

ALASKA STATE LEGISLATURE
SENATE HEALTH, EDUCATION & SOCIAL SERVICES COMMITTEE

February 28, 2001
1:39 p.m.

MEMBERS PRESENT

Senator Lyda Green, Chair
Senator Loren Leman, Vice Chair
Senator Gary Wilken
Senator Jerry Ward
Senator Bettye Davis

MEMBERS ABSENT

All Members Present

COMMITTEE CALENDAR

SENATE BILL NO. 96

"An Act relating to the issuance of certificates of participation to finance demolition of all or part of the existing facility known as the Alaska Psychiatric Institute and construction of a new facility to be known as the Alaska Psychiatric Institute; giving notice of and approving the entry into, and the issuance of certificates of participation in, a lease-purchase agreement for demolition of all or part of the existing facility known as the Alaska Psychiatric Institute and construction of a new facility to be known as the Alaska Psychiatric Institute; and providing for an effective date."

HEARD AND HELD

SENATE BILL NO. 112

"An Act placing certain employees of the Alaska Mental Health Trust Authority in the exempt service; establishing a minimum salary for the long term care ombudsman; and providing for an effective date."

MOVED SB 112 OUT OF COMMITTEE

PRESENTATION BY THE DEPARTMENTS OF HEALTH AND SOCIAL SERVICES AND ENVIRONMENTAL CONSERVATION ON FISH SAFETY MONITORING

PREVIOUS SENATE COMMITTEE ACTION

SB 96 - No previous action.

SB 112 - No previous action.

WITNESS REGISTER

Commissioner Karen Perdue
Department of Health and Social Services
PO Box 110601
Juneau, AK 99801-0601

POSITION STATEMENT: Discussed Alaska fish safety monitoring.

Dr. John Middaugh
Chief, Epidemiology Section
Department of Health and Social Services
PO Box 240249
Anchorage, AK 99524-0249

POSITION STATEMENT: Discussed Alaska fish safety monitoring..

Ms. Barbara Belknap
Alaska Seafood Marketing Institute
311 N Franklin, Suite 200
Juneau, AK 99801-1147

POSITION STATEMENT: Discussed Alaska fish safety monitoring.

Ms. Janice Adair
Division of Environmental Health
Department of Environmental Conservation
555 Cordova St.
Anchorage, AK 99501

POSITION STATEMENT: Discussed Alaska fish safety monitoring.

Deputy Commissioner Russ Webb
Department of Health and Social Services
PO Box 110601
Juneau, AK 99801-0601

POSITION STATEMENT: Testified in favor of SB 96.

Mr. Randall Burns
Director, Alaska Psychiatric Institute
Department of Health and Social Services
2900 Providence Ave.
Anchorage, AK 99508-4677

POSITION STATEMENT: Presented SB 96.

Mr. Scot Wheat
PO Box 2553
Homer, AK 99603

POSITION STATEMENT: Testified in favor of SB 96.

Mr. Hans Neidig
Staff to Senator Green
Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Presented SB 112.

ACTION NARRATIVE

TAPE 01-16, SIDE A

Number 001

CHAIRWOMAN LYDA GREEN called the Senate Health, Education & Social Services Committee meeting to order at 1:39 p.m. Present were Senators Leman, Ward, Davis and Green. Chairwoman Green asked representatives from the Department of Health and Social Services (DHSS) and the Department of Environmental Conservation (DEC) to give their presentation.

FISH SAFETY MONITORING

COMMISSIONER KAREN PERDUE, DHSS, stated that Chairwoman Green offered DHSS briefing time to update the committee on a health issue that has arisen regarding the safety of consuming Alaska fish. She made the following comments.

A lot of information is becoming available in the media and in scientific discussions about persistent organic pollutants, known as POPs. POPs are chemicals that are usually not used in the United States anymore, such as DDT, chlordane and PCBs. POPs travel long distances through transboundary transmission, for the most part by airways, and settle out in cold climates. POPs persist in the Arctic environment more easily than in other places. POPs biomagnify in the food chain so accumulation in lipids and of heavy metals in the organs in marine mammals is of concern. Low levels of POPs can cause adverse effects. High accumulation levels could potentially affect reproductive, immunological and neurological systems, and cause developmental problems and cancer.

