

ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

April 6, 2009

1:32 p.m.

MEMBERS PRESENT

Senator Bettye Davis, Chair
Senator Joe Paskvan, Vice Chair
Senator Johnny Ellis
Senator Joe Thomas
Senator Fred Dyson

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 2(HSS)

"An Act relating to the issuance of a certificate of birth resulting in a stillbirth."

MOVED CSHB 2(HSS) OUT OF COMMITTEE

SENATE BILL NO. 139

"An Act establishing a loan repayment program and employment incentive program for certain health care professionals employed in the state; and providing for an effective date."

MOVED CSSB 139(HSS) OUT OF COMMITTEE

SENATE BILL NO. 27

"An Act relating to tuition waivers for a child who was in foster care; relating to eligibility for foster care and subsidy payments for a hard-to-place child; and amending the definition of 'child' in certain statutes."

MOVED CSSB 27(HSS) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 2

SHORT TITLE: BIRTH CERTIFICATE FOR STILLBIRTH

SPONSOR(S): REPRESENTATIVE(S) GATTO

01/20/09	(H)	PREFILE RELEASED 1/9/09
01/20/09	(H)	READ THE FIRST TIME - REFERRALS
01/20/09	(H)	HSS, JUD
02/26/09	(H)	HSS AT 3:00 PM CAPITOL 106

02/26/09 (H) Heard & Held
 02/26/09 (H) MINUTE(HSS)
 03/12/09 (H) HSS AT 3:00 PM CAPITOL 106
 03/12/09 (H) Moved CSHB 2(HSS) Out of Committee
 03/12/09 (H) MINUTE(HSS)
 03/13/09 (H) HSS RPT CS(HSS) 4DP 2NR
 03/13/09 (H) DP: LYNN, SEATON, COGHILL, KELLER
 03/13/09 (H) NR: CISSNA, HERRON
 03/16/09 (H) JUD RPT CS(HSS) 5DP
 03/16/09 (H) DP: LYNN, COGHILL, GATTO, DAHLSTROM,
 RAMRAS
 03/16/09 (H) JUD AT 8:00 AM CAPITOL 120
 03/16/09 (H) Moved CSHB 2(HSS) Out of Committee
 03/16/09 (H) MINUTE(JUD)
 03/23/09 (H) TRANSMITTED TO (S)
 03/23/09 (H) VERSION: CSHB 2(HSS)
 03/25/09 (S) READ THE FIRST TIME - REFERRALS
 03/25/09 (S) HSS
 04/06/09 (S) HSS AT 1:30 PM BUTROVICH 205

BILL: SB 139

SHORT TITLE: INCENTIVES FOR CERTAIN MEDICAL PROVIDERS
 SPONSOR(S): SENATOR(S) OLSON

03/09/09 (S) READ THE FIRST TIME - REFERRALS
 03/09/09 (S) HSS, FIN
 03/25/09 (S) HSS AT 1:30 PM BUTROVICH 205
 03/25/09 (S) Heard & Held
 03/25/09 (S) MINUTE(HSS)
 04/06/09 (S) HSS AT 1:30 PM BUTROVICH 205

BILL: SB 27

SHORT TITLE: FOSTER CARE AGE LIMIT/TUITION WAIVER
 SPONSOR(S): SENATOR(S) DAVIS

01/21/09 (S) PREFILE RELEASED 1/9/09
 01/21/09 (S) READ THE FIRST TIME - REFERRALS
 01/21/09 (S) HSS, L&C, FIN
 03/11/09 (S) HSS AT 1:30 PM BUTROVICH 205
 03/11/09 (S) Heard & Held
 03/11/09 (S) MINUTE(HSS)
 03/18/09 (S) HSS AT 1:30 PM BUTROVICH 205
 03/18/09 (S) Scheduled But Not Heard
 03/27/09 (S) HSS AT 1:15 PM BUTROVICH 205
 03/27/09 (S) Heard & Held
 03/27/09 (S) MINUTE(HSS)
 04/06/09 (S) HSS AT 1:30 PM BUTROVICH 205

WITNESS REGISTER

SANDRA WILSON

Aide to Representative Gatto
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Presented CSHB 2(HSS) for the sponsor.

