ALASKA STATE LEGISLATURE
HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES STANDING COMMITTEE
April 25, 2006
3:03 p.m.

MEMBERS PRESENT

Representative Peggy Wilson, Chair
Representative Paul Seaton, Vice Chair
Representative Carl Gatto
Representative Sharon Cissna
Representative Berta Gardner

MEMBERS ABSENT

Representative Tom Anderson
Representative Vic Kohring

COMMITTEE CALENDAR

HOUSE BILL NO. 322
"An Act relating to infants who are safely surrendered by a parent shortly after birth."

- MOVED CSHB 322(HES) OUT OF COMMITTEE

HOUSE JOINT RESOLUTION NO. 30
Relating to public health and a prevention compact.

- HEARD AND HELD

HOUSE BILL NO. 452
"An Act establishing the Alaska Prescription Drug Task Force; and providing for an effective date."

- HEARD AND HELD

OVERVIEW(S): AMERICAN HEART ASSOCIATION – OBESITY AND HEALTH

- HEARD

HOUSE BILL NO. 396
"An Act establishing the Alaska Commission on Health Care; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

HOUSE CONCURRENT RESOLUTION NO. 31
Relating to an integrated statewide information and referral system.

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 322
SHORT TITLE: SAFE SURRENDER OF BABIES
SPONSOR(s): REPRESENTATIVE(s) LEDOUX, GRUENBERG

01/09/06	(H)	PREFILE RELEASED 12/30/05
01/09/06	(H)	READ THE FIRST TIME - REFERRALS
01/09/06	(H)	HES, JUD
04/25/06	(H)	HES AT 3:00 PM CAPITOL 106

BILL: HJR 30
SHORT TITLE: PUBLIC HEALTH COMPACT
SPONSOR(s): REPRESENTATIVE(s) CISSNA

02/06/06	(H)	READ THE FIRST TIME - REFERRALS
02/06/06	(H)	HES, L&C
03/30/06	(H)	HES AT 3:00 PM CAPITOL 106
03/30/06	(H)	-- Meeting Canceled --
04/04/06	(H)	HES AT 3:00 PM CAPITOL 106
04/04/06	(H)	<Bill Hearing Postponed to 04/06/06>
04/06/06	(H)	HES AT 3:00 PM CAPITOL 106
04/06/06	(H)	-- Rescheduled from 04/04/06 --
04/13/06	(H)	HES AT 3:00 PM CAPITOL 106
04/13/06	(H)	-- Meeting Canceled --
04/20/06	(H)	HES AT 3:00 PM CAPITOL 106
04/20/06	(H)	Scheduled But Not Heard
04/25/06	(H)	HES AT 3:00 PM CAPITOL 106

BILL: HB 452
SHORT TITLE: ALASKA PRESCRIPTION DRUG TASK FORCE
SPONSOR(s): REPRESENTATIVE(s) GUTTENBERG

02/13/06	(H)	READ THE FIRST TIME - REFERRALS
02/13/06	(H)	HES, FIN
04/25/06	(H)	HES AT 3:00 PM CAPITOL 106

WITNESS REGISTER

CHRISTINE MARASIGAN, Staff
to Representative Gabrielle LeDoux

Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented HB 322 on behalf of Representative LeDoux, sponsor.

TAMMY SANDOVAL, Deputy Commissioner
Office of Children's Services (OCS)
Department of Health and Social Services
Juneau, Alaska
POSITION STATEMENT: During hearing of HB 322, answered questions.

CINDY FOLSOM, Staff
to Representative Sharon Cissna
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented HJR 30 on behalf of the sponsor, Representative Cissna.

TAMMY GREEN, Section Chief
Chronic Disease Prevention and Health Promotion
Division of Public Health
Department of Health and Social Services
Anchorage, Alaska
POSITION STATEMENT: During hearing of HJR 30, stated that Alaska can no longer afford to ignore the power of prevention and during the overview regarding obesity, answered questions.

REPRESENTATIVE DAVID GUTTENBERG
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Testified as the sponsor of HB 452.

SHARON TREAT, Executive Director
National Legislative Association on Prescription Drug Prices
Hallowell, Maine
POSITION STATEMENT: During hearing of HB 452, discussed the purchasing pool with which Maine is involved.

PAUL RICHARDS, Lobbyist
Pharmaceutical Research and Manufacturers of America Inc.
Juneau, Alaska
POSITION STATEMENT: Testified in opposition to HB 452.

DWAYNE PEEPLES, Director
Division of Health Care Services
Department of Health and Social Services

Juneau, Alaska
POSITION STATEMENT: During hearing of HB 452, answered questions.

SUZANNE MEUNIER, Director
Alaska Advocacy
American Heart Association
Juneau, Alaska
POSITION STATEMENT: Provided information relating to the overview regarding obesity.

BOB URATA, MD, President-Elect
Pacific Mountain Affiliate
American Heart Association
Juneau, Alaska
POSITION STATEMENT: Provided an overview regarding obesity.

ROSIE FLETCHER, Member
Municipality of Anchorage Obesity and Health Task Force; Community Volunteer, Girdwood, Olympic Medal Winner
Girdwood, Alaska
POSITION STATEMENT: Related her involvement with the task force.