COMMISSIONER PERDUE said fish in Alaska are extremely healthy and are an extremely important part of people's diets. Alaska seafood has a very high nutritional value so the risk of eating Alaska seafood is totally outweighed by the benefits. DHSS has been involved in discussions with the Arctic Council and other countries and some international work has been done on a global treaty to eliminate or reduce POPs.

COMMISSIONER PERDUE informed the committee that several months ago the U.S. Food and Drug Administration (FDA) and the U.S. Environmental Protection Agency (EPA) issued an advisory about consuming fish, including Alaska fish, that alluded to the fact that Alaska fish had higher levels of mercury than was safe. DHSS and DEC are quite concerned that the public will get the wrong

impression, given all of the media attention, that Alaska fish is unsafe to eat. She asked Dr. Middaugh to provide specific information about the FDA and EPA advisories.

DR. JOHN MIDDAUGH, Chief of the Section of Epidemiology, DHSS, informed the committee that both he and Ms. Adair of DEC were quite surprised to learn that the FDA and EPA issued a national press release for a joint advisory, the FDA for commercial fish and the EPA for non-commercial fish, in which they specifically targeted a message at pregnant women, women of childbearing age who may become pregnant, nursing mothers and young children to not eat any shark, swordfish, king mackerel or tilefish. Those species of seafood are known to have very high average levels of methyl mercury in the flesh. The message also warned that group to limit their consumption of other fish to 12 ounces per week of cooked fish. The EPA, which has jurisdiction over recreational, subsistence and sports fish, issued a joint release saying that group should limit its consumption caught by family and friends to one meal per week. He and Ms. Adair then heard that both agencies have planned, over the next year, a massive national campaign to educate the American people about the dangers of exposure to methyl mercury.

DR. MIDDAUGH explained that the FDA assumed the average level of methyl mercury, the heavy metal of concern, in fish is 0.2 to 0.5 ppm. When he and Ms. Adair challenged that assumption, the FDA said it held months of meetings with focus groups comprised of industry and stakeholders but, in viewing the list of participants, all were from locations east of the Mississippi River. The FDA forgot about Alaska when issuing the advisory and agreed it had made a mistake. He and Ms. Adair were able to provide data on Alaska fish and the FDA agreed fish from Alaska waters are among the most pristine in the world. Some of the FDA's own data showed that Alaska salmon had levels of methyl mercury from zero to 0.06 ppm, about 10 times lower than the average level of fish upon which the advisory was issued. According to DHSS's calculations, using the most conservative method, a person could safely eat 1.9 pounds of Alaska salmon per week for a lifetime using the EPA's standards. Using the FDA's and World Health Organization's (WHO's) standards, a person could safely consume 9 pounds of Alaska salmon per week for a lifetime.

As a result, EPA has agreed to add to its national advisory the following two sentences.

Some kinds of fish that are known to have much lower than average levels of methyl mercury can be safely eaten more frequently and in larger amounts. Contact your federal, state or local health or food safety authority for

specific consumption recommendations about fish caught or sold in your local area.

DR. MIDDGAUGH discussed some data collected by DHSS that shows methyl mercury exposure levels in humans collected from hair samples in four countries. In the United States the average level is 2.0 ppm. The worst mercury poisoning episode occurred in Minimata, Japan, where the levels were 100 ppm. Two ongoing studies are underway in the Seychelles and Faroe Islands to determine a safe level of exposure to methyl mercury related to potential adverse effects on the development of the brain of fetuses, who are born and followed for seven years. The mean level in maternal hair samples in the Seychelles is 6.8 ppm and in the Faroe Islands, 4.8 ppm. In both locations, most children are doing very well regarding neuro-developmental parameters, but some abnormalities have been found in the Faroe Islands. The WHO advisory maximum tolerable level is set at 6.0 ppm.

DR. MIDDGAUGH provided data from five studies done from 1972 to 1991, on human hair mercury concentrations in Alaska. The 1990 and 1991 study of Nome women showed a mean level of 1.0 to 1.4 ppm. That is very good news because all of those women were eating subsistence foods.