MICHELLE WHITE, representing herself

POSITION STATEMENT: Supported HB 2.

SENATOR DONNY OLSON

State Capital
Juneau, AK

POSITION STATEMENT: Sponsor of SB 139.

KENDRI CEASAR

Staff to Senator Olson
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Commented on SB 139 for the sponsor.

DR. JAY BUTLER

Alaska Chief Medical Officer
Department of Health and Social Services (DHSS)

POSITION STATEMENT: Opposed SB 139 because of funding issues.

ROD BETIT, President/CEO

Alaska State Hospital and Nursing Home Association (ASHNHA)

POSITION STATEMENT: Supported SB 139.

SHELLEY HUGHES, Director

Government Affairs
Alaska Primary Care Association

POSITION STATEMENT: Supported SB 139.

PAT LUBI, Advocacy Director

AARP Alaska

POSITION STATEMENT: Supported SB 139.

JEAN MISCHEL, Drafting Attorney

Legislative Legal Division
Legislative Affairs Agency
State Capital
Juneau AK

POSITION STATEMENT: Answered questions on SB 139.

TOM OBERMEYER, staff to Senator Davis
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Commented on SB 27 for the sponsor

MIKE LESSMAN, Manager
Community Relations and Legislative Contact
Office of Children's Services (OCS)
Department of Health and Social Services (DHSS)

POSITION STATEMENT: Neutral position on CSSB 27(HSS) because of priority issues.

ACTION NARRATIVE

[1:32:46 PM](#)

CHAIR BETTYE DAVIS called the Senate Health and Social Services Standing Committee meeting to order at 1:32 p.m. Present at the call to order were Senators Paskvan, Ellis, Dyson, Thomas and Davis.

HB 2-BIRTH CERTIFICATE FOR STILLBIRTH

[1:33:17 PM](#)

CHAIR DAVIS announced consideration of HB 2. [CSHB 2(HSS) was before the committee.

SANDRA WILSON, aide to Representative Gatto, sponsor of HB 2, presented the sponsor statement. It allows parents who had a still born child to get a birth certificate for that child. Currently, all they receive is a fetal death certificate. Parents who have stillborn children go through the same labor as parents whose child takes their first breath. Being able to get a birth certificate for their child will validate that they had a child; the certificate is completely optional and has to be requested by the parent. Twenty-six other states have passed similar legislation. This will bring some closure to parents who are suffering through their loss.

[1:35:12 PM](#)

SENATOR DYSON asked how long a child may live outside the womb before parents can claim a tax deduction or Permanent Fund Dividend (PFD).

MS. WILSON said she was not sure, but this particular bill does not provide any rights to claim a tax deduction or a PFD. The birth certificate does not claim a live birth.

CHAIR DAVIS asked how the House voted on this.

MS. WILSON replied it passed the House by a vote of 29 to 1.

[1:37:33 PM](#)

MICHELLE WHITE, representing herself, supported HB 2. She said her daughter was stillborn on March 30, 2004. She went through a natural birth process, but was not able to get a birth certificate. She had to go through the grieving process - the depression, the going home with no child, the funeral arrangements, along with the hospital bills of having a child. This bill will bring closure to many grieving parents.

CHAIR DAVIS noted a zero fiscal note.

[1:38:33 PM](#)

SENATOR PASKVAN moved to report CSHB 2(HSS) from committee with individual recommendations and attached fiscal note(s). There being no objection, the motion carried.

SB 139-INCENTIVES FOR CERTAIN MEDICAL PROVIDERS

[1:41:31 PM](#)

CHAIR DAVIS announced consideration of SB 139.

SENATOR OLSON, sponsor of SB 139, said this is an incentive program to recruit health care practitioners to underserved areas of the state in areas that are hard to fill. Forty-four other states already have loan repayment programs of some kind and Alaska needs to do something as well.

