

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

March 2, 2005

3:27 p.m.

MEMBERS PRESENT

Representative Tom Anderson, Chair
Representative Gabrielle LeDoux
Representative Norman Rokeberg
Representative Harry Crawford
Representative Pete Kott

MEMBERS ABSENT

Representative Bob Lynn
Representative David Guttenberg

COMMITTEE CALENDAR

HOUSE CONCURRENT RESOLUTION NO. 3
Relating to renewable energy resource development.

- MOVED HCR 3 OUT OF COMMITTEE

HOUSE BILL NO. 150
"An Act requiring licensure of occupations relating to radiologic technology, radiation therapy, and nuclear medicine technology; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 147
"An Act relating to the regulation of insurance, insurance licensing, surplus lines, insurer deposits, motor vehicle service contracts, guaranteed automobile protection products, health discount plans, third-party administrators, self-funded multiple employer welfare arrangements, and self-funded governmental plans; and providing for an effective date."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: HCR 3
SHORT TITLE: RENEWABLE ENERGY ALASKA PROJECT
SPONSOR(s): REPRESENTATIVE(S) RAMRAS

02/22/05 (H) READ THE FIRST TIME - REFERRALS
02/22/05 (H) L&C, RES
03/02/05 (H) L&C AT 3:15 PM CAPITOL 17

BILL: HB 150

SHORT TITLE: LICENSING RADIOLOGICAL TECHNICIANS
SPONSOR(S): REPRESENTATIVE(S) ANDERSON

02/14/05 (H) READ THE FIRST TIME - REFERRALS
02/14/05 (H) L&C, JUD, FIN
02/23/05 (H) L&C AT 3:15 PM CAPITOL 17
02/23/05 (H) Scheduled But Not Heard
03/02/05 (H) L&C AT 3:15 PM CAPITOL 17

BILL: HB 147

SHORT TITLE: INSURANCE
SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

02/14/05 (H) READ THE FIRST TIME - REFERRALS
02/14/05 (H) L&C, FIN
02/23/05 (H) L&C AT 3:15 PM CAPITOL 17
02/23/05 (H) Heard & Held
02/23/05 (H) MINUTE(L&C)
03/02/05 (H) L&C AT 3:15 PM CAPITOL 17

WITNESS REGISTER

REPRESENTATIVE JAY RAMRAS
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Spoke as the sponsor of HCR 3.

CHRIS ROSE, Executive Director
New Energy for Alaska Project
POSITION STATEMENT: Testified in support of HCR 3.

JON BITTNER, Staff
Representative Anderson
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented HB 150 on behalf of the sponsor,
Representative Anderson.

DONNA RUFHOLM, Chairman
Alaska Society for Radiological Technologists
POSITION STATEMENT: Testified in support of HB 150.

CLYDE PEARCE, Chief Inspector,
Radiological Health Program
Section of Laboratories/State of Alaska/DH&SS
Anchorage, AK

POSITION STATEMENT: Testified in support of HB 150.

ED HALL, physician assistant and legislative liaison,
Alaskan Academy of Physician Assistants
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to HB 150.

BARBARA HUFF-TUCKNESS, director of governmental affairs,
Teamsters Union 159
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 150.

STEVE GAGE, physician assistant,
SE Alaska Healthcare Consortium
Sitka, Alaska

POSITION STATEMENT: Testified in opposition to HB 150.

ANN DAILY, physician assistant
Regional clinic
Illiama, Alaska

POSITION STATEMENT: Testified in opposition to HB 150.

GUMENSINDO ROSALES, registered radiological technologist
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 150.

CHRISTINE SASSE, Director
Department of Finance
City of Valdez
Valdez, Alaska

POSITION STATEMENT: Testified in opposition to HB 147.

GREG CULBERT, Assistant School Superintendent,
Galena School District
Galena, Alaska

POSITION STATEMENT: Testified in opposition to HB 147.

MATT LARKIN, Broker,
Willis of Alaska
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to HB 147.

RICHARD CAMPBELL, General Services Director
Human Resources
Kenai Peninsula Borough
Kenai, Alaska

POSITION STATEMENT: Testified in opposition to HB 147.

MARY STOLL, trust attorney,
Law Offices of Mary L. Stoll
Seattle, Washington

POSITION STATEMENT: Testified in opposition to HB 147.

COLLEEN SAVOIE, benefits consultant and vice president,
Marsh USA

Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to HB 147.

ACTION NARRATIVE

CHAIR TOM ANDERSON called the House Labor and Commerce Standing Committee meeting to order at [3:27:59 PM](#). Representatives Crawford, Rokeberg, Ledoux, and Anderson were present at the call to order. Representatives Lynn, and Guttenberg are excused from the meeting. Representative Kott arrived as the meeting was in progress.

HCR 3-RENEWABLE ENERGY ALASKA PROJECT

CHAIR ANDERSON announced that the first order of business would be HOUSE CONCURRENT RESOLUTION NO. 3, Relating to renewable energy resource development.

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REPRESENTATIVE JAY RAMRAS, Alaska State Legislature, introduced the bill, stating that although the state is awash in petroleum and oil, the state does have other alternative energy sources. Alaska has an opportunity to be at the forefront of the energy production and this resolution recognizes these facts and urges the Governor and his office to work with these individuals and groups aimed at developing these future energy sources.