ROBB BOYER, Ph.D., Member
Municipality of Anchorage Obesity and Health Task Force
Anchorage, Alaska
POSITION STATEMENT: Related his involvement with the task force.

ACTION NARRATIVE

CHAIR PEGGY WILSON called the House Health, Education and Social Services Standing Committee meeting to order at 3:03:26 PM. Representatives Wilson, Seaton, Gatto, and Cissna were present at the call to order. Representative Gardner arrived as the meeting was in progress.

HB 322-SAFE SURRENDER OF BABIES

3:04:16 PM

CHAIR WILSON announced that the first order of business would be HOUSE BILL NO. 322, "An Act relating to infants who are safely surrendered by a parent shortly after birth."

3:04:35 PM

REPRESENTATIVE SEATON moved to adopt Version 24-LS1110\F, Mischel, 4/19/06. There being no objection, Version F was before the committee.

3:05:30 PM

CHRISTINE MARASIGAN, Staff to Representative Gabrielle LeDoux, Alaska State Legislature, introduced HB 322 on behalf of Representative LeDoux, sponsor. She paraphrased from the following statement, which read [original punctuation provided]:

> Thank you for the opportunity to testify, I am here today to introduce the Safe Surrender of Infants Act, HB 322.
>
> HB 322 has the potential to save an infant's life.
>
> This is a bill that will allow parents to safely surrender an infant up to three days after birth without fear of being criminally prosecuted.
>
> There are 46 states that have enacted safe haven laws. Alaska, Hawaii, Nebraska and Vermont are the only states that have not passed this type of legislation.
>
> In Texas, this legislation was known as the "Baby Moses Law" in other states this is known as "Save Haven Law."
>
> The intent of this bill is to deter typically young and unmarried women who are concealing their pregnancies, giving birth in private and then disposing their newborn's bodies. This bill would save an infant in imminent danger and enable a parent to avoid prosecution if they leave an infant at a designated safe location.
>
> Representative LeDoux's office has worked with the Office of Children's Services in working on the draft before you.

3:06:38 PM

REPRESENTATIVE GATTO inquired as to how the father fits into this legislation. He asked if the father can surrender his infant or object to the surrender of his infant.

MS. MARASIGAN pointed out that the language in the legislation refers to "parent". She noted that some states require that only the mother can surrender an infant. However, under the current legislation, either parent could surrender the infant.

3:07:05 PM

REPRESENTATIVE GATTO posed a situation in which the father objects to the surrender of the infant, and asked if the infant would have to be surrendered to the father. Or, can the privileges of the father be usurped and the infant be surrendered to a hospital even if the father objects.

MS. MARASIGAN related her understanding that the intent is to address an infant in imminent danger and thus the infant would be in the charge of the authorities to whom the infant was surrendered to until any issues were addressed.

CHAIR WILSON surmised, "So, in other words, ... if someone objected, they would want the baby and we're talking about babies that aren't wanted."

MS. MARASIGAN agreed.

3:08:00 PM

REPRESENTATIVE CISSNA inquired as to how this legislation fits into current child welfare laws. She asked if the legislation provides for the infant temporarily after which the infant moves through the regular termination of parental rights.

MS. MARASIGAN deferred to department representatives.

3:08:53 PM

TAMMY SANDOVAL, Deputy Commissioner, Office of Children's Services (OCS), Department of Health and Social Services (DHSS), explained that under the legislation if a child is safely surrendered, the department would be notified and all of the same procedures currently in practice would apply. With regard to the father's role, Ms. Sandoval specified that as is currently the case, the department would attempt to locate the father. In further response to Representative Cissna, Ms. Sandoval specified that HB 53 indicates that when there is the need for a placement decision, the preference list specifies the following people in the following order: a relative, family

friend, licensed foster care, and then a facility. Therefore, all the laws that currently apply would continue to apply with these cases.

3:10:38 PM

REPRESENTATIVE GATTO posed a scenario in which the mother surrenders the infant and the father arrives a day later to take his infant. He asked what happens in such a case.

MS. SANDOVAL said that once custody is assumed, the state is obligated to go to court for probable cause. The father could engage in the process, but ultimately the judge determines what happens at that point.

3:11:30 PM

REPRESENTATIVE GATTO asked whether the father could surrender the infant without the mother's knowledge. Once the mother receives a call that [the infant was abandoned], would the mother have to go through court proceedings, he asked.

MS. SANDOVAL replied yes. She explained that once the department assumes custody, the normal procedures apply. However, the process could be cut short because the other parent enters the scene. Ms. Sandoval emphasized that although the [surrender of an infant] is a very rare occurrence because other avenues for a parent to have someone else care for an infant are well known, having the statute is important. In response to Chair Wilson, Ms. Sandoval assured the committee that the department does check to determine whether an individual [has the wherewithal] to [care for the child]. However, she said that the aforementioned is highly controversial when the parent for whom there are no allegations comes forward and wants custody of the child, but the case has entered the civil process.

3:14:31 PM

REPRESENTATIVE SEATON referred to the language of Section 3(c) on page 2, line 2, which says "the parent's legal duty to support the infant is extinguished after 28 days". He asked if the aforementioned language removes the requirement for any legal duty to support an infant after 28 days, if the parent "brings somebody in".

