

ALASKA STATE LEGISLATURE
HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES STANDING COMMITTEE

May 3, 2005

3:28 p.m.

MEMBERS PRESENT

Representative Peggy Wilson, Chair
Representative Paul Seaton, Vice Chair
Representative Lesil McGuire
Representative Sharon Cissna
Representative Berta Gardner

MEMBERS ABSENT

Representative Tom Anderson
Representative Vic Kohring

COMMITTEE CALENDAR

CS FOR SENATE BILL NO. 150(HES)

"An Act relating to the Alaska children's trust grant awards."

- MOVED CSSB 150(HES) OUT OF COMMITTEE

HOUSE BILL NO. 288

"An Act relating to the Medicaid personal needs allowance for assisted living home residents; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 271

"An Act relating to limitations on overtime for registered nurses in health care facilities; and providing for an effective date."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 150

SHORT TITLE: ALASKA CHILDREN'S TRUST FUND GRANTS

SPONSOR(S): HEALTH, EDUCATION & SOCIAL SERVICES

03/21/05	(S)	READ THE FIRST TIME - REFERRALS
03/21/05	(S)	HES, FIN

04/06/05 (S) HES AT 1:30 PM BUTROVICH 205
 04/06/05 (S) Heard & Held
 04/06/05 (S) MINUTE(HES)
 04/15/05 (S) HES AT 1:30 PM BUTROVICH 205
 04/15/05 (S) Moved CSSB 150(HES) Out of Committee
 04/15/05 (S) MINUTE(HES)
 04/18/05 (S) HES RPT CS 3DP 2NR
 NEW TITLE
 04/18/05 (S) DP: DYSON, WILKEN, GREEN
 04/18/05 (S) NR: ELTON, OLSON
 04/18/05 (S) HES AT 1:30 PM BUTROVICH 205
 04/18/05 (S) <Above Bill Hearing Canceled>
 04/25/05 (S) FIN RPT CS(HES) 4DP 2NR
 NEW TITLE
 04/25/05 (S) DP: WILKEN, GREEN, DYSON, STEDMAN
 04/25/05 (S) NR: HOFFMAN, OLSON
 04/25/05 (S) FIN AT 9:00 AM SENATE FINANCE 532
 04/25/05 (S) Moved CSSB 150(HES) Out of Committee
 04/25/05 (S) MINUTE(FIN)
 04/26/05 (S) TRANSMITTED TO (H)
 04/26/05 (S) VERSION: CSSB 150(HES)
 04/27/05 (H) READ THE FIRST TIME - REFERRALS
 04/27/05 (H) HES, FIN
 05/03/05 (H) HES AT 3:00 PM CAPITOL 106

BILL: HB 288

SHORT TITLE: MEDICAID PERSONAL NEEDS ALLOWANCE
 SPONSOR(S): HEALTH, EDUCATION & SOCIAL SERVICES

04/28/05 (H) READ THE FIRST TIME - REFERRALS
 04/28/05 (H) HES, FIN
 05/03/05 (H) HES AT 3:00 PM CAPITOL 106

BILL: HB 271

SHORT TITLE: LIMIT OVERTIME FOR REGISTERED NURSES
 SPONSOR(S): REPRESENTATIVE(S) WILSON

04/15/05 (H) READ THE FIRST TIME - REFERRALS
 04/15/05 (H) L&C, HES, FIN
 04/30/05 (H) L&C AT 1:00 PM CAPITOL 17
 04/30/05 (H) Moved Out of Committee
 04/30/05 (H) MINUTE(L&C)
 05/02/05 (H) L&C RPT 4DP 3NR
 05/02/05 (H) DP: CRAWFORD, LYNN, GUTTENBERG,
 ANDERSON;
 05/02/05 (H) NR: LEDOUX, ROKEBERG, KOTT
 05/03/05 (H) HES AT 3:00 PM CAPITOL 106

WITNESS REGISTER

JASON HOOLEY, Staff
to Senator Fred Dyson
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented SB 150 on behalf of the Senate Health, Education and Social Services Standing Committee, sponsor, which is chaired by Senator Dyson.