REPRESENTATIVE RAMRAS then stated that the local utility company in Fairbanks issues a magazine that recently had some interesting facts about green power coming to the area that Golden Valley Electric Association manages. This article, he said, has some interesting statistics:

- 86 percent agree that electrical utilities need to plan for the eventual demise of nonrenewable fossil fuels.
- 82 percent agree that Alaskans need to invest now for future development of alternative energy.
- 79 percent agree that it means a lot that energy come from environmentally sound sources.
- 72 percent agree that developing green power is necessary to reduce pollution emissions from fossil fuels.
- 64 percent agree that increasing the use of green power will reduce the need for imported petroleum and increase national security.

REPRESENTATIVE RAMRAS ended by stating that he was very excited about this resolution and will have a bill that will begin by showing initial steps being made by communities in Bethel, who are experimenting with wind power by using Alaska Industrial Development Authority to help bring down the costs for the consumers.

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REPRESENTATIVE RAMRAS continued his conclusion by stating that the big issue for this particular subject is the cost of alternative energy sources. This is, he said, the big issue with alternative energy. He pointed out that it costs way more to produce a kilowatt than it does with more conventional energy sources.

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CHAIR ANDERSON indicated that he supported the resolution and was looking forward to seeing the bill in final form. He then asked Representative Crawford if it were similar to one of his bills.

REPRESENTATIVE CRAWFORD answered that is was very similar to a several bills and he thought it was excellent then and added that Ramras had made it an even better bill.

REPRESENTATIVE ROKEBERG, in regards to a conference on climate change with energy conservation, he found that many states are finding that some legislators are creating what they believe to be 'Sons of Kyoto' bills, which, he said, referred to a very promising but ultimately unsigned environmental treaty between various countries of the world and the United States.

REPRESENTATIVE ROKEBERG indicated that he felt that this bill had a strange ring to the Kyoto protocol and that he knew that similar legislation in other states were when they made policy statements on portfolio allocation of generations for the power generation capabilities of the future. This set state policy about what types of sources are used. He then asked if it was appropriate for legislature to get involved in energy legislation.

REPRESENTATIVE RAMRAS answered that he agreed that it was an appropriate issue. He indicated that Alaska has unique needs for energy sources. One example of this is wind power in the Fairbanks area. This type of energy is really not particularly valuable since that area has good reserves of coal and can generate electricity that way. He then stated that the goal is to deliver thermal units of energy across the state cheaply and that there are many industries that require an abundance of energy and alternate energy is a viable option. He pointed out an example in California where Governor Arnold Schwarzenegger is working on creating the 'Hydrogen Highway'. For Alaska to be an innovator, he said, even as the state sits upon thousands of barrels of crude oil and a healthy supply of natural gas, the state must pursue alternative energy options. This move, he said, should be applauded and not continually couched into a political statement [against progressive thinking]. He ended by stating that this speaks to the desires of many for Alaska to be a leader in energy development.

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REPRESENTATIVE ROKEBERG replied that he agreed with the sentiments of the previous speaker, and then said that it's interesting to note that interest in the market for wind power has grown so substantially in Europe and the entry of General Electric into creating new types of turbines that have been able to drive the cost down from 20 cents per kilowatt hour to 5.5 cents per kilowatt hour. He pointed out that despite this development, green power always costs more than conventional sources. However, he commented that many people are willing to pay more for the service because it comes from alternative source. He then asked if Representative Ramras had ever taken a poll in the Valley to determine if this were the case there as well.

REPRESENTATIVE RAMRAS answered that this does seem contradictory since green power has the characteristic of being cheaper since it is free and renewable. It can be cheaper than conventional

sources if, in the case of wind power, the turbines are optimally placed in a wind farm that is large enough to see significant size of product. He said that this is evidenced with the communities of Palmer and Bethel, which are good examples of this industrial sized green power being implemented.

REPRESENTATIVE RAMRAS continued to state that it would behoove the rest of the state to look to develop alternative energy sources "where we can, where it's wise and where we are starved for it, and in whatever form makes the best sense".

REPRESENTATIVE RAMRAS stated, in deference to his own committee efforts, that when his committee hears the next bill, in which the committee asks the Alaska Industrial Development and Export Authority (AIDEA) to help finance the construction of alternative energy sources for those communities for whom it does make sense, you would be pleased with the direction and leadership that we are trying to provide through this legislative body.

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REPRESENTATIVE ROKEBERG asked if anyone else was supporting it, more specifically AIDA.

REPRESENTATIVE RAMRAS affirmed his own sentiments and commented that he did not care, since AIDA had moved away from being interested in what is good for the average Alaskan. He then added that cheap power development is a critical part of Alaska's future in its rural communities.

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CHRIS ROSE, Executive Director for the New Energy for Alaska Project, announced his full support for the resolution and believed that the state has the unique opportunity to be leaders in this field. He indicated that many states had already benefited economically with jobs created in the construction associated with new alternative energy sources, and because of the high tech businesses that are moving into these states. This is, he said, due to these governments realization of the need for diverse energy sources. He ended by stating that Alaska has many more opportunities than these states to lead in this field, including geothermal, tidal, wind, hydroelectric, which are just a few examples.