MS. SANDOVAL opined that it's inconsistent to allow a parent to safely surrender his/her child at 3 days, but not extinguish the parent's financial care and support until after 28 days. She requested further clarity of Representative Seaton's example.

REPRESENTATIVE SEATON clarified his example by specifying that it's a father who doesn't want a child and doesn't want to pay child support and who safely surrenders the child within three days. He asked if after 28 days, the father's legal duty to support the child is extinguished.

MS. SANDOVAL said she believes that is what the legislation states.

3:16:45 PM

REPRESENTATIVE SEATON asked if under current law the parents are absolved from any future financial support, if the department has to take custody of a child due to unsafe conditions.

MS. SANDOVAL answered that the department attempts to recoup any care and support funds that it can when the department has custody of the child until the rights of the parent are legally terminated. Ms. Sandoval clarified that after the parent's legal rights are terminated, he/she no longer has to pay child support.

3:17:49 PM

CHAIR WILSON posed a situation in which the mother surrenders the child and the unknowing father is found afterwards, and asked if the department could seek support from the father at that point.

MS. SANDOVAL offered to obtain the technical answer for the committee.

3:18:21 PM

CHAIR WILSON, referring to page 1, lines 10-11, inquired as to whether it would be illegal to surrender a child that is older than three days old.

MS. SANDOVAL commented that the aforementioned is a good question.

REPRESENTATIVE LEDOUX interjected that the line has to be drawn somewhere. She recalled that originally the legislation allowed legal surrender of an infant are six months to a year. She informed the committee that the group being targeted are young, single women, often teenagers, who attempt to conceal the pregnancy and deliver in private. The desire was to provide another choice for the mother.

3:19:56 PM

CHAIR WILSON related a personal story of a teen who concealed a pregnancy.

3:20:40 PM

REPRESENTATIVE CISSNA inquired as to how often a child is left in a dumpster.

MS. MARASIGAN, recalling her research, related that [in the year prior] to the 1999 enactment of the Baby Moses Laws in Texas, in a 10-month period there were about 13 abandoned babies found dead. She further recalled from her research that in the year 2001 in California 38 abandoned infants were found. In fact, this past year in Venezuela there was a highly publicized case in which a fisherman found and saved an infant in a plastic bag that was tossed into a lake by its mother. In 2001-2002, the federal government recommended [that states] track and follow up cases of abandonment, which led to a task force on the matter.

3:23:32 PM

REPRESENTATIVE LEDOUX opined that the purpose of HB 322 is to be proactive rather than reactive.

3:23:48 PM

MS. MARASIGAN, in response to Representative Seaton, explained that allowing the infant to be safely surrendered within the first three days of its life was chosen for the following reasons. In the 46 other states that have passed similar legislation, over 12 states chose to allow the safe surrender of an infant who is less than 3 days old. The remaining states range from a week to a year. Ms. Marasigan reminded the committee that this legislation addresses the infant that's in imminent danger. She informed the committee that in a study of women who committed infanticide, the majority of the research indicated the need to address the immediacy of the situation.

Originally, the legislation allowed safe surrender of a child up to a year in age, but discussions with agency staff pointed out that timeframes longer than a few days are really abusive situations.

CHAIR WILSON indicated her agreement that allowing safe surrender of a child up to age one isn't appropriate.

3:26:09 PM

REPRESENTATIVE GATTO referred to page 9 of the National Conference of State Legislatures (NCSL) update on safe havens for abandoned infants dated October 21, 2003. Under the heading Father's Rights, the update says: "Critics contend that denying notification unfairly presumes that these fathers do not want to care for their children. Utah's legislation addresses this concern by requiring a search of the confidential registry for unmarried biological parents and requiring that notice be sent to each potential father identified in the registry." The aforementioned seems complicated and almost unworkable, but seems to illustrate the difficulty in including the father.

REPRESENTATIVE LEDOUX opined that such is the situation with any termination of parental rights. For example, the situation in which a mother living alone decides to place her child for adoption and says that she doesn't know who the father is could occur now. With regard to the registers, Representative LeDoux suggested that those could be the subject of legislation next year.

3:28:40 PM

REPRESENTATIVE SEATON commented that he would like to change the legislation such that a parent can safely surrender a baby without fear of prosecution for an infant up to eight days old rather than three days old.

3:29:21 PM

REPRESENTATIVE GARDNER related her understanding that a parent can't relinquish his/her parental rights for a specified amount of time, which she understood to be about 48 hours.

MS. SANDOVAL said that she isn't familiar with the aforementioned, but indicated that someone from the Department of Law should be able to answer.

3:30:09 PM

REPRESENTATIVE GARDNER referred to page 2, lines 18-21, and inquired as to what occurs if the parent, upon taking a child to the appropriate authorities, doesn't say that he/she wants to relinquish his/her parental rights or expresses the need for time and leaves.

MS. MARASIGAN said that the reason it takes 28 days before the parent's legal duty to support the infant is extinguished is in order to sort out all the possibilities with regard to the [absent] parent and whether there is an understanding as to what it means to relinquish parental rights as well as other matters. The legislation focuses on the safety of the infant in the immediate future, she reminded the committee. As far as testing [and the specified timelines], Ms. Marasigan said that she would have to get back to the committee on that matter.