DR. MIDDGAUGH discussed statistics from several studies: an FDA study in December of 2000 on mercury levels in commercial seafood species; a study done by the FDA on mercury concentrations in the top 10 types of fish consumed by the U.S. population; a study done on mercury in Alaska by the University of Alaska in 2000; and a study done by the DEC lab in 1999 on methyl mercury levels in fish tissue from samples taken around Alaska. All studies concluded that the levels in Alaska salmon are very low. He noted that the DEC study determined some areas of concern, for example levels in cod from Cook Inlet were of concern, as were levels in very large halibut in Frederick Sound.

DR. MIDDGAUGH said Alaska must have an the ability to monitor these levels on an ongoing basis to fend off the EPA and FDA and also to answer concerns of American consumers with confidence. He asked the committee to consider the request for funds for both DEC and DHSS to continue monitoring so that they can provide scientific evidence to respond to national advisories.

Number 1095

SENATOR WARD said he heard from a fisherman in Nikiski that farmed salmon from Chile contains a lot of antibiotics. He asked if that is true. He noted that when he was in Palm Springs, California, he learned that no restaurant sells Alaska salmon, even though the salmon on every menu is marketed as such. He also asked if any of the studies show what is in farmed salmon.

COMMISSIONER PERDUE deferred to Barbara Belknap of the Alaska Seafood Marketing Institute (ASMI).

Number 1197

MS. BARBARA BELKNAP, Director of ASMI, explained that farmed salmon contains antibiotics, but much less so than the amount ten years ago. Because of the density in the pens, the potential for disease in farmed salmon is tremendous. If one fish becomes diseased, all do. Farmed salmon are treated to prevent diseases, in particular infectious salmon anemia. That disease is present in some wild salmon but, because wild salmon are not in high densities, it does not cause any harm.

SENATOR WARD noted the market for organically grown chicken has grown to 18 percent because consumers have become aware of the feed supplements used by large commercial operations. He asked if there are any requirements in federal or state laws for disclosure of feed supplements used in farmed salmon.

MS. BELKNAP said there are none.

SENATOR WARD asked if farmed salmon are measured for methyl mercury levels.

MS. BELKNAP said they are not. She noted that she does not know that farmed salmon would have a particular problem with mercury but they do have antibiotics in them. Farmed salmon are fed other fish. The interesting fact is that they are the only predator grown for food. Farmed salmon operators were looking at feeding farmed salmon the same sort of feed that is fed to cattle but with the mad cow disease scare, the operators are still feeding farmed salmon with pellets made from other fish caught off of the coast of South America.

SENATOR WARD said he spent an entire day, when in Palm Springs, trying to find a restaurant that served Alaska salmon. Four of the restaurants billed their meals as "the Alaskan plate" but the fish was not from Alaska. At the time he was unaware of the antibiotic and mercury problems in fish but since, he learned some of those fish are being fed byproducts of the livestock industry. He asked if Alaska has to identify what is being fed to farmed salmon.

MS. BELKNAP said salmon are farmed in Canada, the United States, Chile, Norway, Ireland and Scotland. It is a huge business. At present, nothing requires the labelling of the ingredients in the salmon. They are labelled Atlantic salmon, for example, in the grocer's case, but nothing is available to tell you what it was fed. Farmed salmon has no natural coloring because it does not feed on the types of ocean feed that give salmon its color so a

coloring agent is used.

SENATOR WARD commented that the federal government is about to caution the world about eating fish that is caught in the wild but it is completely silent about what is fed to farmed salmon.

MS. BELKNAP said this is déjà vu because, first of all, Alaska had the problem of people believing that all salmon are endangered because Pacific Northwest salmon are endangered. Now, the FDA and EPA have made a blanket announcement about fish. ASMI is trying to differentiate Alaska's fish. ASMI believes that its partnership with DHSS and DEC is a great way to bring the marketers into this equation so that Alaska can bring its knowledge to the foreign market, where food safety is a huge issue, and to work with DEC and DHSS to market Alaska fish as safe. ASMI has just added the word "safe" to its ads. It also uses the words "pristine environment, pure, natural" and it wants to be able to show the world that is true.