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MR. ROSE explained that hydrogen is something that is going to sustain Americans in the future and since there is an increasing demand for energy in the world, especially from third world countries like India and China, and that the world's reserve of fossil fuels is finite, and a contributing factor to planet wide pollution, and lastly concern about the related issue of climate change.

MR. ROSE announced that right now there are wind farms being built all over the Midwest and that opportunity is here as well. He illustrated this point by referring to Fire Island off the coast of Anchorage, Alaska. The scale of that project will enable it to be very economically competitive with natural gas and coal fire plants at 4 cents a kilowatt an hour. The price of natural gas and coal are going up and the price of wind is negative- it is free. He indicates that his group, made up of various utility companies, have all come together to support this resolution and the eventual use of alternative energy sources.

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REPRESENTATIVE CRAWFORD thanked the previous speaker for the article today in the local paper and told the committee that renewable energy does not have to be in conflict with the standard types of energy and instead should be seen as natural progression and an eventuality.

MR. ROSE stated that this is true for Alaskans and that the creation of Hydrogen fuel begins with the already plentiful natural resources, like geothermal and wind, that can be used for hydrogen production, through electrolysis. The source for hydrogen is water and this is very plentiful for Alaskans.

CHAIR ANDERSON asked if there was anyone in the committee that wanted to move the bill out.

REPRESENTATIVE CRAWFORD moved to report HCR 3 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, it was so ordered.

HB 150-LICENSING RADIOLOGICAL TECHNICIANS

[3:45:58 PM](#)

CHAIR ANDERSON announced that the next order of business would be HOUSE BILL NO. 150, "An Act requiring licensure of occupations relating to radiological technology, radiation therapy, and nuclear medicine technology; and providing for an effective date."

JON BITTNER, Staff to Representative Anderson, introduced the bill by first reading the following opening statement:

House Bill 150 will establish educational and certification standards for the health care personnel in Alaska who perform medical imaging and radiation procedures.

MR. BITNER then continued by reading the following:

Any radiology procedure is only as effective as the person performing it. An underexposed chest x-ray cannot reveal pneumonia or a malignant lesion, just as an inadequate mammography technique cannot detect breast cancer. No matter what the procedure, the Radiological Technologist's knowledge of anatomy, careful application of radiation and skillful operation of sophisticated medical equipment are the keys to its success. To be clinically useful, diagnostic-imaging exams must be accurate.

Thirty-eight states have adopted recommendations for state licensure of radiology personnel. Alaska is not one of those states. Establishing state standards will ensure that Alaskans will have access to safe and high quality radiological care. Licensure will establish radiation protection measures as well as education and credentialing standards that will ensure the competency of persons operating medical equipment emitting radiation.

MR. BITNER concluded by stating the following:

To ensure that the citizens of the State of Alaska receive maximum protection from the harmful effects of excessive and improper exposure to radiation, licensure must be passed to establish standards.

REPRESENTATIVE ROKEBERG asked about the letter from the Alaskan Academy Of Physician Assistants and wondered if they were in favor of the bill.

MR. BITNER stated that there is some confusion here.

REPRESENTATIVE ROKEBERG stated that he believed there was a letter that was floating around in the past that said that they were supporting the bill. He then stated that there was current letter stating some kind of opposition to the bill.

MR. BITNER then stated that this was sent recently.

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DONNA RUFHOLM, Chairman, Alaska Society for Radiological Technologists, stated that establishing state procedures for licensure has been an ongoing effort by this group. She indicated that it started ten years ago and only in the last 4 years has any progress been made. She then continued that currently there are no stipulations or standards for the regulation of radiological technicians. She revealed that anyone off the street can take a job as a radiological technician at a hospital or clinic. Radiologists in the state have some concern about the quality of these radiographs that they are receiving from villages that do not have properly educated personnel, as they are more often than not, bad images or images that are not viable for use in diagnosis. Furthermore, she said, there are huge concerns from radiologists about these poor efforts at imaging because of the high levels of radiation that result. This radiation, she said, impacts not only the villager getting the imaging but the uneducated technician as well.

MS. RUFHOLM stated that HB 150 would establish educational and certification standards for the healthcare personnel to perform the radiation imaging procedures. She pointed out that studies show that these kinds of efforts to educate the operator insure better work quality which leads to quality information being used for proper diagnosis. She continued by stating that it would also reduce healthcare costs since repetitive exposures would not be made due to inadequate knowledge of radiological science and technique. This bill will ensure that excellence in radiological imaging and better healthcare for Alaskans.

MS. RUFHOLM then outlined the history of this effort by stating that over the years the group had been working extensively with the Alaska State Hospital and Nursing Home Association (ASHNA), where we tried to address some of the issues that are being faced by the rural communities that do not have credentialed individuals performing radiological procedures.

MS. RUFSHOLM then stated that there were some concerns about access to radiological facilities and services if there were some standardization and licensing put into effect. Nevertheless, there is support from ASHNA for this bill.

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MS. RUFSHOLM indicated that her group does work with association of Physician Assistants, most recently last October, when we addressed some of their concerns. She indicated that the final outcome of this meeting was that they wanted to be listed under the definition of licensed practitioners.