3:32:33 PM

REPRESENTATIVE SEATON related his understanding of the legislation, which is that a parent who abandons his/her infant can be criminally prosecuted if the parent doesn't relinquish parental rights.

MS. MARASIGAN clarified that a parent who surrenders his/her infant can do so without expressing whether he/she will return for the infant. The idea behind the legislation is to not prosecute the parent for abandonment when he/she leaves the infant [in the care of the individuals specified in the legislation]. She highlighted that the parent may or may not provide information, but if information is provided it may be utilized.

3:35:21 PM

CHAIR WILSON determined that no one else wished to testify.

3:35:31 PM

REPRESENTATIVE GARDNER inquired as to how many infants are abandoned in Alaska; and of which, how many are abandoned within the first three to eight days.

MS. MARASIGAN deferred to OCS.

MS. SANDOVAL said that OCS doesn't know of any children that would come under HB 322 within the last three years.

CHAIR WILSON noted that if the abandoned child isn't discovered, there would be no knowledge of the abandonment.

3:36:56 PM

REPRESENTATIVE SEATON moved Amendment 1, as follows:

Page 1, line 10;
Delete "three"
Insert "eight"

Page 3, line 19;
Delete "three"
Insert "eight"

There being no objection, Amendment 1 was adopted.

3:38:00 PM

REPRESENTATIVE GARDNER expressed that in certain circumstances HB 322 could be great, but she noted concern with regard to the secure and stable placement of a child when the father isn't identified earlier on in the process. She pointed out that the legislation doesn't include a mechanism for the aforementioned.

3:38:33 PM

CHAIR WILSON inquired as to how long it takes to contact the second parent.

MS. SANDOVAL answered that it depends upon how much information the division can garner on the [absent parent]. However, the division attempts to locate absent parents and relatives immediately upon the abandonment. The intent, as specified in HB 53, is for the division to place children with relatives. In further response to Chair Wilson, Ms. Sandoval said that the 28-day provision is confusing because she didn't know the technical [requirements] to obtain support for the child within the remaining 20 days.

CHAIR WILSON posed a scenario in which a child is placed with his/her grandmother and no other individual is found, and asked what happens at that point.

MS. SANDOVAL reiterated that she would have to obtain an answer for the committee. In such a situation, if the grandmother decides to become licensed or not, relatives have the option to become licensed. If the grandmother becomes licensed, the state pays her the foster care stipend. If the grandmother isn't licensed, then the grandmother would have the ability to support the child or apply for public assistance. Again, she expressed that she didn't know the behind-the-scenes process for recouping the funds to support these children.

3:41:58 PM

REPRESENTATIVE SEATON opined that if someone follows the procedures, surrenders the child without abuse, it would seem that there would be no need for the 28-day [wait before support begins]. Therefore, he questioned whether the elimination of the 28-day period would satisfy the department's criteria.

MS. SANDOVAL said that it would make it clearer for the department and its duties, although she didn't think the 28-day wait is a problem.

REPRESENTATIVE SEATON inquired as to the sponsor's thoughts on eliminating the 28-day wait.

REPRESENTATIVE LEDOUX said that it would be appropriate.

3:44:14 PM

REPRESENTATIVE SEATON moved Amendment 2, as follows:

Page 2 line 3;
Delete "after 28 days"

There being no objection, Amendment 2 was adopted.

CHAIR WILSON opined that she feels it's most appropriate that the parent's legal duties won't be extinguished until after a thorough investigation.

REPRESENTATIVE SEATON commented that this sends a clearer message to a parent who is abandoning his/her child safely.

REPRESENTATIVE SEATON moved to report Version 24-LS1110\F, Mischel, 4/19/06, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being

no objection, CSHB 322(HES) was reported from the House Health, Education and Social Services Standing Committee.

HJR 30-PUBLIC HEALTH COMPACT

3:49:55 PM

CHAIR WILSON announced that the next order of business would be HOUSE JOINT RESOLUTION NO. 30, Relating to public health and a prevention compact.

3:50:21 PM

REPRESENTATIVE GARDNER moved to adopt CSHJR 30, Version 24-LS1557\F, Mischel, 4/4/06. There being no objection, Version F was before the committee.

3:50:46 PM

CINDY FOLSOM, Staff to Representative Sharon Cissna, Alaska State Legislature, stated the following:

> This is really a very simple bill that encourages a dialogue between people. The aim is to get groups of people to focus on prevention as a way to improve personal help and to address the spiraling cost of health care. This proposed legislation encourages a statewide discussion of lessons learned in preventing the increase of health risks and would greatly expand the personal promotion of health strategies and knowledge in every Alaskan community.

