

**HOUSE BILL NO. 396**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES BERKOWITZ, Cissna, Gruenberg, Gardner, Kerttula

Introduced: 1/25/06

Referred: Health, Education and Social Services, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act establishing the Alaska Commission on Health Care; and providing for an  
2 effective date."

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

4 \* **Section 1.** AS 44.19 is amended by adding new sections to read:

5 **Article 3A. Alaska Commission on Health Care.**

6 **Sec. 44.19.271. Creation of commission; composition.** (a) There is created in  
7 the Office of the Governor the Alaska Commission on Health Care and the selection  
8 panel for the Alaska Commission on Health Care.

9 (b) The members of the selection panel are

10 (1) the commissioner of administration or the commissioner's  
11 designee;

12 (2) the commissioner of health and social services or the  
13 commissioner's designee;

14 (3) the commissioner of commerce, community, and economic

1 development or the commissioner's designee;

2 (4) 13 persons appointed by the governor as follows:

3 (A) one member who represents health insurers;

4 (B) three members who represent consumers;

5 (C) one member who represents physicians;

6 (D) one member who represents for-profit health care  
7 providers;

8 (E) one member who represents Alaska Native health care  
9 providers;

10 (F) one member who represents nonprofit health care  
11 providers;

12 (G) one member who represents private employers;

13 (H) one member who represents labor organizations;

14 (I) one member who represents local government;

15 (J) one member who represents nonprofit health care  
16 organizations; and

17 (K) one member who represents public health organizations;

18 (5) one legislator from the majority caucus of the state house of  
19 representatives and one legislator from the minority caucus of the state house of  
20 representatives selected by the speaker of the house of representatives; and

21 (6) one legislator from the majority caucus of the state senate and one  
22 legislator from the minority caucus of the state senate selected by the president of the  
23 senate.

24 (c) The selection panel shall meet as necessary to select nine persons with  
25 experience and an interest in health care in the state to serve on the Alaska  
26 Commission on Health Care. Selection of the commission members shall be by  
27 consensus of the panel.

28 (d) The commission shall elect a chair from among its members and may elect  
29 other officers at the discretion of the commission.

30 (e) The commission may employ persons to serve as staff to the commission.

31 **Sec. 44.19.273. Terms of office; compensation.** (a) The term of office of a

1 member of the selection panel or commission appointed or selected under  
 2 AS 44.19.271 is five years. Terms shall be staggered. A member may be selected more  
 3 than one time or reappointed but may not serve more than two consecutive terms.

4 (b) A vacancy shall be filled in the same manner as the original selection or  
 5 appointment. A person selected or appointed to fill a vacancy serves for the unexpired  
 6 portion of the term.

7 (c) Members of the selection panel and the commission do not receive  
 8 compensation for their services but are entitled to per diem and travel allowances  
 9 authorized for other boards and commissions under AS 39.20.180.

10 **Sec. 44.19.275. Meetings and quorum.** A majority of the commission  
 11 members constitutes a quorum for conducting business and exercising the powers of  
 12 the commission. The commission shall meet at least four times each year at the call of  
 13 the chair, at the request of a majority of the members, or at regularly scheduled times  
 14 as determined by a majority of the members. All meetings of the commission and  
 15 special committees appointed by the commission shall be open to the public and  
 16 include public comment as an agenda item.

17 **Sec. 44.19.277. Powers and duties of the commission.** (a) The commission  
 18 shall develop strategies and recommendations to improve public health and health care  
 19 and to reduce health care costs for state businesses and residents. The strategies and  
 20 recommendations must address

21 (1) the establishment of an affordable, effective, and quality health  
 22 care system;

23 (2) access to affordable health care;

24 (3) individual responsibility for personal health and wellness;

25 (4) disease prevention and management;

26 (5) workforce shortages among health care providers;

27 (6) cost shifting by health care providers caused by insufficient  
 28 reimbursement or lack of insurance;

29 (7) the need for courts with specialized jurisdiction to consider health  
 30 issues;

31 (8) improvements in public health;

- 1 (9) the public availability of health care cost information; and  
 2 (10) other issues considered appropriate by the commission.
- 3 (b) In carrying out the duties under (a) of this section, the commission shall  
 4 (1) hold public hearings throughout the state;  
 5 (2) identify the reasons for rising health care costs in the state;  
 6 (3) obtain advice and information from experts and other interested  
 7 parties;  
 8 (4) review other states' actions taken to improve health care and reduce  
 9 health care costs; and  
 10 (5) consider past state efforts to improve health care, including the  
 11 1993 report of the Health Resources and Access Task Force.

12 (c) The commission may appoint special committees and may request that the  
 13 commissioner of administration, the commissioner of health and social services, or the  
 14 commissioner of commerce, community, and economic development employ  
 15 specialized personnel and enter into contracts as necessary to carry out the duties of  
 16 the commission. A person employed or contracted for at the request of the commission  
 17 shall provide services at the direction of the commission.

18 (d) Before December 1 of each year, the commission shall prepare and  
 19 distribute a report to the legislature, including the results of public outreach conducted  
 20 under AS 44.19.279, committee findings and recommendations, and the commission's  
 21 recommendations for legislative action.

22 **Sec. 44.19.279. Public outreach.** (a) The commission established under  
 23 AS 44.19.271 shall conduct public outreach across the state to assess health care needs  
 24 and solicit suggestions for improving public health and health care and reducing health  
 25 care costs.

26 (b) The commission may conduct public meetings and electronic surveys and  
 27 use other appropriate methods for acquiring information under (a) of this section.