MS. RUFSHOLM pointed out that she did change the language to include them as licensed practitioners in what was then called HB 186. She continued to state that she had also worked with the association of nurses and resolved issues that they felt concerned about. Recently this week, the Physician Assistants have brought up new issues and she stated that they will be testifying to this today.

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CHAIR ANDERSON pointed out that Ms. Rusholm is the technical person at the meeting.

REPRESENTATIVE LEDOUX stated that she was a firm believer in not fixing something that did not seemingly need to be fixed, and asked what the problem was exactly with the radiological technician issue in the state of Alaska.

MS. RUFSHOLM affirmed that there was indeed a huge problem that is obviated by her presentation and the one that will be given by Mr. Clyde Pearce, the state radiological inspector.

MS. RUFSHOLM described this presentation as one that will include physical displays of terribly poor radiographs that will illustrate examples of radiographs that, because of faulty techniques, and because many contain both over exposure and under exposure, the radiographs were not viable for diagnosis or use in clinic evaluation. She then went on to say that these examples being shown today were actual 'x-rays' taken by village technicians that were sent to radiologists elsewhere in the state.

REPRESENTATIVE LEDOUX expressed her nescience and asked what excessive doses of radiation meant.

MS. RUFSHOLM carefully explained that radiation exposure is measured accumulatively and that excessive exposure can be hazardous.

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MS. RUFSHOLM went on to explain that a radiation burn can be evidenced by the manifestation of erythema in a few days, which is followed by the deterioration of the skin. This, she said, culminates in an ulcer. However, she said, the connection between overexposure and radiation and the resultant manifestation is not something that happens overnight. This takes months, sometimes years.

REPRESENTATIVE LEDOUX asked that if 38 states require licensing, would there be any stats that illustrate that these difficulties happened more in the states without licensing.

MS. RUFSHOLM answered that no, she did not know about any documentation that would illustrate this.

CHAIR ANDERSON asked how Ms. Rusholm was able to reconcile the issue of rural Alaska not having access to educated technicians and the fact that if it were the case of either not having any radiology abilities and poor quality radiology services, that they would rather have the latter.

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MS. RUFSHOLM explained that the exemptions do exist for this bill and there would be not problem for them to obtain technical education and continue doing what they are doing, provided that they are able to sit for a national registry examination, after which they would receive a limited scope license. They can sit in their homes and do this test online. The costs are nominal.

CLYDE PEARCE, Chief Inspector, Radiological Health for the State of Alaska, Department of Health, stated that he performed inspections at over 360 facilities, which includes about 800 sources of radiation. He then indicated that currently he worked on scientific equipment, and in the past, he worked on airport screening machines. He began by first referring to Representative Ledoux and her earlier question about examples of radiation exposure leading to hospitalization and stating very

affirmatively that there was several examples of documentation in prestigious medical journals. He cites the American Society of Radiological Technologists, which conducted a longitudinal study that continues to the present, looked at various diseases that were suffered by people working as radiological technicians. One example he said, was that they found they suffered three times the national rate of breast cancer in non operators before licensing began in other areas.

REPRESENTATIVE LEDOUX asked if these statistics were done when the equipment emitted more radiation than modern equipment.

MR. PEARCE answered that that the actual x-ray was discovered in 1895 and the first biological injury from radiation occurred in this country the following year. He then continued discussing the morbidity factors, primarily the loss of fingers and hands that dentists and other medical professionals suffered. He pointed out that the first death of radiation exposure took place in the United States in the late part of the 19th century by a man who worked for Thomas Edison. He then talked about the use of radiation for cosmetic hair removal and how it resulted in arm amputations for women in large numbers. The dangers were seen right away and safety measures were put into place.

MR. PEARCE continued by saying that the discovery of the CAT scan in 1971 changed this trend. He announced that the exposure rate of this type of imagery was 10 to 100 times higher than the normal x-ray dose. This is justified medically, since many life-threatening conditions can be found quickly and mitigated before things get worse. An example, he offered, would be sub dural hematoma inside the skull, that would increase in pressure and cause major damage to the brain if left undetected. He then stated that a real concern is the level of exposure to children using adult doses of radiation.

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MR. PEARCE stated that most of the burns that we have seen has occurred with stints and fluoroscopy and has been done by uneducated and non-radiological technicians and doctors. This indicates, he said, that education and training make the difference and this lack of training is directly related to the injuries that are documented.

REPRESENTATIVE LEDOUX asked if this bill allowed doctors to perform x-rays.

MR. PEARCE answered by stating that this bill is specific to technicians and excludes licensed healings arts professional practitioners.

REPRESENTATIVE LEDOUX answered that she believed, based on previous testimony that the issue was one between trained radiologists and doctors, albeit, general practitioners who do not have the training in radiation science.

MR. PEARCE answered plaintively that this bill had nothing to do with radiologists but it does address safe versus hazardous exposure.

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MR. PEARCE continued by stating that clarification of the bill over time had led to many who once opposed the bill to come forward with support. He then said that a lot of things have been changed including a change in how the bill treated geographical location. He clarified this by stating that this was not a rural versus metropolis issue. As an example, he pointed to the worst problem that he had encountered which was found in downtown Anchorage. He explained that the problem that occurred was exposing patients to great amounts of radiation.