3:51:40 PM

MS. FOLSOM then turned the committee's attention to a PowerPoint presentation entitled "It's all about Prevention!", the slides of which are included in the committee packet. The aforementioned PowerPoint reviewed the importance of eye care exams, dental exams, and exercise for prevention and management of chronic illness and maintaining good bone structure. The presentation emphasized that "Bad habits are making Alaskans sick..." and related the behavioral health risks for Alaskan adults in 2003, including being overweight, smoking, obesity, engaging in no physical activity, and binge drinking. All of the aforementioned can be changed and are preventable. She related that in Alaska in 2002, 485 deaths were due to tobacco use and 122 deaths due to second-hand smoke. Also, alcohol

abuse impacts every Alaskan and it costs. In fact, the total outpatient cost for [alcohol abuse] was $25 million in 2003. Moreover, poor nutrition accounts for 20-30 percent of cardiovascular heart disease and obesity is becoming the state's largest health risk factor, which is preventable. A recent Institute of Social and Economic Research (ISER) study relates that the state has improved in others areas of health, except obesity, which has increased from 11 percent to 23 percent. Physical inactivity, she reported, accounts for about 35 percent of all cardiovascular health disease. In conclusion, Ms. Folsom opined that "Wishful thinking is not enough ... prevention involves action." Therefore, this prevention compact encourages individuals to take personal responsibility for their good health care. The goal is to promote a paradigm shift and foster an awareness that health care is a choice and that prevention can result in a difference in every Alaskan community.

3:57:57 PM

REPRESENTATIVE CISSNA highlighted that choices individuals make impact the lifestyle people lead. In order to change the choices, she indicated the need to change the conversation to create a message of interest in changing health habits.

3:59:51 PM

TAMMY GREEN, Section Chief, Chronic Disease Prevention and Health Promotion (CDP/HP), Division of Public Health, Department of Health and Social Services (DHSS), paraphrased from the following written statement [original punctuation provided]:

> I am here to provide support for the concept of prevention as a major strategy to promote and sustain the public's health within the State of Alaska.
>
> Chronic Diseases are among the most common and costly of all health problems and they are also among the most preventable. Prevention and health promotion efforts directed at the most common risk factors can improve not only the quality of life but can also impact the growing cost of health care.
>
> Approximately 60% of the top 10 causes of death in Alaska are attributed to Chronic Diseases such as Cancer, Heart Disease, Stroke and Diabetes and these Chronic Diseases are greatly impacted by 4 risk

factors or lifestyle choices that people make. The 4 risk factors are:

Tobacco use

Lack of adequate physical activity

Poor nutritional habits (not consuming the daily recommended 5 or more servings of fruits and vegetables)

Being overweight or obese

To get a grasp of the magnitude of how Alaskans stack up on these risk factors I give the following:

63% are overweight or obese

1 in 4 smoke 25%

1 in 5 are sedentary; many more don't meet the minimum recommendations for physical activity (20%)

3 of 4 are not eating the daily recommended amounts of fruits and vegetables (75%)

Additionally only 5% of Alaskans meet the positive side of these risk factors – in other words only 5% of Alaskans don't smoke, get adequate physical activity, eat the recommended 5 or more servings of fruits and vegetables and are not overweight. That is something we in Public Health find quite distressing.

Not only are there health consequences for these risk factors but there are also significant economic consequences as well.

Tobacco (annually):

$135 million in direct medical expenditures

$160 million in lost productivity related to death

$??? In lost productivity from tobacco-related illnesses

$292 million each year

Obesity (annually):

$195 million in direct medical expenditures

$17 million of this is Medicare (9%)

$29 million of this is Medicaid (15%)

Almost every Alaskan is adversely affected by chronic disease in one way or another—through the death of a loved one; a family member's struggle with lifelong illness, disability, or compromised quality of life; or the huge personal and societal financial burden wrought by chronic disease.

In Summary:

Although chronic diseases are among the most common and costly of all health problems, they are also among the most preventable, however the focus of our health care system over the past century has not been on prevention of chronic disease, but on treatment of short-term, acute health problems. As a nation, we have emphasized expensive cures for disease rather than cost-effective prevention.

If we are serious about improving the health and quality of life of all Alaskans AND keeping our health care budget under control ... we can no longer afford to ignore the power of prevention.

4:04:06 PM

CHAIR WILSON stressed the need for personal healthy lifestyles. She then requested that the committee view future health care issues with prevention in mind as a possible way to decrease health care costs in Alaska.

[HJR 30 was held over.]

HB 452-ALASKA PRESCRIPTION DRUG TASK FORCE

4:06:27 PM

CHAIR WILSON announced that the next order of business would be HOUSE BILL NO. 452, "An Act establishing the Alaska Prescription Drug Task Force; and providing for an effective date."

REPRESENTATIVE SEATON moved to adopt HB 452, Version A, as the working document. There being no objection, HB 452 was before the committee.

4:06:43 PM

REPRESENTATIVE DAVID GUTTENBERG, Alaska State Legislature, sponsor of HB 452, reminded the committee that the legislature has recently addressed the Public Employees' Retirement System (PERS) and Teachers' Retirement System (TRS) and workers' compensation, all of which are related to rising health care costs. He related the following: pharmaceuticals are the fastest growing segment of Alaska's rising health care costs, one of four of Alaska's seniors choose between taking medication and purchasing food, an average American consumes about 3 billion prescriptions a year. In fact, between 1995 and 2003, the average increase for prescription drug expenditures was 15 percent higher than any other health expenditure. He pointed out that the committee packet should include a chart that illustrates that prescription drug expenditures are about triple that of other health care costs. Representative Guttenberg then related that the March 2006 research survey of the Institute of Social and Economic Research (ISER) found that the average price for retail prescriptions was 25 percent higher in Alaska than in other states. He noted that there are many issues on the table that address more than the cost of the drug. With regard to the proposed task force, Representative Guttenberg said that it doesn't restrict or limit the many options that are available to reduce the cost of prescription drugs.