SENATOR WARD said his concern is in the labeling as other foods in grocery stores contain a label if they are grown organically.

CHAIRWOMAN GREEN asked that Senator Ward and Ms. Belknap discuss this problem and report back to the committee. She noted that when Commissioner Perdue brought this information to her attention, the Commissioner was very troubled by what Alaska had run into. Chairwoman Green said she was extraordinarily pleased that the state agencies took quick, direct action and got the language in the message softened. Chairwoman Green said she believes the state needs to go further and asked if the EPA and FDA were asked to specifically mention Alaska fish.

MS. JANICE ADAIR, Director of the Division of Environmental Health, DEC, said she and Dr. Middaugh had that discussion with the FDA. They talked not only about specific states, but also about specific species of fish. The FDA was not inclined to do that because it felt that questions would arise about specific information from everywhere.

CHAIRWOMAN GREEN noted that brings into question the accuracy of their advisory. She said the committee was trying to figure out what direction, on a practical level, it could take to underscore the work done by the state agencies. She expressed concern about the alarm the advisory could cause and that people who saw it might never eat fish again. She offered to entertain any suggestions.

COMMISSIONER PERDUE felt it was gratuitous that they were able to get the wording changed. She said they have been concerned about making a very big issue about this because the more it is talked about, if information is inaccurate, the more it gets into the psyche of people. She said she honestly believes that Alaska based

data needs to be collected on both humans and fish.

CHAIRWOMAN GREEN said this issue should be brought to the Alaska congressional delegation. She noted that Gavel to Gavel was invited today because she wanted to minimize the alarm and let people know that state agencies can be contacted for information, but Gavel to Gavel did not come.

Number 1754

SENATOR LEMAN asked if different fish processing methods, such as smoking fish, has any impact on contamination levels.

CHAIRWOMAN GREEN asked that a representative from DEC get back to the committee with that information. She then thanked the participants for their presentation and announced that SB 96 was up for consideration.

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SB 96-C.O.P.S FOR API DEMOLITION/CONSTRUCTION

#SB 96

DEPUTY COMMISSIONER RUSS WEBB, DHSS, introduced Randall Burns, Director of the Alaska Psychiatric Institute (API), and informed the committee that SB 96 will make a capital investment needed to replace an old facility and provide an efficient place to perform a core function of government far into the future.

MR. RANDALL BURNS, API, said he asked the committee for the opportunity to make the case for passage of SB 96, the Governor's bill regarding certificates of participation to finance the API 2000 project. He is also here to represent the staff and managers of the hospital and, most importantly, the API patients. The existing API facility does not meet current therapeutic environment standards for patient care, which impacts the care that is provided. From his perspective, that is the most important issue behind SB 96. However, from a practical standpoint, the facility needs to be replaced.

API has reached the end of its useful life. The facility contains sprayed-on asbestos material, which is falling off. In addition, asbestos-based adhesive was used on tile in the building. The fire-life-safety and mechanical support systems are worn out and expensive to maintain. The roof repair will cost in excess of \$.5 million. The sprinkler system piping is not seismically braced so that its fire suppression equipment is vulnerable if an earthquake were to occur.

API was not designed as a psychiatric hospital. In 1962, it was paid for by the federal government as a facility that could be converted into a medical/surgical hospital within 24 hours to treat

military casualties in case of war. The lifespan of most major facilities is 40 years. Because it is a hospital, it is open 365 days per year, 24 hours per day. The state has recognized, since 1988, that API needs to be replaced. A study was done to determine whether it made sense to renovate the existing facility; the answer was no.

The decision to replace API was first supported by the legislature in the early 1990s when it appropriated \$6.1 million over a 3-year period for design work. After about five years, API went to bid on a hospital but came up short of funds with which to build because the facility had been designed and redesigned. The only reason DHSS did not go forward at that time was the lack of funds. Once those bids were withdrawn, DHSS embarked on some additional planning processes: building a replacement API; purchasing a new facility; or partnering with Providence Hospital to build a joint facility. The plan to partner with Providence Hospital relied upon a land swap between the University of Alaska and the Alaska Mental Health Trust Authority (AMHTA). That was too complex to be accomplished so Providence withdrew from that consideration in 1998. DHSS then looked at purchasing a replacement hospital and put out a response for bids, which Charter Hospital responded to. API spent two years trying to purchase Charter Hospital, but strong local opposition to planning and zoning considerations made that option impossible.