MR. PEARCE pointed out to the committee several examples, and [pointing to several radiographs], said that the flaws that were found in Anchorage were evidence of too much exposure and yet, he said, this technician's supervisor explained to her that there was not enough exposure. In other words, there was not enough radiation. This was, he said, completely opposite of reality.

MR. PEARCE then described an experiment that he and a colleague did at the University of Alaska. They produced a perfect radiograph that was medically diagnostic. He then explained that they did a series of exposures that exponentially doubled the radiation each time. The first doubled the normal optimal radiograph which made tissue observation impossible and left bone analysis okay. He indicated that to get a full black radiograph, the dummy patient had received 60 times the optimal level of radiation. This is close to what is happening here in Alaska.

MR. PEARCE warned that the reason these technicians must be trained and be required to operate at higher caliber than they currently are required to do. He pointed out that current state

regulations stipulate that technicians must be trained but it does not say for what duration. The people that have gone to professional schools are excluded by this bill and are left untouched, but those so-called technicians that operate radiological equipment that are no trained will be affected.

MR. PEARCE ended by bluntly stating that this bill really has to do with people that are exposing other people to unsafe levels of radiation. He then exhibited several other examples of bad radiography including a cervical spine shot, which exposed the occipital and temporal aspects of the skull with huge amounts of unneeded radiation, in addition to the chest and the thyroid gland, which is very sensitive to radiation. He also pointed out an example that showed a patient receiving a cervical spine shot, not being asked to lower his shoulders to minimize exposure to the chest.

MR. PEARCE pointed out that depending on what part of the body you are trying to image, the techniques will vary and it is important not to visualize radiography like one would photography, since they are very different approaches to imaging physical reality.

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MR. PEARCE stated that getting an overdose does not mean you are mortally injured. He pointed out that there are some medical standards of practice regarding acceptable radiation exposure limits. However, the state regulations do not specify radiation exposure limits and decisions regarding radiation exposure are left to the clinician. However, this responsibility that is levied towards the health care provider, does not mean that radiation-imaging go beyond what is a medically sound exposure.

MR. PEARCE then referred back to his previous example and said that exposing the patient 60 times the optimal level is not acceptable. He ends by stating that it does require a modicum of intelligence.

CHAIR ANDERSON gave his appreciation gave a succinct summation to the speaker by stating that whether it is over or under the medically appropriate radiation exposure, the problem lies in having to repeat the procedure due to first time technical difficulties. He then asked if getting these people licensed and educated was the quintessential thing to do so that this would not ever happen.

MR. PEARCE stated that this would not occur if these people were educated. He concurred with the Chair and then offered the reasonable assertion that if there was an accident, it would be a salvageable radiograph. The whole idea here is that this is not photography and this tool is not comparable to the camera [in that the former is passive]. The x-ray is an active administration of radiation. He mentioned also that even diagnostic radiation levels have been linked to diminished capacity in intelligence development, and to breast cancer.

CHAIR ANDERSON stated that MR. PEARCE had made the point that the sponsor was trying to make and asked if he would stand by for questioning.

ED HALL, legislative liaison for the Alaskan Academy of Physician Assistants, stated that there has not been a flip-flop on our position and have always thought that some of the language on the bill could be changed so that it appealed to the group. Basically this would have been the inclusion of physician assistants and nurses practitioners as part of the excluded group not affected by the new bill.

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MR. HALL indicated that as PA's, they recognize that his group works for our physician within their specific specialties. However, he said, that one of his concerns was why the bill was not being heard in the HES committee instead of the Labor and Commerce committee.

MR. HALL continued by noting that the language was changed and that upon further reading he pointed out that in section 8.89.120, beginning on page 2, line 29, and ending on page 3, line 12, section C, the bill never states whether or not out his profession can do radiology.

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MR. HALL indicates that he is mostly speaking on behalf of people who have the radiological equipment and will be kept from using it for simple radiology. He agreed thought that the bill dealing with higher end imaging like cat-scans, and fluoroscopy, do need to be regulated, but putting simple radiology into the same class would be a detriment to healthcare. He also said that requiring this amount of training for the number and type of imaging that is done annually does not balance itself.

MR. HALL then described the actual process that goes on between a clinic and the radiologist that actually reads the film. He said that if the radiologist makes a comment about the film, i.e., that it is too dark or too light, then that is noted. The radiologist makes a qualified read or they refuse to look at it if it is very poor quality.

MR. HALL then indicated that he understood the passion behind this bill, however, he announced that what the academy would support is changing the bill so that there is a requirement for certification for anyone doing high end imaging including nuclear medicine, MRI, Cat-scans, and any process that might result in higher than normal radiation exposure, but not impact the day-to-day routine use of low grade radiation used with normal x-rays.

CHAIR ANDERSON announced that at first he was not going to support this bill but after receiving several examples of the problem and experiencing a radiological over exposure in his own family, he changed his mind. He indicated that his son had fallen and hurt his arm and after listening to a clinic PA exclaim that the arm was broken, it was re-shot at the hospital where the radiologist said that it was not broken. He said that this was a perfect example of double exposure.

MR. HALL asked if the film was read at the hospital and asked if the radiologist indicated what was wrong with the first film.

CHAIR ANDERSON answered that he was just following orders and did not get a reason for the problematic film.