4:10:33 PM

SHARON TREAT, Executive Director, National Legislative Association on Prescription Drug Prices (the Association), began by relating that the Association is a group of legislators who came together back in 2000. The Association has grown and researches ways in which to reduce prescription drug prices. The legislation before the committee provides the committee with the opportunity to coordinate the various agencies that have a piece of the prescription drug and health care issue as well as experts throughout the state in order to ensure that affordable prescription drugs can be accessed by as many people as possible within the budget constraints of the state. Ms. Treat related

that HB 452 is very similar to legislation passed in West Virginia in 2004 and in Maine in 2005. Such legislation is pending in several other states as well.

MS. TREAT explained that the legislation in both West Virginia and Maine established a task force to review bulk purchasing and pooling of prescription drugs within the state as well as with other states, as is proposed in HB 452. [Bulk purchasing/pooling of prescription drugs] is a way to leverage a good price when negotiating for Medicaid programs. One of the big issues being faced by many states, including Alaska, is that all those Medicaid recipients who have been moved to Medicare Part D are now not in the purchasing pool. The aforementioned makes it more difficult to negotiate a good price and thus [HB 452] is a way of "beefing that up." In Maine there's a three-state purchasing pool that has already saved $1 million in the Medicaid program over the last year. The aforementioned purchasing pool has benefited Maine's program that helps provide access to [prescription] drugs to the elderly, which is similar to Alaska's program. Ms. Treat noted that her written testimony, included in the committee packet, provides more information. She then informed the committee that Colorado is considering a purchasing pool for which the savings have been projected to be about $3 million. Furthermore, the proposed task force would review other ways to provide information to physicians and other health care practitioners in order to reduce the cost of prescription drugs. She then informed the committee that Pennsylvania is providing independent, objective information that Alaska could utilize to its benefit. The task force would review various other ideas. She highlighted that HB 452 suggests that Alaska join the Association, which the Association certainly supports.

4:16:27 PM

CHAIR WILSON asked if there are other western states besides Colorado that are interested in joining the purchasing pool.

MS. TREAT opined that Utah is possibly addressing this matter. She indicated that perhaps similar size states would come together, particularly those with smaller populations. There has been much review in the states of Washington and Oregon with regard to evidence-based medicine and providing information to physicians with regard to alternatives. In fact, Washington has a purchasing pool that, even with a limited preferred drug list (PDL), has saved money.

4:18:22 PM

MS. TREAT commented that it's not the easiest thing for several states to come together [for a purchasing pool] because every state has a slightly different Medicaid program. In fact, the sovereign states group hired a nonprofit organization that was adept at working with various [groups] to help them [leverage purchasing drugs]. In a slightly different fashion, West Virginia and other states attempted to do joint purchases.

REPRESENTATIVE GUTTENBERG indicated that the state is in a multi-state pool for Medicare with states similar in size, such as West Virginia, Maine, and Vermont.

4:20:24 PM

REPRESENTATIVE SEATON inquired as to how this ties in with state's that have different preferred drug lists.

MS. TREAT said that it may complicate things. However, the states that have entered into the earlier mentioned purchasing pool have a memorandum of understanding that specifies that each state will plan its own Medicaid programs but that they will work together. This is just one opportunity to save money, she said. Ms. Treat commented that she didn't know the extent to which Alaska utilizes programs that promote the purchase of generic brands. This task force, she opined, allows experts to come together and review a number of opportunities with the goal of determining what works best for Alaska.

4:22:32 PM

REPRESENTATIVE SEATON expressed interest in the relationship of the claw back and Medicare Part D. He recalled that at one point the states may pay more than 100 percent of the federal obligation under Medicare Part D; he asked if that's correct.

MS. TREAT answered that it depends upon the state. She offered to research it for Alaska. Ms. Treat then explained that the claw back was based on the formula, which was based on the increase of drug prices and state Medicaid prices over a specified period of time. States that had been utilizing programs such as preferred drug lists and purchasing pools and kept their costs down are penalized under the formula because it assumes that the Medicaid costs were much higher than they actually were. However, other states that had not implemented cost saving measures benefited. For example, Maryland received

more funds than it was able to utilize for various wrap-around prescription drug services for those who applied for Medicare Part D. However, Maine had implemented so many cost saving measures that the level of inflation was well below that of other states and thus Maine will have to pay more than it actually cost to provide the Medicare benefit.

MS. TREAT explained that with regard to the purchasing pool, the states that are negotiating with drug companies to obtain a good Medicaid price, part of that ability to negotiate was tied to the people tied to the purchasing pool. However, now that people have been moved to Medicare Part D, those individuals are out of the state purchasing pool, which leaves the states with much less leverage and control over the health of those individuals.

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PAUL RICHARDS, Lobbyist, Pharmaceutical Research and Manufacturers of America (PhRMA) Incorporated, testified in opposition to HB 452, which PhRMA believes "would establish a process to control prescription drug prices, regulate advertising and marketing, determine what information health care practitioners provide to patients, and essentially regulate a private sector industry." He noted that the committee packet should include a written statement from PhRMA. He then informed the committee that PhRMA has worked to educate and reduce costs. In fact, PhRMA has worked in each state in patient prescription drug programs to identify and involve seniors in the state with patient programs for each pharmaceutical company represented by PhRMA. Over 14,000 Alaskans are signed up for patient prescription assistance programs in the state due to PhRMA's efforts.

