

CS FOR HOUSE BILL NO. 39(HSS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH AND SOCIAL SERVICES COMMITTEE

Offered: 2/6/15

Referred: Finance

Sponsor(s): REPRESENTATIVES SEATON, Millett, Vazquez, Muñoz, Edgmon, Gara

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Advisory Committee on Wellness; and relating to the**
2 **administration of state group health insurance policies."**

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

4 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
5 to read:

6 LEGISLATIVE FINDINGS AND INTENT. (a) The legislature finds that

7 (1) individual Alaskans and the state share the burden of increasing health care
8 and insurance costs resulting from avoidable disease in humans;

9 (2) state policy should focus more on avoiding disease and maintaining good
10 health in the state's population;

11 (3) the state relies partly on federal one-size-fits-all human health policy
12 recommendations, creating federal overreach into the state's administration of health policy;

13 (4) the state's human health policies should incorporate peer-reviewed
14 scientific studies that illustrate health-related differences between the population of the state

1 and the populations of other states;

2 (5) the health policies of the state can affect the frequency and severity of
3 disease present in the state's population;

4 (6) by establishing wellness initiatives to decrease the frequency and severity
5 of disease present in the state's population, the state can slow the rate of annual growth in the
6 state's cost of providing health care benefits to persons who are covered by a policy of group
7 health insurance obtained under AS 39.30.090(a) or 39.30.091(a).

8 (b) It is the intent of the legislature that, by establishing a wellness committee and
9 wellness initiatives that create incentives and methods to decrease the frequency and severity
10 of disease in the state's population, the state will slow the rate of growth in the state's cost of
11 providing health care benefits to persons who are covered by a policy of group health
12 insurance obtained under AS 39.30.090(a) or 39.30.091(a) to a rate that does not exceed two
13 percent annually.

14 * **Sec. 2.** AS 39.30.090(a) is amended by adding a new paragraph to read:

15 (13) To the greatest extent legally and reasonably practicable, the
16 Department of Administration shall work to hold the escalation of health care costs to
17 less than two percent annually by administering policies of group health insurance
18 obtained under this subsection in a manner that is likely to reduce the incidence of
19 disease in the state's population and that facilitates implementation of the
20 recommendations of the Advisory Committee on Wellness established under
21 AS 39.30.093.

22 * **Sec. 3.** AS 39.30.091 is amended by adding a new subsection to read:

23 (b) To the greatest extent legally and reasonably practicable, the Department
24 of Administration shall work to hold the escalation of health care costs to less than two
25 percent annually by administering policies of group health insurance obtained under
26 this section in a manner that is likely to reduce the incidence of disease in the state's
27 population and that facilitates implementation of the recommendations of the
28 Advisory Committee on Wellness established under AS 39.30.093.

29 * **Sec. 4.** AS 39.30 is amended by adding a new section to read:

30 **Sec. 39.30.093. Advisory Committee on Wellness.** (a) The Advisory
31 Committee on Wellness is established in the Department of Administration. The

1 committee consists of at least seven volunteer members appointed by the
2 commissioner of administration who serve at the pleasure of the commissioner.

3 (b) The committee shall select one of its members as chair.

4 (c) The commissioner shall appoint members who represent each region of the
5 state to give the committee a reasonable geographic balance among regions of the state
6 and shall appoint at least one member who is a professional provider of medical
7 services.

8 (d) The committee shall meet at the call of the chair or at the request of a
9 majority of its members. A member may attend a meeting by telephone or other means
10 of telecommunication.

11 (e) At intervals of six months, the committee shall make recommendations to
12 the commissioner of administration regarding the adoption of wellness initiatives to
13 improve the physical and mental health of persons who are covered by a policy of
14 group health insurance obtained under AS 39.30.090(a) or 39.30.091(a).

15 (f) Not later than six months after receiving a recommendation made under (e)
16 of this section, the commissioner of administration shall provide to the committee a
17 report on the commissioner's progress in advancing the recommendation and the
18 recommendation's effect on

19 (1) the health of the population covered by a policy of group health
20 insurance obtained under AS 39.30.090(a) or 39.30.091(a);

21 (2) the state's cost of providing health care to persons who are covered
22 by a policy of group health insurance obtained under AS 39.30.090(a) or 39.30.091(a).

23 (g) On or before the second Monday in December of each year, the
24 commissioner of administration shall deliver to the governor, the senate secretary, and
25 the chief clerk of the house of representatives a copy of reports the commissioner has
26 made in the preceding 12-month period under (f) of this section and notify the
27 legislature that the reports are available.

28 (h) On or before the second Monday in December of each year, the committee
29 shall deliver to the governor, the senate secretary, and the chief clerk of the house of
30 representatives a written report containing the recommendations the committee has
31 made in the preceding 12-month period under (e) of this section and notify the

- 1 legislature that the report is available.
- 2 (i) Members of the committee serve without compensation.