MR. PEARCE stated that he heard something in the previous speakers speech that gave him some concern. He pointed out that the bill simply is not centered on physician assistants at all. He then indicated that in AS 8.89.100, the bill is talking about who is impacted by the bill and who is not, as found in subsection (b). He stated that what a PA knows or doesn't know is irrelevant. This bill does not concern this profession.

CHAIR ANDERSON announced that he was going to obtain a legal opinion on this and get back to the committee.

MR. HALL asked if the two nurses that work underneath him were going to have to be licensed.

MR. PEARCE answered that yes, any healthcare worker that does not have a professional degree will have to be licensed.

MR. HALL then asked if he were going to be forced to do all the shots until these women were certified.

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MR. PEARCE answered that the training administered by Mr. Hall can be evaluated and take the place of certification. He then said that the bill is a platform and refinement will certainly take place. He then again said that it does not matter what the PA does or does not know and that this lack of knowledge is dealt with by the board and not this bill.

MR. HALL asserted that the medical board would rely heavily on this bill and pointed out that this is why diligence was being paid to the passage of the bill now.

REPRESENTATIVE ROKEBERG stated that it may be possible to apply for temporary permits as a transitional phase, and that this may have to be determined while the bill is in committee.

CHAIR ANDERSON indicated to Mr. Hall that this bill is a work in progress.

BARBARA HUFF-TUCKNESS, Director, Governmental Affairs, Teamsters Union 159, indicated that in representing radiological technologists, she was surprised that certification in radiological science was not required. She said that training and certification of this training is a must ubiquitously around the state, and that the South Peninsula and Kodiak Island Hospital already require certification. She then said that if you don't have a properly trained worker and as the equipment becomes more technical, the lack of certification will affect job performance. The workers that are being utilized as radiological technicians should be encouraged to go to school and become experts in their field.

MS. HUFF-TUCKNESS then changed course to voice an objection to the fact that truck drivers to be certified since they haul the equipment around the state, yet radiology technicians are not required by state law to be certified. She describes this oversight as appalling. She asked the committee to please pass the bill through.

[4:36:35 PM](#)

STEVE GAGE, physician assistant, Sitka, Alaska, announced that he was Chair of the Community Health Care Directors Association and representative SE Alaska Healthcare Consortium. He indicated that he had some concern about the bill and how it affects mid-level practitioners, or Nurse Practitioners and Physician Assistants. He agreed with Mr. Hall that this is not communicated effectively or explicitly.

MR. GAGE stated that his chief reason for testifying is the concern he and others have about access to basic radiological services in the villages and deep in the bush, for basic extremity care. He described the community health aid program as a collection of 500 clinics that are headed by mid-level providers, such as nurse practitioners and physician assistants. He continued by stating that these clinics are the backbone of healthcare in the rural areas and without the clinics, there would be no modern healthcare. He then stated that the main thing that these clinics are in need of are radiological services. Unfortunately, he said that native communities do have to take a plane ride into a larger town to get the same services that Representative Anderson used for his son in Anchorage. Weather and daylight play a factor in transportation to the hospital since flight to and from there from the village is the only way to get the patient to the services that they do not have in the bush. Things of this nature could be taken care of in the village and the trip would not be necessary.

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MR. GAGE then stipulated that even though the mid-level practitioners are grandfathered in, the medical workers that work for them are not and that he wondered what kind of training is going to be required by the state for education and training. He pointed out there are 20 hours of continuing education and that these workers were busy people and could not be bothered with this type of requirement, since it would not be feasible financially. He then added that it leaves the clinics shorthanded while they are gone. He then stated that the clinics have been utilized the protocol already put into place by the Alaskan Native American Healthcare Diagnostic Training. This is augmented by the fact that all of the films that are taken are overseen by an actual radiologist and there is dialog that takes place immediately. He ended by stating that he was concerned about the fees and that the training not be overkill.

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CHAIR ANDERSON stated that he would try to work on the cost factors in rural Alaska and trying to keep the fees reasonable.

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ANN DAILY, physician assistant, regional clinic, Iliamna, Alaska, pointed out that the 7 remote clinics in her region do not have ready access to high end radiological diagnostic care provided by trained, educated technicians, and lack the ability to have the native workers directly supervised by a certified technician. She indicated that they also lack the ability to effectively certify all of these uneducated native workers. She then pointed out that the physician assistants working in these clinics are well qualified to do simple radiological procedures and that the radiographs that are created by the physician assistants are reviewed by radiologists and there is discussion between the two professionals. She indicated that there are measures of protection in the clinics that measure the amount of radiation exposure that occurs.

MS. DAILY made it a point to mention that she had worked with radiological technicians that were certified, and that she actually experienced on occasion, both over and under exposed films created by credentialed staff.

MS. DAILY ended by stating that House Bill provided no additional safety assurances and in some instances, will negatively impact the ability to provide decent healthcare to some Alaskans. She asked the committee to consider the financial impact on these remote villages.

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REPRESENTATIVE LEDOUX pointed out that Ms. Daily operates the sub regional class of village healthcare, but those serving underneath her are not medical professionals and that they certainly were not physician assistants.

MS. DAILY agreed and answered that this was correct.