CHAIR WILSON explained that the drug companies will be called into testify on this matter.

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DWAYNE PEEPLES, Director, Division of Health Care Services (DHCS), Department of Health and Social Services (DHSS), informed the committee that the department implemented a preferred drug list in 2003. Alaska was also one of the first pool states that was referenced earlier. He recalled that initially Alaska pooled with five other states. Some of the states involved in the pool were Nevada, Michigan, Vermont, and Wisconsin. He noted that Vermont is initiating separation from

the pool in order to create a nonprofit corporation pool. Originally, Alaska pooled under the state's current fiscal agent, First Health Services.

CHAIR WILSON asked if the state has realized savings due to the pool.

MR. PEEPLES replied yes. The pooling of the lives into purchasing power resulted in a supplemental rebate, which amounted to about $6-$7 million a year until the state transitioned to Medicare Part D. Additionally, the state established a preferred drug list that was operated under the auspices of the PNT committee. With the supplemental rebate and moving prescribing behavior to generic and cheaper drugs contributed $1-$2 million in savings. Therefore, Alaska's experience was positive until this January when the state transitioned to Medicare Part D. In further response to Chair Wilson, Mr. Peeples explained that there are several ways to implement a PDL. With the cooperation of the vast majority of the physicians in the state, Alaska requires that if one is going off of the PDL drug, the prescription must specify "medically necessary." The medical community has been very cooperative and supportive. Mr. Peeples related that when balancing the cost of operating a restrictive program versus how Alaska has run its program, the state has been reasonably successful.

[HB 452 was held over.]

OVERVIEW(S)
AMERICAN HEART ASSOCIATION – OBESITY AND HEALTH

4:32:31 PM

CHAIR WILSON announced that the final order of business would be a presentation by the American Heart Association regarding obesity and health.

4:35:06 PM

SUZANNE MEUNIER, Director, Alaska Advocacy, American Heart Association, introduced her companions who will provide comments later in the meeting.

BOB URATA, MD, President-Elect, Pacific Mountain Affiliate, American Heart Association, presented a slide show entitled, "American Heart Association Learn and Live". He began by

explaining that obesity is defined as having a very high amount of body fat in relation to lean body mass, which is referred to as the body mass index (BMI). Studies have shown that the BMI is a useful tool for defining obesity, although it doesn't work very well for very muscular individuals because the soft tissue is muscle not fat. In children, the term obesity isn't used due to its negative connotation but rather the term overweight is used.

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DR. URATA, referring to a slide entitled "Trends," then related that over the past 20 years there has been a dramatic increase in obesity in the United States. In 1985 only a few states participated in the Centers for Disease Control and Prevention (CDC) behavioral risk factor surveillance system (BRFSS) that provides obesity data. In 1991 four states had obesity prevalence rates of 15-19 percent and no states had obesity prevalence above 20 percent. However, by 2004 33 states had obesity prevalence rates of 20-24 percent and 9 states had rates more than 25 percent. Dr. Urata then presented a series of slides that illustrate the [increase] in obesity rates in the United States. In 1991 Alaska began participating in the BRFSS and had an obesity prevalence rate of 10-14 percent. As more years pass, the slides show the increases in obesity in more states. In fact, in 1997 obesity prevalence reached more than 20 percent in a few states. From 1998 on Alaska has had an obesity prevalence of more than 20 percent, save a decrease to 15-19 percent in 1999.

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DR. URATA then reminded the committee that 63 percent of adults in Alaska are either overweight or obese. Moreover, of Alaskan high school students, 22 percent of females and 29 percent of males are overweight or at risk for being overweight. He then informed the committee that 8 million children and adolescents are overweight and over the last two decades the rates for overweight adolescents have tripled. As expected, the health consequences for overweight and obese individuals include premature mortality, including cardiovascular disease, diabetes, musculoskeletal disorders, sleep apnea, gallbladder disease, and certain types of cancer. An individual with a BMI over 45 can expect to have 20 years cut from his/her life. The aforementioned type of individual would require a medical procedure to help him/her lose weight.

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DR. URATA highlighted the following health consequences of obesity in youth, including high blood pressure, high cholesterol, Type 2 diabetes, psychosocial disorders, and an increased risk of obesity as an adult. The economic costs are high. In fact, in Alaska $17 million was financed by Medicare and $29 million by Medicaid for a total of $195 million in annual direct medical expenditures. Dr. Urata then presented slides that illustrate things that contribute to this problem, such as rewarding homework with donuts and super sized meals.

DR. URATA said that obesity is an epidemic that will soon surpass smoking as the leading preventable cause of death. He pointed out that obesity has greater morbidity than smoking, problem drinking, and poverty. "The National Institute of Health projects that our next generation of children will be the first in the history of the U.S. whose life expectancy is shorter than their parents due to the impacts of obesity and related health consequences," he related.

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MS. MEUNIER related that the American Heart Association is prepared to work with the committee to develop a policy to address physical activity and nutrition. Information relating to addressing obesity through public policy is included in the slides in the committee packet.

