private and  
12 public funding sources.

13 \* **Sec. 6.** AS 18.23.310 is amended to read:

14 **Sec. 18.23.310. Confidentiality and security of information.** (a) The  
15 department shall ensure the designee establishes [ESTABLISH] appropriate privacy  
16 and security standards to protect the disclosure, transmission, and receipt of  
17 individually identifiable information contained in the system established under  
18 AS 18.23.300. The standards must

19 (1) include controls over access to and collection, organization, and  
20 maintenance of records and data that protect the confidentiality of the individual who  
21 is the subject of the [A HEALTH] record in accordance with applicable state and  
22 federal law;

23 (2) include a secure and traceable electronic audit system for  
24 identifying access points and trails;

25 (3) meet the most stringent applicable federal or state privacy law  
26 governing the protection of the information contained in the system.

27 (b) A person may not release or publish individually identifying [HEALTH]  
28 information from the system except for the following purposes:

29 (1) treatment of a patient who is the subject of the information;

30 (2) to facilitate payment for services received by a patient who is  
31 the subject of the information;

1                   **(3) limited health care operations of a participant;**  
 2                   **(4) public health activities; or**  
 3                   **(5) uses or disclosures authorized by the individual who is the**  
 4 **subject of the information** [FOR PURPOSES UNRELATED TO THE  
 5 TREATMENT OR BILLING OF THE PATIENT WHO IS THE SUBJECT OF THE  
 6 INFORMATION. USE OR DISTRIBUTION OF THE INFORMATION FOR A  
 7 MARKETING PURPOSE IS STRICTLY PROHIBITED].

8                   (c) The **designee** [DEPARTMENT] shall establish procedures for a patient  
 9 who is the subject of a health record contained in the system

10                   (1) to opt out of the system;

11                   (2) to **authorize** [CONSENT TO] the distribution of the patient's  
 12 records contained in the system, **if additional authorization is necessary under**  
 13 **applicable privacy and security laws;**

14                   (3) to be notified of a violation of the confidentiality provisions  
 15 required under this section;

16                   (4) on request to the **designee** [DEPARTMENT], to view an audit  
 17 report created under this section for the purpose of monitoring access to the patient's  
 18 records.

19 \* **Sec. 7.** AS 18.23.325(3) is amended to read:

20                   (3) "system" means the statewide electronic health information  
 21 exchange system established under AS 18.23.300, **but does not include technical**  
 22 **infrastructure, software, or information that is owned or managed by**  
 23 **participants in the system.**

24 \* **Sec. 8.** AS 18.23.325 is amended by adding a new paragraph to read:

25                   (4) "designee" means the entity or entities designated under  
 26 AS 18.23.300(b).

27 \* **Sec. 9.** This Act takes effect immediately under AS 01.10.070(c).