JOEL GILBERTSON, Commissioner
Office of the Commissioner
Department of Health and Social Services (DHSS)
Juneau, Alaska

POSITION STATEMENT: Testified on behalf of the department during the hearing on SB 150.

MARGO MCCABE, Chair
Alaska Children's Trust (ACT)
Anchorage, Alaska

POSITION STATEMENT: Testified on behalf of ACT during the hearing on SB 150.

JON SHERWOOD, Medical Assistance Administrator
Office of the Commissioner
Department of Health and Social Services
Juneau, Alaska

POSITION STATEMENT: Testified on behalf of the department during the hearing on HB 288.

JANE BARNES, Nursing Director
Alaska Psychiatric Institute (API)
Anchorage, Alaska

POSITION STATEMENT: Cautioned that HB 271 would have a negative impact on patient care.

DIANNE O'CONNELL, Labor Program Director
Alaska Nurses Association
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 271.

CAROL WIDMAN, Registered Nurse
Alaska Psychiatric Institute
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 271.

DAVE WILLIAMS, Project Coordinator
Alaska Pioneer Homes
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on HB 271.

ACTION NARRATIVE

CHAIR PEGGY WILSON called the House Health, Education and Social Services Standing Committee meeting to order at [3:28:52 PM](#). Representatives Seaton, Gardner, and Cissna were present at the call to order. Representative McGuire arrived as the meeting was in progress.

SB 150-ALASKA CHILDREN'S TRUST FUND GRANTS

CHAIR WILSON announced that the first order of business was CS FOR SENATE BILL NO. 150(HES) "An Act relating to the Alaska children's trust grant awards."

[3:30:10 PM](#)

JASON HOOLEY, Staff to Senator Fred Dyson, Alaska State Legislature, presented SB 150 on behalf of the Senate Health, Education and Social Services Standing Committee, sponsor, which is chaired by Senator Dyson. He said that in the late 80s, the Alaska Children's Trust was created by the legislature to provide start-up funding to community-based programs dedicated to preventing child abuse. The amount of the grants is prescribed in state statute. Since then, he said, "the board of trustees has requested some additional flexibility in determining the amount of grants that they award." The proposed legislation would meet that request by: removing the \$50,000 annual cap on the grants; refining the funding formula set in statute; including a four-year limit on the grant awards in order to enforce the original intent to provide seed money to the community organizations; setting up a requirement that applicants include a self-sustainability plan in their proposal; and giving the board of trustees the authority to reduce or eliminate grants in order to enforce program requirements or performance goals.

[3:31:36 PM](#)

REPRESENTATIVE GARDNER asked what triggered the bill.

[3:32:06 PM](#)

JOEL GILBERTSON, Commissioner, Office of the Commissioner, Department of Health and Social Services (DHSS), said the commissioners of the Department of Education and Early Development and the Department of Health & Social Services, by their office, were appointed to the Alaska Children's Trust when it was initiated; however, the bulk of the members are not state employees. In response to Representative Gardner's question, he said what prompted the legislation to move forward was a strange circumstance, which is that the trust has not done any new grants in over two years. Because the funding doesn't go into operations, but rather is used to start up innovative programs, getting them up and running, and moving on to something else, the original statute contemplated a step-down in funding support over a four-year period. Some legislators assumed that by the fifth year, the program being funded would be on its own; however, the statute is vague. As a result, there are programs that have continued to receive a base amount of approximately 25 percent into the eighth year.

COMMISSIONER GILBERTSON said the challenge with the Children's Trust is that the principal of the fund has not grown drastically and has a fairly conservative investment strategy. The grant making comes solely from the interest that the fund earns; the principal cannot be touched. Because the market has been fairly flat, there has been a relatively fixed amount of money that comes out of earnings of the fund on an annual basis; it has ranged from between \$210,000-\$240,000 per year. He said there comes a point in which a 25 percent obligation to 30 to 40 grants fully utilizes the money and doesn't allow for new funding. The key element of SB 150 is to clarify what Commissioner Gilbertson said was the intent of the original legislation, which is that after the four years of step-down funding, the amount goes to zero. He described the process as a natural attrition every four years, which would allow new grants to be brought onto the program.