28 (c) The commission shall consider the results of public outreach before  
 29 developing strategies and recommendations under AS 44.19.277.

30 \* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to  
 31 read:

1 INITIAL APPOINTMENT OF PANEL MEMBERS. Notwithstanding  
 2 AS 39.05.055(8) and AS 44.19.273, the members of the selection panel for the Alaska  
 3 Commission on Health Care appointed under AS 44.19.271(b)(4) shall be initially appointed  
 4 to terms as follows:

- 5 (1) five members shall be appointed for four years;
- 6 (2) four members shall be appointed for three years;
- 7 (3) two members shall be appointed for two years; and
- 8 (4) two members shall be appointed for one year.

9 \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to  
 10 read:

11 INITIAL APPOINTMENT OF COMMISSION MEMBERS. Notwithstanding  
 12 AS 39.05.055(8) and AS 44.19.273, the members of the Alaska Commission on Health Care  
 13 selected under AS 44.19.271(c) shall be initially selected to terms as follows:

- 14 (1) three members shall be selected for four years;
- 15 (2) three members shall be selected for three years;
- 16 (3) two members shall be selected for two years; and
- 17 (4) one member shall be selected for one year.

18 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to  
 19 read:

20 SPECIAL COMMITTEE ON HEALTH COURTS. Not later than October 1, 2006,  
 21 the Alaska Commission on Health Care shall establish a special committee to investigate the  
 22 need for and efficacy of establishing courts with specialized jurisdiction to consider health-  
 23 related issues as a possible strategy for decreasing health care costs and improving access to  
 24 and the quality of health care throughout the state. The commission shall appoint the members  
 25 of the special committee on health courts. At least two members of the special committee  
 26 established under this section shall be members of the commission. The special committee  
 27 shall elect a chair from among its members. The special committee on health courts

- 28 (1) must include
  - 29 (A) one member who represents health insurers;
  - 30 (B) one member who represents consumers;
  - 31 (C) one member who represents nonphysician health care providers;

- 1 (D) one member who represents physicians;
- 2 (E) one member who represents the executive branch of state  
3 government;
- 4 (F) one member who represents the legislative branch of state  
5 government;
- 6 (G) one member who represents the judicial branch of state  
7 government, appointed in consultation with the chief justice of the Alaska Supreme  
8 Court;
- 9 (H) one member who represents the Department of Law, appointed in  
10 consultation with the governor;
- 11 (I) two members who represent the private practice of law, including  
12 one attorney who primarily represents plaintiffs and one attorney who primarily  
13 represents defendants in civil litigation matters;
- 14 (2) shall
- 15 (A) obtain expert advice and information regarding the establishment  
16 of state health courts;
- 17 (B) identify state and federal measures necessary to creating a state  
18 health court system;
- 19 (C) develop a strategy for creating and operating a state health court  
20 system; and
- 21 (D) prepare and submit a report before May 30, 2007, to the  
22 commission; the report must include the committee's findings and recommendations.

23 \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
24 read:

25 SPECIAL COMMITTEE ON HEALTH INFORMATION TECHNOLOGY. Not later  
26 than October 1, 2006, the Alaska Commission on Health Care shall establish a special  
27 committee on health information technology to research and design a joint public and private  
28 statewide health information network for the benefit of all state residents. The special  
29 committee shall also investigate additional technological tools to improve the quality and  
30 availability of health care coverage for state residents. At least two members of the special  
31 committee established under this section shall be members of the commission. The special

1 committee shall elect a chair from among its members. The commission shall appoint the  
 2 members of the special committee on health information technology. The special committee  
 3 on health information technology

4 (1) must include

5 (A) two members who represent health insurers;

6 (B) two members who represent consumers;

7 (C) two members who represent health care providers;

8 (D) two members who represent physicians;

9 (E) one member who represents Alaska Native health care providers;

10 (F) one member who represents the Alaska State Chamber of  
 11 Commerce;

12 (G) one member who represents the executive branch;

13 (H) the director of public health or the director's designee; and

14 (I) one member who represents the legislative branch;

15 (2) shall

16 (A) develop a strategy for creating, implementing, and operating a  
 17 health information network;

18 (B) obtain expert advice and information regarding the establishment  
 19 of a statewide health information network to facilitate communication of patient  
 20 clinical information; the network must be designed to

21 (i) promote more efficient and effective communication among  
 22 multiple health care providers, including hospitals, physicians, payors,  
 23 employers, pharmacies, laboratories, and other health care entities;

24 (ii) create reductions in health care costs by eliminating  
 25 redundancy in data capture and storage and by reducing administrative, billing,  
 26 and data collection costs;

27 (iii) create the ability to monitor community health status,  
 28 including cases of bioterrorism;

29 (iv) provide reliable information to health care consumers and  
 30 purchasers regarding the quality and cost-effectiveness of health care, health  
 31 plans, and health care providers;

1 (v) ensure that security measures are implemented to protect  
2 patient health care information to the fullest extent possible;

3 (C) investigate ways to coordinate information networks, including  
4 Medicare, available in the state and to extend information networks to primary care  
5 providers;

6 (D) develop and design other initiatives for information sharing as  
7 approved by the commission; and

8 (E) prepare and submit a report before May 30, 2007, to the  
9 commission; the report must include the committee's findings and recommendations.

10 \* **Sec. 6.** Sections 4 and 5 of this Act are repealed June 1, 2007.

11 \* **Sec. 7.** This Act takes effect immediately under AS 01.10.070(c).