DHSS decided that it needs to build the facility that it planned to build sometime ago. The AMHTA recently announced it will convey the 80 acre parcel on which API is located to DHSS. This 80 acre parcel was granted to AMHTA in the land settlement in 1993.

Number 2300

SENATOR WILKEN asked where the University of Alaska is in relation to the 80 acre parcel.

MR. BURNS said it is across the street to the north. He said the parcel is already zoned appropriately for a hospital. API has been located in the area and other hospitals grew up around it, so API would not be moving into a new neighborhood. API is a teaching hospital so it will remain convenient to the University and other hospitals. API is a specialty hospital so being close to medical/surgical hospitals will allow API patients to get medical care quickly, when necessary. The University Community Council and residents are very supportive of the location and the Anchorage Planning and Zoning Commission recommended that API remain at its present site.

MR. BURNS said DHSS cannot build a replacement hospital without additional funding. SB 96 will provide the financing to demolish the old facility and build a new one. DHSS would build a 54 bed,

expandable to 72 bed, hospital, giving the state the flexibility necessary to serve the inpatient psychiatric needs that are not met by local communities. A portion of the old building would be reused as storage space and a gym. The existing facility is considered to be a hazardous waste site; SB 96 will cover the cost of cleaning that parcel.

SENATOR WILKEN asked why it is considered to be a hazardous waste site.

MR. BURNS said it is because of the asbestos only. The asbestos is friable and has fallen off of all of the beams and is sitting throughout the structure. SB 96 will approve \$58,750,000 for the construction. DHSS has \$22.2 million, made up of \$19.2 million from the original API 2000 project and \$3 million from the AMHTA for demolition work. The remaining \$36.5 million would be raised through certificates of participation in a lease purchase agreement.

TAPE 01-16, SIDE B

MR. BURNS said the state's obligation would be \$3.7 million per year for 15 years, after which the state would own the building. The total cost of constructing a new building will be \$48.2 million, demolition costs will be \$9.7 million, phasing will cost \$.5 million and financing will cost \$250,000. He discussed the cost per bed comparison with three other hospitals in Alaska.

SENATOR WARD asked how the API per bed cost compares to the per bed cost of Providence Hospital's new addition.

MR. BURNS said he did not know the answer to that but DHSS might have that information.

SENATOR WARD asked if anything would stop DHSS from requesting proposals for design, build, and operation of this facility.

MR. BURNS said he believes that would require some statutory changes and would get back to Senator Ward with an answer.

COMMISSIONER PERDUE reminded the committee that API is the only state psychiatric hospital and she believes no state has privatized its entire state psychiatric services. DHSS has outsourced some work to private hospitals in Anchorage and Fairbanks.

SENATOR WARD said he appreciates that, however there are companies with the ability to operate a facility with fewer than 60 beds. He pointed out he was contacted as Co-Chair of the Privatization Commission by some of these companies.

Number 2171

MR. BURNS said replacing API is one aspect of an ongoing three-pronged effort between DHSS, the AMHTA and the Mental Health Board. The second prong is to privatize a variety of treatment alternatives to hospitalization at API. Statutorily, DHSS is mandated to work on making sure that patients are treated in the least restrictive environment and as close to home as possible. DHSS provides services locally, instead of through API, whenever possible. The third prong is quality of care. API recently scored 98 out of 100 by the Joint Commission in December of last year.

MR. BURNS explained that in Anchorage, API will be using a single point of entry service, the idea being that any law enforcement official or family member will know where to bring a person who is experiencing a mental health crisis. When the person is admitted, the staff will determine what type of services to refer that person for. In many parts of the state, inpatient services are nonexistent. API is the safety net when other services are not available. In addition, API houses forensic patients and patients who are not guilty by reason of insanity and it provides competency evaluations to the courts.

MR. BURNS explained that the new facility will be constructed to hold 72 beds because until communities have a full range of services necessary, API will not be able to function at 54 beds. The current patient capacity fluctuates. API must admit patients who need services, no matter what other service providers will not.