COMMISSIONER GILBERTSON noted that the trust has received an earmark in the last federal fiscal year for specific programming; however, that funding doesn't go into the corpus of the fund. He offered further details.

[3:37:02 PM](#)

CHAIR WILSON directed attention to a booklet in the committee packet, entitled, "Alaska Children's Trust Annual Report 2004," and noted that on page 12 the grantees are listed.

[3:37:15 PM](#)

REPRESENTATIVE GARDNER noted that the bill would also repeal the cap on grants, and she asked how that fits in with the idea of trying to make money for new programs.

COMMISSIONER GILBERTSON responded that the cap provision probably has less direct application in the short term. He said he thinks the trustees would like to be able to "be positioned where they could do something sizeable in this state," should a large amount of money became available. He stated, "What I've seen is we can spend a lot of money doing very little things, and at the end of the day, they rarely, in their cumulative weight and success, accomplish what you can get done if you do one sizeable project and you put your money behind it." He said the scope of child abuse is wide and, because there is a small amount of money, the mission needs to be tightly defined and funds need to be targeted around accomplishing "a clear change around what the trustees define as child abuse and neglect." Without SB 150, he cautioned, there will be no new grant making for the third straight year.

[3:40:23 PM](#)

REPRESENTATIVE CISSNA said she has been asking about "the measurements" for the last seven years she has served as a Representative, and she has yet to see the programs come back with them. She stated, "Creating the model is almost as much of a necessity it seems to me as doing a lot of other things that wouldn't have lasting effect."

[3:41:27 PM](#)

COMMISSIONER GILBERTSON encouraged the committee to involve Margo McCabe in the discussion, because she is the chair of the trust, while he is just a member. In response to Representative Cissna's concern, he said he thinks the trustees will "self-acknowledge that there really hasn't been good performance measures in the grants." He offered examples. He mentioned an idea of moving from grants to performance contracts or measures.

[3:43:04 PM](#)

MARGO MCCABE, Chair, Alaska Children's Trust, said she thinks Commissioner Gilbertson has done a good job covering the intent of the proposed legislation and explaining why the trust supports it. She echoed the commissioner in emphasizing that

over the last couple of years the trust has only had enough money to fund recurring grants. She said the trust thinks there are a lot of innovative programs in existence worth looking at and would like to have its money freed up to do so. Regarding performance measures, she said the trust is about to issue a new [request for proposals (RFP)] and has done good work in giving examples of performance measures that grantees can track. She said there is a system in place for the trustees to meet with grantees to ensure they are meeting the indicators. She said she thinks SB 150 will move the trust closer to ensuring the grantees are performing and will sustain the programs once the grant monies are gone. She concluded, "The sustainability requirement just enforces what we're putting in our RFP."

MS. MCCABE, in response to a request from the chair, listed the Alaska Children's Trust board members. In response to a follow-up comment from Chair Wilson, she agreed that currently there are not many members from smaller communities. In response to a question from the chair, she noted that the trustees are appointed to the board by the governor.

CHAIR WILSON said she would like to see more representation on the board from rural Alaska.

[3:46:26 PM](#)

MS. MCCABE concurred. She said many of the grantees are from smaller communities around the state, so a considerable amount of time is spent focusing on those communities.

[3:47:11 PM](#)

COMMISSIONER GILBERTSON said the trust conducts geographic mapping of some of the issues around child abuse. He mentioned a media campaign that focuses on modeling behaviors. He said child abuse and neglect occurs in every community in Alaska, but there is great disparity geographically, which needs to be acknowledged as resources are being put forth.

[3:49:11 PM](#)

REPRESENTATIVE GARDNER inquired about license plate and heirloom birth certificate programs.

MS. MCCABE said those programs, which are offered through the Office of Vital Statistics, were in place before she began

serving on the board and have become self-sustaining. She deferred further comment to the commissioner.

3:50:22 PM

COMMISSIONER GILBERTSON noted that the trust does not have an administrative budget or staff, but has done a tremendous volunteer effort getting involved in RFPs and contracts, and going above and beyond what normal trustees would have to do. He said the Department of Revenue provides support to the trust by managing the financial accounts, investing the fund, and providing a portion of staff time to advise the trustees on financial issues. The Department of Health & Social Services provides administrative support and uses resources in its department for the actual administration of the grants. The heirloom certificates and license plates are two other ways to raise funds. He described the heirloom certificates as "slightly more ornate than the traditional document you would get from vital statistics."