He didn't think that many people fully understood the crisis the state is in already and what it is heading for. The Nome hospital had eight full-time staff several years ago, and is now down to three. Because of that everybody is scrambling for the temporary physicians and the competition is getting overwhelming - not just from other hospitals throughout the state of Alaska, but from hospitals throughout the whole United States. This isn't an isolated case; there are shortages in all parts of the state.

[1:44:19 PM](#)

SENATOR PASKVAN moved to adopt CSSB 139, labeled 26-LS0503\P as the working document. There being no objection, version P was before the committee.

[1:44:56 PM](#)

KENDRI CEASAR, staff to Senator Olson, said she went through a lengthy description of the payment plan at the first meeting, so, she would explain the changes in the committee substitute (CS), most of which were just clarifying changes to more accurately reflect the intent of the program. Language on page 1, line 14, says the Alaska Commission on Postsecondary Education shall act as disbursing agent. The original bill said the commission shall act as the fiscal agent. It was changed to clarify that the intent is not for the commission to act as appropriating entity and that the funds used for loan repayment will not be falling to the commission's budget.

On page 2, lines 9-10, in reference to eligibility, "approved" was changed to "verified" to clarify that the commission does not provide the loans. Lines 12-14 in the original bill said in first repayment year, and it now says in first year of program participation. Page 3, line 28, had a simple technical correction - AS 14.43.435 was changed to properly reference AS 14.33.430.

The last change was on page 5, lines 20-22, which says the commissioner shall prioritize eligible sites based on the percentage of patients treated at the site who (1) are uninsured (2) have or are eligible for medical assistance or Medicare coverage; or (3) have or are eligible for other federal health program benefits. The original bill didn't include those who have or are eligible for other federal health program benefits, such as those covered under VA or tribal benefits.

The original bill also based the prioritization of sites on the volume of these types of patients treated rather than the percentage. This change was made so as not to give advantage to larger urban clinics that because of their overall large numbers of patients might treat a smaller percentage of these patients than a smaller clinic that treats smaller numbers of patients to begin with. All these changes were made in consultation with Diane Barrans of the Alaska Commission on Postsecondary Education and Tim Schuerch of the Alaska Native Health Board. They do not change the overall purpose of the bill nor do they address the issues that were brought up in the first committee hearing.

She said that Senator Dyson had questions regarding how the initial 10 practitioners in this program were chosen.

[1:50:09 PM](#)

SENATOR DYSON said he also want to know the definition of a clinical psychologist.

MS. CESAR responded that Rod Betit, Alaska State Hospital and Nursing Home Association, who played a key role in outlining the proposed program in SB 139 could answer those questions as well as summarize the bill for the committee.

1:50:48 PM

DR. JAY BUTLER, Alaska Chief Medical Officer, said he wanted to address Senator Paskvan's question from the last hearing. He said the administration is very conscious of the public health challenge in maintaining a sufficient health care workforce. It also recognized the work of the working group that developed the plan to address the work force issues, but the administration opposes the bill at this time because funding presents a challenge.

He explained that other aspects of the budget are designed to address the workforce challenges including the UAA money for the family practice residency program - which is one of the most powerful predictors for where a physician will ultimately set up practice. A probity has been placed on providing funding to the Alaska Student Loan Corporation to make sure loans are available for students coming in at the undergraduate level.

1:53:21 PM

ROD BETIT, President/CEO, Alaska State Hospital and Nursing Home Association (ASHNHA), responded to Senator Dyson's question about how they came up with the 10 occupations. He said they started with a vacancy study to see how severe the shortage was in various parts of the state. They also looked at the Physician Supply Task Force study from 2006, which he was a part of. At that time they found Alaska was about 300 physicians short. Then they took that information back to the work group, which resolved it into the 10 occupations in the bill. Five of those specifically address the behavior health area - the physician category, which includes psychiatrists, nurse practitioner as well as psychologist, the clinical social worker and the physician assistant. Four of those have the ability to charge and receive payment for the services that they deliver in their own right. Particularly since this is focuses in rural areas, they wanted to be sure to provide health care providers that could generate revenue for those locations. The physician assistant cannot do that except through a physician, but they can provide services under the supervision of a physician who

can then bill for those services. That is how they got to the 10 categories, but they are open for discussion.