GUMENSINDO ROSALES, registered radiological technologist, indicated that the current medical system in Alaska is broken, especially based on the testimony of Clyde Pearce. He then pointed out that testifiers that have come before are coming at this from a weak and unrelated issue, primarily that being access and the inability for the native workers to be able to afford to leave and get training and certifications. He then

pointed out that by investing \$70 a year, and \$140 dollars for two years, they can continue their education (CE) and not be burdened with the travel expenses or the time spent away receiving the training in a classroom. He ended by stating that the only financial impact here is the initial training which all uneducated workers will have to manage, and updating this training can be as simple as reading a magazine provided by the American Society for Radiological Technology, which they will be a part of when they are certified.

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MR. ROSALES referring to Article 1, Section 8.89.150, stated that this bill is primarily pointed at ionizing radiation and not magnetic energy. He then referred to Article 3, Section 8.89.990, where it defines the work of the limited technician as one that is primarily concerned with the "the axial-appendicular skeleton". He said, from his experience, that the axial-appendicular aspect of the human skeleton includes the head and neck, and spine and that these areas are not touched by the inexperienced technicians, since the eyes and the abdomen are very vulnerable to radiation exposure. He indicated that this work is reserved for the radiologist or a certified technician.

CHAIR ANDERSON asked if Mr. Rosales would memorialize his testimony and make a concrete argument that is definitive.

MR. ROSALES stated that in the industry, the nationwide standard consisted of 24 hours of continuing education exams (CEE), and changing the bills stipulation of 20 to the national standard of 24, which would make it easier for people who are transferring from other states to work in Alaska.

CHAIR ANDERSON asked the speaker to contribute this in written form. He then closed public testimony.

[HB 150 was held over.]

HB 147-INSURANCE

[4:52:49 PM](#)

CHAIR ANDERSON announced that the last order of business would be HOUSE BILL NO. 147, "An Act relating to the regulation of insurance, insurance licensing, surplus lines, insurer deposits, motor vehicle service contracts, guaranteed automobile protection products, health discount plans, third-party

administrators, self-funded multiple employer welfare arrangements, and self-funded governmental plans; and providing for an effective date."

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CHRISTINE SASSE, Department Director, City of Valdez, announced that she was addressing Article 2, where the bill discusses self-funded government plans, and how they are going to have to comply with the provisions of AS 21.85. She indicated that her biggest concern was the applicability clause found in Article 2, page 15, line 8, which seemed too broad in her eyes, though she assumed that it was not intended to be so broad. She then indicated that she had looked up AS 39.30.090 and it refers to plans under the state of Alaska, but it appears that any other state funded government plan has to comply. If this is the case, then this entire Article 2 imposes onerous requirements for self funded governmental plans.

MS. SASSE then pointed out that the filing of the plan description and the contribution rates and the financial reports all have to be filed quarterly, and there has to be actuarial memorandums concerning all these issues. In addition to this, there is a requirement to generate a board of trustees. She added that this adds considerable expense to a plan and very little benefit.

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MS. SASSE said that there is a committee that helps determine how the plan is to be administered. It is very flexible and we have assistance given by a consultant who helps us determine what benefits are reasonable under the plan. In referring back to the board of trustees, she said that having a board that is indifferent and uninterested in the participants of the insurance plan seems ridiculous. On top of this is the cost of the fidelity bond and the requirement to have an actual actuary look at and confirm the plan is financially sound. She also complained about the requirement to comply with additional standards. These additional standards include defining her group as a mutual insurer, which requires the city to file a certificate of authority with the state on an annual basis that requires a financial assurance and legal certification. She pointed out that most companies have a separate department to do these tasks and it is obvious, she said, that the city of Valdez cannot do this and would be forced to hire a consultant to help on this matter. There is also, she said, the requirement of

mutual insurers to pay taxes to the state, which means that the city would pay taxes to the state.

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MS. SASSE then stated that in addition to all of this, there are the rules on regulations placed on the director, found on page 17, Section 21.85.230, line 21. She pointed out that the required coverage of risks in parity with other governmental plans would increase the cost of insurance to the consumer. She indicated that her city plan is a good one and that these new changes will double the cost of the insurance plans and eliminate cost effective and flexible health insurance for those that are under self funded governmental plans.

REPRESENTATIVE ROKEBERG asked if her consultant was providing actuarial analysis of solvency and also asked if she had a stop-loss policy.

MS. SASSE answered that our consultants has provided us with considerable amount of information that will help determine what our premium levels will be. She then indicated that there is a policy in place and reserves are in place, and have in fact, had some high claims recently but the financial reserves are still viable and above the minimum required.

REPRESENTATIVE ROKEBERG asked if she carried stop loss insurance.

MS. SASSE answered that they do have stop loss insurance.

GREG CULBERT, assistant school superintendent, Galena School District, stated that his group has a self-funded plan and that it would have the same problems as mentioned by Ms. Sasse. He indicated that there was a cost effective plan for the employees and a trustee council in place that administers the insurance. He stated that his group and all other self-funded governmental plans ought to be able to create their own insurance and manage in their own way. In lieu of their viability, he indicated that they have stop loss insurance, aggregate stop loss insurance, and they fund the policy quite well.

MR. CULBERT then asserted that if the true reason behind this language is to rid the state of self funded insurance groups, and get everyone into a nationwide policy that is based in the lower 48 insurance conglomerate, and then stated that the reason for wanting self-funded insurance is a fiduciary responsibility

to save money and divert it into the school itself, which then helps the community.