3:51:31 PM

REPRESENTATIVE SEATON expressed concern regarding removing the \$50,000 cap. He noted that the highest grants the trust has given have been for \$20,000, and it would appear that if the trust went above \$50,000, then all the efforts would be concentrated in the most populated areas of the state. He questioned if there really is a need to remove the cap or whether the trust is just looking at possibly having more money to grant in the future.

COMMISSIONER GILBERTSON said he thinks it's important to remove the cap. First, it would position the trust going into the future as the corpus of the fund grows. Also, smaller grants are not as efficient. He said it shouldn't be assumed that a single grant cannot have statewide application; the trustees are committed to a statewide application of the trust. In fact, on a per capita basis, the grants are probably heavily weighted towards rural regions, which he opined is appropriate. He concluded, "It's very difficult for us to manage the trust with some of the constraints that are placed on it right now."

MS. MCCABE said that she supports lifting the cap in order to position the trust board to receive larger grants in the future which then can be distributed in the most appropriate way. She said there is no intent to change the strategy in terms of how

many [grants] are distributed. She stated, "We're committed to continue funding programs all around the state."

COMMISSIONER GILBERTSON offered some examples of how the trust uses its funds. He noted that the trust has been unable administratively to expend funds given to the it to do a media campaign because of the existing statute.

CHAIR WILSON asked who holds the trust accountable.

[3:56:52 PM](#)

COMMISSIONER GILBERTSON replied that the trust is a public entity appointed by the governor. Ultimately, he said, the individual ultimately responsible is the commissioner of DHSS. He explained:

Procedurally, the way the trust actually works is the trustees make the spending decisions, those spending decisions are integrated into the grant making of the Office of Children's Services and, as commissioner, I'm the one who actually signs the authorization to expend the funds, ... approves the RFP, and approves the grant awards.

CHAIR WILSON asked if [the trust] would object to reporting each year to both the Senate Health, Education and Social Services Standing Committee and the House Health, Education and Social Services Standing Committee.

[3:58:13 PM](#)

COMMISSIONER GILBERTSON responded that the trust publishes an annual report that documents where the funds go, and he said he could certainly make a commitment to the chair that every legislator gets a copy.

REPRESENTATIVE SEATON referred to [the sponsor statement, included in the committee packet, which includes a chart describing the funding formula]. He questioned whether the way the chart was written may be ambiguous.

COMMISSIONER GILBERTSON explained that the funding scale is existing law. He said the grantee comes forward with a proposal with an amount for a program set. The percentages are figured each year from the set amount. In response to a question from Chair Wilson, he reiterated that everyone he has spoken to has

said the intent was that there would be a natural turnover after four years, but that sentence is missing in statute. Of the sixteen grantees going into the upcoming grant years, 12 of them will be past four years, three of the remaining the fourth year and one will be in its third year. There will be no grantees in the first or second year.

[4:02:59 PM](#)

COMMISSIONER GILBERTSON, in response to a question from Chair Wilson as to where that language exists in the bill, directed attention to page 2, lines 7-8, which read:

(d) The board may not award grants to a single project or program for more than four years.

COMMISSIONER GILBERTSON, in response to a follow-up question from Chair Wilson, said there are two more areas in the bill with "salient pieces of new language." One part of the bill would require the grantees to have a sustainability or self-sufficiency plan. The other new language read as follows:

(g) The board may reduce or discontinue a grant awarded or distributed under this section at any time during the grant period if the project is not being successful in accomplishing its objectives, as determined by the board.

[4:04:17 PM](#)

REPRESENTATIVE CISSNA reiterated her concerns regarding performance measures. She said the state needs to have partners in the private sector that provide services. She offered further examples. She suggested adding language to include new organizations with ideas for programs.

