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HOUSE CS FOR CS FOR SENATE BILL NO. 172(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/15/10

Referred: Rules

Sponsor(s): SENATORS OLSON, Davis, French, Kookesh, Paskvan, Ellis, Egan, Meyer, Thomas

REPRESENTATIVES Kawasaki, Gara, Lynn

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Alaska Health Care Commission in the Department of Health**
2 **and Social Services; and providing for an effective date."**

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

4 *** Section 1.** AS 18.05.010(b) is amended to read:

5 (b) In performing its duties under this chapter, AS 18.09, and AS 18.15.355 -
6 18.15.395, the department may

7 (1) flexibly use the broad range of powers set out in this title assigned
8 to the department to protect and promote the public health;

9 (2) provide public health information programs or messages to the
10 public that promote healthy behaviors or lifestyles or educate individuals about health
11 issues;

12 (3) promote efforts among public and private sector partners to
13 develop and finance programs or initiatives that identify and ameliorate health
14 problems;

1 (4) establish, finance, provide, or endorse performance management
2 standards for the public health system;

3 (5) develop, adopt, and implement

4 **(A) a statewide health plan under AS 18.09 based on**
5 **recommendations of the Alaska Health Care Commission established in**
6 **AS 18.09.010; and**

7 **(B)** public health plans and formal policies through regulations
8 adopted under AS 44.62 or collaborative recommendations that guide or
9 support individual and community public health efforts;

10 (6) establish formal or informal relationships with public or private
11 sector partners within the public health system;

12 (7) identify, assess, prevent, and ameliorate conditions of public health
13 importance through surveillance; epidemiological tracking, program evaluation, and
14 monitoring; testing and screening programs; treatment; administrative inspections; or
15 other techniques;

16 (8) promote the availability and accessibility of quality health care
17 services through health care facilities or providers;

18 (9) promote availability of and access to preventive and primary health
19 care when not otherwise available through the private sector, including acute and
20 episodic care, prenatal and postpartum care, child health, family planning, school
21 health, chronic disease prevention, child and adult immunization, testing and screening
22 services, dental health, nutrition, and health education and promotion services;

23 (10) systematically and regularly review the public health system and
24 recommend modifications in its structure or other features to improve public health
25 outcomes; and

26 (11) collaborate with public and private sector partners, including
27 municipalities, Alaska Native organizations, health care providers, and health insurers,
28 within the public health system to achieve the mission of public health.

29 * **Sec. 2.** AS 18 is amended by adding a new chapter to read:

30 **Chapter 09. Statewide Health Care.**

31 **Article 1. Alaska Health Care Commission.**

1 **Sec. 18.09.010. Alaska Health Care Commission.** The Alaska Health Care
 2 Commission is established in the Department of Health and Social Services. The
 3 purpose of the commission is to provide recommendations for and foster the
 4 development of a statewide plan to address the quality, accessibility, and availability
 5 of health care for all citizens of the state.

6 **Sec. 18.09.020. Composition; chair.** The commission consists of 14 members
 7 as follows:

8 (1) 11 voting members appointed by the governor as follows:

9 (A) the state officer assigned the duties of medical director for
 10 the department, who shall serve as chair;

11 (B) one member who represents the tribal health community in
 12 the state;

13 (C) one member who represents a statewide chamber of
 14 commerce who is not financially associated with the health care industry;

15 (D) one member who represents the Alaska State Hospital and
 16 Nursing Home Association;

17 (E) one member who is a health care provider and

18 (i) engaged in the active practice of the health care
 19 provider's profession in the state;

20 (ii) licensed to practice in the state;

21 (iii) not affiliated with the Alaska State Hospital and
 22 Nursing Home Association;

23 (F) one member who represents the health insurance industry in
 24 the state;

25 (G) one member who is a

26 (i) health care consumer;

27 (ii) resident of the state; and

28 (iii) not employed by and does not have a business
 29 interest in the health care industry;

30 (H) one member who is a licensed primary care physician in
 31 the state and who is in the active practice of family medicine, primary care

1 internal medicine, or pediatric medicine;

2 (I) one member who represents the Alaska Mental Health Trust
3 Authority;

4 (J) one member who represents community health centers in
5 the state;

6 (K) one member who is involved in the United States
7 Department of Veterans Affairs health care industry;

8 (2) three nonvoting members appointed as follows:

9 (A) one ex officio member from the house of representatives,
10 appointed by the speaker of the house of representatives;

11 (B) one ex officio member from the senate, appointed by the
12 president of the senate;

13 (C) an ex officio member representing the Office of the
14 Governor.

15 **Sec. 18.09.030. Public members' terms of office.** (a) Public members of the
16 commission serve for staggered terms of three years or until a successor is appointed.

17 (b) If a vacancy occurs in a public member's seat on the commission, the
18 governor shall make an appointment for the unexpired portion of that member's term.

19 (c) A public member may serve not more than two consecutive terms.

20 (d) In this section, "public member" means those members appointed under
21 AS 18.09.020(1)(B) - (K).

22 **Sec. 18.09.040. Executive director.** The commission may employ an
23 executive director, who may not be a member of the commission and who may be
24 current staff of the department. The executive director serves at the pleasure of the
25 commission. The commission shall establish the duties of the executive director. The
26 executive director is in the partially exempt service under AS 39.25 (State Personnel
27 Act).

28 **Sec. 18.09.050. Staff.** The department may assign employees of the
29 department to serve as staff to the commission. The commission shall prescribe the
30 duties of the commission staff.