MATT LARKIN, Willis of Alaska, Anchorage, stated that he agreed with both previous speakers. He then stated that he specifically had problems with the applicability section, from which there are many different readings that can gathered, and that they do not make it clear for who this section is intended. He then commented that these new requirements are onerous, and burdensome and expensive. He continued by stating that new bill is impractical by requiring these communities to obtain a board of trustees even though most of these plans do not have the need for a board of trustees, and, he asserted, certainly not one that does not have a vested interest in the group plan. He continued by stating that the fact that the group cannot use one of their own as an entrusted trustee is ridiculous. Lastly, he said that most of these communities are not big enough to find someone that is not related or affected by the plan, or more importantly, bare the fiduciary liability, since they would not be affected by its coverage.

MR. LARKIN then stated that implementing this bill would be hugely expensive costly as hiring actuaries and attorneys to draft the trust document, and the premium cost would be very costly.

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MR. LARKIN stated that all of these municipalities are under budget constraints and that the addition of these requirements will increase costs, require them to reduce the benefit or have the employers pay more for the insurance. He ended by stating that there is nothing good that come out of this bill and that these groups already have good plans in place and they do not need this type of regulation.

RICHARD CAMPBELL, General Services Director, Kenai Peninsula Borough, asked if this bill would concern us and what the reasoning behind the drastic changes that are being proposed.

MARY STOLL, trust attorney, Local 71 Trust, stated that the bill placed an economic burden on self-funded plans and on the out of state PK's. Why does it carve out specifically self-funded governmental plans and not all self funded plans that are operating in the state. She assumed that it was some sort of ploy to drag self-regulated groups under the direction and control of the Director of Insurance.

MS. STOLL remarked that these groups do not operate under policies or contracts of insurance. The coverage is given with boards of trustees, and is a product of collective bargaining and the authority to operate in the state as required by AS 21.030.21B was provided by a letter of agreement which is signed by the Division of Retirement and Benefits. She pointed out that each year they work out what the contribution rate is going to be based on advise from qualified consultants working in the area of insurance.

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MS. STOLL then stated that she thought that these employers would want the contribution to go to the provision of benefits and not the to the compliance to onerous filing requirements provided in this bill. She then complains about the stipulations found in the bill concerning the organization and the definitions that are used in the bill. She described the bill as being sort of a quagmire for her and the rest that were trying to interpret the bill.

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MS. STOLL stated that the independent funds already complied with the fiduciary standards of ARISA. It would be easier to file a 5500 with ARISA than comply with the statutes found in this bill. She ended by stating that she did not know what the bill was trying to achieve other than placing a huge economic burden on plans that are already struggling to do the right thing by their clients

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COLLEEN SAVOIE, consultant, local public 71 trust, wanted to speak specifically to the concerns of the local 71 trust, but she indicated that there were several other governmental groups that are not sure about its applicability. This bill imposes a costly administrative burden and the filing requirements that are proposed in House Bill 147 is tremendous. The cost at minimum for an actuary would be 40 to 50 thousand dollars a year.

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MS. SAVOIE said the fidelity bond would be no less than 10 percent of the benefits paid the previous year. This is larger than that requirements of ARISA and larger than fidelity bonds

that most healthcare insurers hold. A bond of this size according to several insurance carriers we talked to said that it would increase administrative rates and increase the deductible on the premiums held by the clients since it may not be considered an ARISA bond.

MS. SAVOIE then said that the requirement for an actuary is too much since not too many of them are willing to insure their work and assume the liability of the plan. She continued by stating that employer plan contribution rates have to be filed 60 days after the end of the plan year which means that State plans have to be filed by the administration sometime towards the end of session. She mentioned that this might be an inconvenience.

MS. SAVOIE ended by stating that the bill is unnecessary and that all the plans that she knew about were doing quite well and had governing organizations and audits by separate oversight. She ended by stating that people involved in these plans have an appeals process that includes arbitration and civil suits.

REPRESENTATIVE ROKEBERG asked, referring to the third party arbitration, if each member received this type of appeals process.

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MS. SAVOIE answered that each plan determines what the appeals process is going to be. They go to the board and then on to binding arbitration, which is a low cost alternative to courts.

MS. STOLL stated that any allegation of fiduciary breach or non-funding, or insufficient funding of the trust, any participant has a right to bring suit for a breach in trust. She continued by stating that there is ample opportunity to hear testimony concerning alleged violation of trust to be heard in the court system.

REPRESENTATIVE ROKEBERG stated that he sees a problem with the lack of supervision in the arbitration mode, and that this area needs to be discussed further since it is clear that one has to sue in order to have someone hear grievances. Under state law, the patient bill of rights, which puts in place a third party peer review that is "scientific" peer review and not some arbitration.

MS. STOLL answered that it's more than a two-tier process. The participant would have an opportunity to appeal to the claims administrator, and from there they go to the board of trustees, and they in turn, refer this to a medical review corporation who is given no incentive for one decision or another. She ended by stating that there are rules that govern self-funded plans in the United States and Canada.

CHAIR ANDERSON said that this was a work in progress.

[HB 147 was held over.]

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at [5:23:42 PM](#).