A very strong part of this legislation is that once the advisory committee makes recommendations, they have to be accepted by the department unless the commissioner puts in writing why not.

MR. BETIT said it is very important to move forward and at least establish the program. He knows the department is in an awkward position now, but he doesn't think the two things the administration mentioned will help deal with the health care crisis now, particularly in the rural and hard to fill areas.

[1:58:24 PM](#)

MR. BETIT said that a clinical psychologist has an advanced degree and has to meet licensing requirements in this state. He isn't completely clear on the required education level.

SENATOR DYSON said in-state licensed clinical counselors are as well equipped to deal with behavioral issues as clinical psychologists. So if this bill doesn't include those state-licensed people, he has a problem with it.

[2:00:08 PM](#)

CHAIR DAVIS asked if anyone from legal was available to answer that.

MS. CESAR replied no.

SENATOR THOMAS asked if ASHNHA is willing to participate in some kind of a match for the grants or the repayment of loans.

MR. BETIT said he hadn't put that to his membership, but this is not intended to help hospitals except in the smallest areas. The small rural locations don't have the ability to attract providers, and he didn't know if they were in a position to do more than they are with the University's expanded nursing program.

[2:02:14 PM](#)

SHELLEY HUGHES, Director, Government Affairs, Alaska Primary Care Association, provided a chart entitled, "Why a Loan Repayment and Incentive Program is Better Than Other Support-for-Service Program Types." She remarked that a number of proposals are "floating around" and they all have good intentions in trying to meet the workforce shortage, but this chart shows how this particular one is better for the state, as

far as being cost effective and result-producing. It doesn't put the state at risk of loan default because it doesn't hold the loan. It provides for less administration because there is no need to track the person from their time as a student all the way through to their time working in the field.

[2:05:32 PM](#)

PAT LUBI, Advocacy Director, AARP Alaska, expressed AARP's strong support for SB 139. Without it, Alaska cannot compete with other states for health care providers and workers.

[2:08:04 PM](#)

JEAN MISCHEL, Drafting Attorney, Legislative Legal Division, Legislative Affairs, regarding a definition for clinical psychologist, said the Board of Psychology doesn't license psychologists specifically by type, but it does require certain degrees before issuing one - and one of those is a degree in clinical psychology. In her opinion, unless it is defined otherwise, that would be the definition that would apply here.

MS. CESAR said the Division of Occupational Licensing requires a PHD level degree for a statewide license in clinical psychology. A Masters would qualify someone as only a professional counselor or a psychologist associate.

SENATOR DYSON said he is disappointed that the CS doesn't address his question. He pointed out that a Masters level clinical psychology student here qualifies for a state license and can bill for payment. To include them, but not including social workers in the behavioral sciences seems to be unwise and unjust.

SENATOR OLSON said he came up with the types of health care providers with the help of the commission that Rod Betit was on.

MR. BETIT added that they are referring to the ad hoc workgroup of interested parties, and this specific question never came up in their discussions. This was their best effort initially, and he had no problem with adding another occupation.

[2:13:44 PM](#)

SENATOR DYSON said he wasn't prepared with an amendment today, but could have one by Wednesday. There are two other licensed boards - one is marriage and family counseling and the other is maybe behavioral counseling - who work in alcohol rehabilitation programs and residential programs for children.

CHAIR DAVIS asked if there is a shortage in those areas that he could verify.

SENATOR DYSON asked Mr. Betit the group did their research how did they determine what jobs they were short in.

MR. BETIT replied that they worked with the organizations that represent people who work in that area regularly - every tribal organization, the Mental Health Trust, primary care level organizations, the State Health Planning and Systems Development people.