Number 1955

SENATOR WILKEN asked why they are not planning a facility with more than 54 beds.

MR. BURNS said in 1994, after three years of planning, DHSS sought funding from the legislature to plan for a 114 bed, \$65 million facility. DHSS was appropriated \$22.8 million and told to build a 72 bed facility. Therefore, DHSS has been working within that guideline and a 54 bed facility is the long term goal of the mental health system. The goal is to offer enough services in communities so that API will be more of a tertiary care facility.

SENATOR WILKEN expressed concern that if the legislature approves this plan, DHSS will be back before the legislature, just about the time API opens its doors, asking for another building unless there is some way to restrain the growth.

MR. BURNS said, regarding the single point of entry, Providence Hospital is in the business of receiving people who are experiencing a mental health crisis in Anchorage; 68 percent of patients are from the Anchorage area. They are referred for other services from there so, on its face, that will stop some of those

people from coming to API. An important part of this plan is designated evaluation and treatment, which will reduce API's intake considerably. He believes that over time, the plan that is being implemented should result in a reduction in the bed need at API.

SENATOR WILKEN asked if this plan was designed in the early 1990s.

MR. BURNS said the plan was finalized in 1996.

SENATOR WILKEN asked if any redesign of the plan was considered, given fiscal constraints.

MR. BURNS said it was discussed but the issue is the \$19.2 million in the bank right now. DHSS has worked hard to maintain those funds and it would be costly to do another redesign.

CHAIRWOMAN GREEN thought DHSS has been constrained by the framework placed on it by the legislature.

SENATOR WILKEN repeated that it seems strange to build a four-lane highway that will be full when the ribbon is cut.

MR. BURNS said that is why it will be expandable to 72 beds.

SENATOR WILKEN noted that 72 beds will not be sufficient.

MR. BURNS repeated that DHSS hopes other programs will be on line. The crisis treatment capacity has been expanded in Anchorage as well as the de-tox capacity. The hope is that more people can be kept out of the hospital by referring them to other services.

SENATOR WARD asked if a wing for youth has been incorporated into the new design for API

MR. BURNS said currently API has 12 beds, the new facility will have nine.

Number 1723

SENATOR WARD asked if the Alaska Native Hospital is charged when IHS-eligible patients stay at API.

MR. BURNS said 28 percent of API's residents are Alaska Native and the cost of their treatment is primarily borne by the state and with federal Medicaid funds.

SENATOR WARD asked what that percentage is.

MR. BURNS explained that API gets a form of Medicaid named Disproportionate Share Hospital (DSH) because many of its patients are indigent. Those funds used to comprise 46 percent of API's

budget. This is the first year the federal government, in the 1997 Budget Reconciliation Act, cut DSH funds to public hospitals beginning in the federal fiscal year 01. Over three years, those funds will have been cut by 66 percent.

Number 1648

SENATOR LEMAN said he would like a reconfirmation that the new facility is not too elaborate for the state's revised vision for institutional treatment. He also asked whether all options for the existing building have been explored, such as University ownership.

MR. BURNS said at one point, the University considered using the facility as a repository for books and storage. The engineers felt the building wouldn't bear the weight so the University withdrew its consideration. API is using that facility because it is grandfathered into it; he does not believe any other public entity could move into that facility without a substantial clean up of the asbestos.

SENATOR LEMAN asked if that clean up could cost as much as the demolition.

MR. BURNS said that is correct. He noted that regarding the appropriateness of the design to the state's vision, DHSS spent four years discussing the appropriateness of the design. The building will be a single story, which is controversial, but it was designed that way for patient care issues. It is very attractive and will be very functional.

SENATOR WILKEN expressed concern that DHSS is taking an old effort, and given some fiscal constraints, and saying that effort will be adequate for the next 50 years. He asked if it is time to look at alternatives and, if more money is needed, come up with a proposal that will not require a revision in five years. He noted the next committee of referral will be the place to talk about the financial aspect of this plan.