[4:06:52 PM](#)

COMMISSIONER GILBERTSON said he doesn't disagree with Representative Cissna. He said he has a lot programs in his department that need to be addressing the issues that Representative Cissna is talking about. He said questions that need to be addressed are: "How do we bring competition into the marketplace for grant making; ... how do we make our decisions on awarding grants based on performance - on outcomes that we the payer have set; and how do we hold our grantees, ... contractors, ... vendors, or our providers accountable for those

outcomes?" He added that the Alaska Children's Trust is not the entity to engage in that conversation, because the sole purpose of the trust is about primary prevention and keeping it simple.

CHAIR WILSON closed public testimony.

4:09:49 PM

REPRESENTATIVE SEATON moved to report CSSB 150(HES) out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSSB 150(HES) was reported out of the House Health, Education and Social Services Standing Committee.

The committee took an at-ease at 4:10:45.

HB 288-MEDICAID PERSONAL NEEDS ALLOWANCE

[Not on tape, but reconstructed from the committee secretary's log notes, was the following:]

CHAIR WILSON announced that the next order of business would be HOUSE BILL NO. 288 "An Act relating to the Medicaid personal needs allowance for assisted living home residents; and providing for an effective date."

4:13:47 PM

JON SHERWOOD, Medical Assistance Administrator, Office of the Commissioner, Department of Health and Social Services, testifying on behalf of the department, said that HB 288 helps to address a change made to regulation. He said it would only apply to people who are not receiving cash assistance. He mentioned an increase to personal needs allowance, as well as a possible amendment.

The committee took an at-ease from 4:16:00 to 4:17:13.

[The recording begins again starting here.]

4:17:16 PM

REPRESENTATIVE WILSON said, "The folks that want this bill aren't here, and so we're going to table the bill -- let's go ahead and put the amendment on it, and then we'll table the bill until they see fit to be interested enough to come and talk about it."

[4:17:33 PM](#)

REPRESENTATIVE CISSNA moved Amendment 1, labeled, "24G-1, 5/2/2005, (8:14 A.M.)," which read as follows [original punctuation provided]:

Page 1, line 6:
Delete "\$260"
Insert "\$1,396"

Page 1, line 13:
Delete "\$260"
Insert "\$1,396"

[There being no objection, it was so ordered.]

[HB 288 was held over.]

HB 271-LIMIT OVERTIME FOR REGISTERED NURSES

[4:18:05 PM](#)

CHAIR WILSON announced that the final order of business was HOUSE BILL NO. 271 "An Act relating to limitations on overtime for registered nurses in health care facilities; and providing for an effective date."

[4:18:25 PM](#)

[CHAIR WILSON turned the gavel over to Vice-Chair Seaton.]

The committee took an at-ease from [4:18:37 PM](#) to 4:19:26.

[4:19:31 PM](#)

CHAIR WILSON, as sponsor of HB 271, stated that mandatory overtime causes significant problems, including increased injury rates, for both patients and health care workers, and can be life threatening. She reported that the abuse of mandatory overtime shifts has been associated with: unhealthy weight gain, increased use of alcohol and tobacco, and lowered levels of functional ability in job performance. A national study showed that between 44,000-98,000 hospital deaths can be attributed to medical errors each year. The final recommendation of the Institute of Medicine was that all

overtime done by nurses - voluntary and mandatory - should be curtailed.

CHAIR WILSON noted that in a study entitled, "The Working Hours of Hospital Staff Nurses and Patient Safety," published in the July/August issue of Health Affairs, found that the risk of making an error is three times higher when nurses work shifts longer than 12 hours, which she indicated is one of the main reasons nurses are leaving their profession. She recalled a study a couple of years ago that said by the year 2010, 4,000 more nurses will be needed in Alaska. She offered anecdotes about her experience as a nurse.

CHAIR WILSON said the proposed legislation will not prohibit a nurse from working overtime, but it will discourage an employer from assigning mandatory overtime. It would also prohibit an employer from threatening or retaliating against a nurse who refuses overtime. Nationwide, she said, 10 other states have mandated this type of legislation, while similar legislation has been proposed in 20 other states.

REPRESENTATIVE GARDNER said she supports this legislation because it seems like a human rights issue. Notwithstanding that, she asked what the result would be for patient care in Alaska if the bill passes.