[2:16:12 PM](#)

SENATOR DYSON said he would try to get that information.

SENATOR OLSON said nothing else could act more immediately to attract these health care providers to these hard-to-find areas. He had no problem adding Senator Dyson's amendment to the bill, but it may increase the fiscal note.

[2:19:35 PM](#)

SENATOR ELLIS said he appreciated Senator Olson bringing this bill forward. Alaska is behind on this issue; it should have tripled the WWAMI class three years ago, and this is the most immediate thing they can do. He was very much in support of it.

CHAIR DAVIS said she would support adding a category if it is needed.

SENATOR DYSON said if the sponsor would agree to support his amendment in Finance he would agree to move the bill today.

SENATOR OLSON said as long as the other committee members agree then he will do so.

[2:23:21 PM](#)

SENATOR PASKVAN moved to report CS for SB 139 from committee with individual recommendations and attached fiscal note(s). There being no objection, CSSB 139(HSS) moved from committee.

At ease from 2:23 p.m. to 2:25 p.m.

SB 27-FOSTER CARE AGE LIMIT/TUITION WAIVER

[2:25:32 PM](#)

CHAIR DAVIS announced consideration of SB 27. [CSSB 27, version E was before the committee having been adopted at the 3/11/09 hearing.]

TOM OBERMEYER, staff to Senator Davis, said this bill provides waivers of tuition and fees combined with other assistance to help foster or out-of-home care children to enjoy the opportunity and benefits of higher education afforded to others.

The University of Alaska (UA) has increased from 5 to 10 students statewide who were in foster care for tuition waivers, but that isn't nearly enough. This bill attempts to provide many more foster kids to go to college, it extends a court order age to 21 for a child committed to the custody of the department, it significantly changes "foster care" to "out-of-home care" for purposes of a transition to an independent living program, and adds a monetary stipend for children in the transition program for a specified period of time up to one year. In the past these youth who "aged out" of foster care were given financial assistance for housing up to two months.

At ease from 2:27 p.m. to 2:30 p.m.

[2:30:51 PM](#)

MIKE LESSMAN, Manager, Community Relations and Legislative Contact, Office of Children's Services (OCS), Department of Health and Social Services (DHSS), said there are three fiscal notes, because three components of the OCS budget would be impacted. First, this extends the age a child can be in state custody to 21; so the department would be paying for an additional year for some youth. Another financial impact is found in Section 12, the provision that provides for monetary living expense stipend. And third, the state automated child welfare system, ORCA, would require programming changes to accommodate age changes.

CHAIR DAVIS said he might want to just run through the fiscal notes.

[2:34:46 PM](#)

MR. LESSMAN explained that this is new territory for the OCS, and these figures are basically their best guess.

SENATOR DYSON asked if he could say what the department's position is.

MR. LESSMAN replied that the department is neutral.

SENATOR DYSON asked if he is correct that the cost would be about \$2.5 million per year.

MR. LESSMAN replied that in FY2010 the monetary stipend portion alone is about \$5 million. The foster care age increase to 21 is about \$725,000.

[2:37:10 PM](#)

CHAIR DAVIS said this is a positive way to spend the state's money. The fiscal note represents all of the children who could conceivably be served, but not all will take advantage of this program. She noted that she heard no objections other than monetary.

MR. LESSMAN explained that the premise behind the department's neutral position is a simple matter of priorities. He said OCS recently got its results of the federal review that said they really need to concentrate on timeliness of investigations, keeping children in their homes if it is safe to do so, and doing more home visits. Families need to be reunified more quickly and safely. So their priorities are on the front end of the system.

[2:40:02 PM](#)

SENATOR DYSON said he'd like to see a copy of the audit results.

MR. LESSMAN said it is on the OCS web site.

SENATOR PASKVAN moved to report CS for SB 27 from committee with individual recommendations and attached fiscal note(s). There being no objection, CSSB 27(HSS) moved from committee.

[2:42:03 PM](#)

There being no further business to come before the committee, Chair Davis adjourned the meeting at 2:42 p.m.