COMMISSIONER PERDUE said, regarding the question of whether the facility is large enough, the 1990 census at API was 200 patients. Psychotropic drugs and other community services have really driven that number down. DHSS feels confident that it can work with the bed capacity in the new plan as long as it remains flexible up to 72. Regarding the design, Commissioner Perdue said the facility will be 98,000 square feet. It has been controversial because it takes up the entire site. If DHSS could get the assurance that it will have the money to build, it may be able to take an objective look at whether it can be built cheaper if redesigned. DHSS does not want to continue to use the seed money it has for another redesign. DHSS could look at partnering, if the building is designed as a multi-story facility.

Number 1366

SENATOR WARD said that he sat in on some of the citizens committee meetings and pointed out that one of the reasons for designing the building with a single story is that it provides the best therapeutic atmosphere for patients.

CHAIRWOMAN GREEN announced the committee would take teleconference testimony.

MR. SCOTT WHEAT, informed the committee that he has served on the API governing body for a number of years. Over 10 years of following this issue, the certificate of participation idea is the best he has heard for funding. Providing a single point of entry will allow people to get the proper support they need. The question of moving the hospital has caused a lot of anxiety among patients, families and staff. He noted the quality of care and operations of the hospital are very good. The use of a single story with a courtyard will provide the most attractive environment for patient care.

DEPUTY COMMISSIONER WEBB said this is a long standing problem that needs a solution.

There being no further questions or testimony on the bill, CHAIRWOMAN GREEN announced she would set the bill aside for now and the committee would take up SB 112.

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#SB 112

SB 112-LONG-TERM CARE OMBUDSMAN;MENTAL HLTH AUTH

MR. HANS NEIDIG, staff to Senator Lyda Green, explained that SB 112 would place the employees of the AMHTA in the exempt service while establishing a minimum salary for the long term care ombudsman. Currently, The executive director position is partially exempt, the financial officer is fully exempt, and four other employees are partially exempt. SB 112 would make all partially exempt positions fully exempt. SB 112 was introduced at the request of the AMHTA to address concerns about its ability to run efficiently as a state corporation. In addition, this legislation establishes a minimum salary for the long term care ombudsman at a range 21. That position is currently a range 20.

MR. JEFF JESSE, Executive Director of the AMHTA, stated the bill contains two parts. The first part pertains to the exempt status of the current AMHTA employees. The AMHTA outfit is small; it needs to be able to retain the employees who are doing a good job. On the other hand, it cannot afford to hold on to people who are not able to meet its level of fiduciary responsibility so it needs

more flexibility to manage. He looked at other state corporations with a similar structure and their employees are in the exempt service. Regarding the long term care ombudsman, the Governor, via an executive order, transferred the responsibility for administering the office of the long term care ombudsman to AMHTA. The trustees were willing to take on that responsibility on the condition that they could look at how the office was functioning. The ombudsman was paid at a range 20, which is a lower to mid-level manager range, yet this person is responsible for wielding the power of subpoena over confidential records and to bring lawsuits if necessary. AMHTA wants some flexibility to look for the qualifications needed to make that office successful so it suggested a minimum salary of a range 21. Any additional costs will be absorbed by reorganizing AMHTA's existing budget.

There being no further questions or testimony, SENATOR WARD moved SB 112 out of committee with individual recommendations and its zero fiscal note. There being no objection, the motion carried.
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SENATOR WILKEN asked Mr. Jesse to what extent he has been involved in the API facility.

MR. JESSE said probably more than he could have ever imagined.

CHAIRWOMAN GREEN informed the committee that she will be looking at all proposals for exit exam legislation over the weekend and will draft a bill to work from. She asked committee members to let her know of any ideas or new thoughts on the issue.

Number 636

SENATOR LEMAN said he took the ideas in the memo he sent to Chairwoman Green and had it drafted into a bill.

SENATOR WILKEN noted that the school organizations have visited the Capitol and are all over the map on the issue but all agree that Chairwoman Green has done a good job on this issue.

SENATOR WARD noted, for the record, that Lisa Caress has been on line to testify on SB 112, if necessary, and that her letter is in committee members' file. He thanked her for her efforts on this issue.

CHAIRWOMAN GREEN then adjourned the meeting at 3:05 p.m.