[4:28:16 PM](#)

CHAIR WILSON noted that critical access hospitals would be exempted. She said hospitals in Alaska work with personnel as much as they can to ensure that they don't use mandatory [overtime] for nurses. She said the only complaints she has received were from state institutions: API, the Pioneer's Homes, and [the Department of Corrections]. In response to a follow-up question from Representative Gardner, she confirmed that the bill would apply to state institutions.

REPRESENTATIVE CISSNA said that part of this is really a quality issue for patients.

[4:31:24 PM](#)

VICE CHAIR SEATON asked why the bill only applies to registered nurses and further asked if the effect will be that lesser qualified employees are substituted for those nurses.

CHAIR WILSON said that is a possibility; however, she said there are guidelines regarding what level of practitioner must be on duty to supervise others.

[4:33:57 PM](#)

VICE CHAIR SEATON clarified that he wants to know if it's being said that overtime is dangerous for registered nurses, but not for licensed practitioner nurses.

CHAIR WILSON said, "I'm sure that that would be also the same for them." She said she wouldn't have any objection to adding LPNs.

[4:34:26 PM](#)

JANE BARNES, Nursing Director, Alaska Psychiatric Institute (API), told the committee that API employees 40 registered nurses and has no LPNs. Currently there are 5 staff nurse vacancies, which is about the norm. Some improvement was made when the a raise was approved in 2002; at that time there were 12 vacancies, or 25 percent of the staff nursing positions. Ms. Barnes said API does use mandatory overtime in order to meet patient care demands. It uses mandatory overtime only when needed to minimally staff the patient care unit, and the mandatory overtime used is minimal. She offered some details. She stated that the use of voluntary overtime is higher, at about 337 hours monthly. It is estimated that over half of the nurses who volunteer for overtime do so to avoid being assigned mandatory overtime.

MS. BARNES said should HB 271 pass, she expects about half of the nurses currently doing voluntary overtime to decline working overtime altogether. She said she anticipates that the result would be maybe 200 hours of overtime that wouldn't be met by voluntary means. She predicted that [API] would have to use "agency nurses" at \$60/hour for 13-week periods. It could also ask for the establishment of additional positions, but given the fact that there is already a difficulty filling the positions, that may be of little help.

MS. BARNES, regarding agency nurses, indicated that it's problematic that those nurses are there for short periods of time and sometimes don't know how to use certain equipment or have to learn a program unique to API's therapeutic milieu and work with a team. A new nurse at API, she noted, partakes in

intensive training for four weeks, which she pointed out is a third of an agency nurse's contract time.

MS. BARNES concluded:

The total elimination of mandated overtime, without any options for a lesser bill, such as limiting that overtime to so many hours at a time, places a real burden on us as an employer, and I believe will have a negative impact on patient care.

REPRESENTATIVE GARDNER asked if it is fair to say that the real problem is that [API] cannot find the staff it needs to hire or can't retain staff.

[4:40:44 PM](#)

MS. BARNES answered that API can usually find people to hire but cannot retain them. She said API is one of the few hospitals in town that will hire a "full-time, permanent placement, brand new nurse, new [graduate]." Most other hospitals require nurses to have 6-12 months experience as an associate nurse. She explained that the nurses API hires often work for one year to get that experience and then leave to work someplace else where they can earn 25-35 percent more per hour.

REPRESENTATIVE GARDNER concluded that bottom line is that the pay rate is too low to retain qualified people.

MS. BARNES answered yes.

REPRESENTATIVE CISSNA surmised that not only is the pay too low, but also API must pay more in constant training. She asked if that has ever been calculated.

MS. BARNES offered her understanding that the committee received a fiscal impact statement. She said she doesn't have a good calculation regarding what it takes to train any new employee.

VICE CHAIR SEATON asked if API is paying less for registered nurses than compared to hospitals in town.

MS. BARNES answered that's correct. She added that API has also lost nurses to doctor's offices. In response to a follow-up question from Vice Chair Seaton, she guessed that API's pay scale is set by the legislature.