31 **Sec. 18.09.060. Bylaws.** The commission, on approval of a majority of its

1 membership and consistent with state law, shall adopt and amend bylaws governing
 2 proceedings and other activities, including provisions concerning

3 (1) a quorum to transact commission business and other aspects of
 4 procedure;

5 (2) frequency and location of meetings;

6 (3) establishment, functions, and membership of committees; and

7 (4) conflicts of interest that require

8 (A) a member to declare a substantial financial interest in an
 9 official action and to request to be excused from voting in that instance;

10 (B) a ruling by the chair on a request by a member to be
 11 excused from voting;

12 (C) an opportunity to override a ruling by the chair on a
 13 majority vote;

14 (D) filing of a written disclosure form with the department that
 15 lists all potential conflicts of interest of a member valued at more than \$5,000
 16 annually if the interest is related to health care system income affecting the
 17 member or a member of the member's immediate family.

18 **Sec. 18.09.070. Duties of the commission.** (a) The commission shall serve as
 19 the state health planning and coordinating body. Consistent with state and federal law,
 20 the commission shall provide recommendations for and foster the development of a
 21 statewide health plan containing the following:

22 (1) a comprehensive statewide health care policy;

23 (2) a strategy for improving the health of all residents of the state that

24 (A) encourages personal responsibility for disease prevention,
 25 healthy living, and acquisition of health insurance;

26 (B) reduces health care costs by using savings from

27 (i) enhanced market forces;

28 (ii) fraud reduction;

29 (iii) health information technology;

30 (iv) management efficiency;

31 (v) preventative medicine;

- 1 (vi) successful innovations identified by other states;
 2 and
 3 (vii) other cost-saving measures;
 4 (C) eliminates known health risks, including unsafe water and
 5 wastewater systems;
 6 (D) develops a sustainable health care workforce;
 7 (E) improves access to quality health care; and
 8 (F) increases the number of insurance options for health care
 9 services.

10 (b) The commission may hold public hearings to gather information and
 11 opinions from health care consumers on matters before the commission. Hearings
 12 shall be conducted under AS 44.62.210, except that the commission shall provide
 13 public notice of hearings not less than 15 days before the conduct of the hearing and
 14 include not fewer than three notices published in the statewide news media.

15 (c) The commission shall submit to the governor and the legislature by
 16 January 15 of each year an annual report regarding the commission's
 17 recommendations and activities. The report shall include voting records, copies of
 18 financial disclosures, and conflicts of interest statements.

19 **Sec. 18.09.080. Compensation, per diem, and expenses.** A member
 20 appointed to the commission under AS 18.09.020(1) is entitled to per diem,
 21 reimbursement for travel, and other expenses authorized by law for boards and
 22 commissions under AS 39.20.180.

23 **Article 2. General Provisions.**

24 **Sec. 18.09.900. Regulations.** The department may adopt regulations under
 25 AS 44.62 (Administrative Procedure Act) to carry out the purposes of this chapter.

26 **Sec. 18.09.990. Definitions.** In this chapter,

27 (1) "commission" means the Alaska Health Care Commission
 28 established in AS 18.09.010;

29 (2) "department" means the Department of Health and Social Services.

30 * **Sec. 3.** AS 39.25.120(c)(7) is amended to read:

31 (7) the principal executive officer of the following boards, councils, or

1 commissions:

- 2 (A) Alaska Public Broadcasting Commission;
 3 (B) Professional Teaching Practices Commission;
 4 (C) Parole Board;
 5 (D) Board of Nursing;
 6 (E) Real Estate Commission;
 7 (F) Alaska Royalty Oil and Gas Development Advisory Board;
 8 (G) Alaska State Council on the Arts;
 9 (H) Alaska Police Standards Council;
 10 (I) Alaska Commission on Aging;
 11 (J) Alaska Mental Health Board;
 12 (K) State Medical Board;
 13 (L) Governor's Council on Disabilities and Special Education;
 14 (M) Advisory Board on Alcoholism and Drug Abuse;
 15 (N) Statewide Suicide Prevention Council;
 16 (O) the State Board of Registration for Architect, Engineers,
 17 and Land Surveyors;

18 **(P) Alaska Health Care Commission;**

19 * **Sec. 4.** AS 44.66.010(a) is amended to read:

20 (a) Boards and commissions listed in this subsection expire on the date set out
 21 after each:

- 22 (1) Alcoholic Beverage Control Board (AS 04.06.010) - June 30, 2010;
 23 (2) Board of Parole (AS 33.16.020) - June 30, 2016;
 24 (3) Regulatory Commission of Alaska (AS 42.04.010) - June 30, 2011;
 25 (4) Alaska Commission on Aging (AS 47.45.200) - June 30, 2016;
 26 (5) Council on Domestic Violence and Sexual Assault (AS 18.66.010)
 27 - June 30, 2014;
 28 (6) special education service agency (AS 14.30.600) - June 30, 2013;
 29 (7) [REPEALED
 30 (8)] Statewide Suicide Prevention Council (AS 44.29.300) - June 30,
 31 2013;

1 **(8)** [(9)] Alaska Seismic Hazards Safety Commission (AS 44.37.065) -
2 June 30, 2012;

3 **(9) Alaska Health Care Commission (AS 18.09.010) - June 30,**
4 **2014.**

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

7 TRANSITION: REGULATIONS. The Department of Health and Social Services may
8 proceed to adopt regulations necessary to implement the changes made by this Act. The
9 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
10 effective date of the statutory change.

11 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to
12 read:

13 TRANSITION: ALASKA HEALTH CARE COMMISSION. The members appointed
14 to the Alaska Health Care Commission, established by Administrative Order No. 246 dated
15 December 4, 2008, shall serve as the voting members of the Alaska Health Care Commission
16 under AS 18.09.010, enacted by sec. 2 of this Act, for one-year to three-year staggered terms
17 as determined by the governor according to AS 39.05.055.

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