4:45:15 PM

REPRESENTATIVE SEATON asked if it's the quantity of the food consumed or is there something in the food that lowers one's metabolism rate such that more fat is accumulated.

DR. URATA answered that it is the quantity and the poor quality of food being eaten. He suggested that people eat five servings of fruits and vegetables rather than carbohydrates and starches, reduce meats to lean or low fat meats, and reduce trans fats and saturated fats. He also recommended that people exercise more, especially since children are coming home to sit in front of a computer rather than the physical [chores] of the past. Furthermore, there needs to be education as to what is healthy for children. In response to Chair Wilson, Dr. Urata agreed that it's best and more effective to target younger children.

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MS. MEUNIER highlighted the slide specifying that between 70-80 percent of overweight children and adolescents will continue to be overweight in adulthood and become obese adults.

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ROSIE FLETCHER, Member, Municipality of Anchorage Obesity and Health Task Force; Community Volunteer, Girdwood, Olympic Medal Winner, related that second only to her passion for sports is working with children. In fact, over the last 10 years Ms. Fletcher noted she has been speaking to children throughout the state in hope of changing one child's life. Over this time, she said she has noticed a lack of enthusiasm for nutrition, physical activity, and a rise in obesity. Therefore, when the opportunity arose to be part of this task force, she said she jumped at the chance. However, she indicated that it has proven challenging, especially when using the term obesity. She explained that her goal has been not to be against obesity but rather for physical activity and good nutrition, which is especially effective with children. She provided an account of a physical activity event in which she participated in at an Alaskan school, which made her realize the depth of the problem.

ROBB BOYER, Ph.D., Member, Municipality of Anchorage Obesity and Health Task Force, turned attention to the slide presentation entitled, "Municipality of Anchorage's Task Force on Obesity and Health," which is included in the committee packet. A collaborative effort began to educate [its members] which broke into subcommittees in order to develop the goals and objectives of the group. The four goals and objectives are as follows:

1) Ensure plan implementation, oversight, and review.
2) Improve the eating habits of the Municipality of Anchorage residents through better nutrition.
3) Increase the number of adults, adolescents, and children who engage in regular physical activity.
4) Create a community environment that supports a more physically active way of life.

DR. BOYER explained that within the first goal a process by which the plan can be reviewed has been developed. Furthermore, umbrella programs that assist in quantifying and rewarding efforts on a communitywide basis have been identified. With regard to the second goal, Dr. Boyer said it became controversial and complex because the solution isn't merely to eat less. He highlighted the issues related to vending machines

in schools and workplaces. In response to Chair Wilson, Dr. Boyer related that the Division of Health and Human Services will ensure that the review occurs but the [task force] can't require any changes.

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DR. BOYER continued with review of the second goal as it relates to what health care providers are able to assist in encouraging better eating habits. He acknowledged that the physical activity goals are quite aggressive. In fact, the Mayor of the Municipality of Anchorage's task force recommended physical education every day for all K-12 students. The aforementioned would require building new buildings, hiring new physical education teachers, and increasing/decreasing credit requirements. The fourth goal looked at the broader picture in regard to ways in which the community can encourage physical activity such as ensuring that sidewalks and paths are clear for physical activities.

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DR. BOYER, in response to Representative Seaton, pointed out that within the environment recommendations there were recommendations with regard to building designs and the location and signage for stairs.

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DR. URATA concluded by relating that the goal of the American Heart Association is to reduce death and disability from heart disease and stroke by 25 percent within 10 years, which would be by 2010. Obesity, he opined, is one of the challenges that will help reach that goal. Therefore, the national American Heart Association and the Robert Wood Johnson Foundation have produced a source book on obesity. Additionally, the national American Heart Association has joined forces with the Clinton Foundation to develop a healthy children program. The goal is to work with the following groups: children in the schools, the restaurant industry, and the health care industry. The hope, he emphasized, is to halt the increasing prevalence of childhood obesity.

5:01:13 PM

REPRESENTATIVE CISSNA described her personal relationship with the changing face of Alaska and the love of the automobile.

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CHAIR WILSON questioned whether restaurants would be willing to make portions smaller.

5:02:39 PM

REPRESENTATIVE GARDNER opined that restaurants will do whatever their customers support. Therefore, the problem isn't the restaurants or the various food manufacturers.

5:03:18 PM

REPRESENTATIVE SEATON suggested that increased gas prices could promote more physical activity. He asked if the slides account for the change in definition of "overweight" and "obesity" that occurred four years ago or so.

DR. URATA said that the slides are based on the current definition of those terms. The change came about when, upon review of the BMI and the diseases people had, it was discovered that at a BMI of about 25 bad things started to occur. In further response to Representative Seaton, Dr. Urata related his understanding that the slides with data obtained prior to the definition change were adjusted to the BMI data.

5:05:37 PM

TAMMY GREEN, Section Chief, Chronic Disease Prevention and Health Promotion (CDP/HP), Division of Public Health, Department of Health and Social Services (DHSS), confirmed that the slides have been adjusted for the new definitions of overweight and obesity.

5:05:59 PM

CHAIR WILSON thanked the presenters and charged the committee with providing recommendations to the legislature.

5:10:02 PM

ADJOURNMENT

There being no further business before the committee, the House Health, Education and Social Services Standing Committee meeting was adjourned at 5:10 p.m.