4:44:03 PM

DIANNE O'CONNELL, Labor Program Director, Alaska Nurses Association, said she has been working with "a number of nurses throughout the state, and quite a few at API, actually, in developing, ... supporting, and encouraging the passage of HB 271." She said there is more than one way of attacking the problem at hand. She noted, "It's been primarily a state institution problem." She indicated that nurses from many facilities throughout the state are concerned that their colleagues are in "what they consider an untenable situation," but also that the problem will spread if nothing is done now.

MS. O'CONNELL, referring to Vice Chair Seaton's previous question, stated her belief that the pay scale [at API] is set by the Department of Administration and perhaps approved by the legislature. She said currently there is a request in for a reclassification study, which would take registered nurses, for example, "down a notch or two" in order to make up for the 25-35 percent pay differential. She said hopefully that will take place; however, she noted that that's a "separate project" than mandatory overtime, although they are related. She revealed that she had worked as a chaplain at API, and she said it was an emotional place to work [compared to some health care institutions]. She said, "And if you're there and you're faced with this mandatory overtime in addition to the lower salaries, in addition to the stress, in addition to being a brand new nurse, you're going to leave."

MS. O'CONNELL stated that the reason the bill addresses RNs only at present is that that's where the biggest shortage is and that's where most of the responsibility lies for patient care. She echoed Ms. Barnes' notation that although there may be only 40 hours of mandatory overtime, there are 337 hours a month of what is euphemistically called "voluntary overtime."

4:50:04 PM

CAROL WIDMAN, Registered Nurse, Alaska Psychiatric Institute, testified in support of HB 271. She said every time she goes to work she is subject to mandatory overtime. She said she has difficulty coming in on her days off because she has two small children; therefore, she is generally at the top of the list of those who have to stay [for mandatory overtime]. She said she gives medications to 20-30 patients. She stated that mandatory overtime is very dangerous and has caused many medication and judgment errors.

[4:51:14 PM](#)

DAVE WILLIAMS, Project Coordinator, Pioneers' Homes, said that RNs are crucial to pioneers' homes, but there are also LPNs and Certified Nurse Assistants (CNAs). He said there is a lot of overtime. Most of it is voluntary, but some of it is mandatory. He said the pioneers' homes staff of RNs work overtime voluntarily because they care greatly for the residents they serve. He said the bill would require careful documentation as to whether overtime was voluntary or mandatory, because "some of the provisions in the bill would penalize if it wasn't." In response to a question from Vice Chair Seaton, he stated his belief that every one of the RNs, LPNs, and CNAs work overtime. He noted that the RNs are "Nurse I, II, and III in the state system" and are the people who the pioneers' homes are required by licensure to have on board in order to provide services. He said he does not know what the pioneers' homes would do if nobody showed up to work and it was necessary to call someone up without the ability to use mandatory overtime.

MR. WILLIAMS said one alternative may be to use contracted services; however, he said he doesn't know how practical that would be, especially in a more remote place. He stated that the issue is supply; there are not enough RNs available. He opined that nurses who work at the pioneers' homes carefully weigh the benefits they receive, because "it's the package of wages and benefits that need to be balanced against what's in the private sector." He proffered that if working at the pioneers' homes is made more valuable, then there may come a time when the hospitals would have a "hole" in their system. He indicated that he also works with hospitals and he confirmed that they do "look at contract nurses." He reemphasized the need to have RNs available in order to operate. He said he would get a fiscal note to the committee to reflect how much overtime at the pioneers' homes is voluntary and how much is mandatory.

[4:55:42 PM](#)

REPRESENTATIVE CISSNA asked if "lifting" is used to alleviate the nursing load. In response to a request for clarification, she said by "lifting" she means shifting some of the responsibilities that don't require the education of an RN to other employees.

MR. WILLIAMS said the pioneers' homes do that, which is why it employs a lot of CNAs.

[4:57:11 PM](#)

VICE CHAIR SEATON closed public testimony.

CHAIR WILSON moved to adopt the fiscal note from the Department of Labor and Workforce Development, dated 4/19/05. There being no objection, it was so ordered.

VICE CHAIR SEATON returned the gavel to Chair Wilson.

[HB 271 was held over.]

ADJOURNMENT

There being no further business before the committee, the House Health, Education and Social Services Standing Committee meeting was adjourned at [4:57:55 PM](#).