

ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

March 15, 2017

5:30 p.m.

MEMBERS PRESENT

Senator David Wilson, Chair
Senator Natasha von Imhof, Vice Chair
Senator Cathy Giessel
Senator Peter Micciche
Senator Tom Begich

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CONFIRMATION HEARINGS

Mental Health Trust Authority Board of Trustees
Christopher Cooke, appointee

- CONFIRMATION ADVANCED

SENATE BILL NO. 91

"An Act extending the governor's declaration of disaster emergency to address the opioid epidemic; and providing for an effective date."

- MOVED CSSB 91(HSS) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 91

SHORT TITLE: EXTEND DISASTER EMERGENCY: OPIOID EPIDEMIC

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

03/10/17	(S)	READ THE FIRST TIME - REFERRALS
03/10/17	(S)	HSS
03/13/17	(S)	HSS AT 1:30 PM BUTROVICH 205
03/13/17	(S)	Heard & Held
03/13/17	(S)	MINUTE(HSS)

WITNESS REGISTER

CHRISTOPHER COOKE, Appointee
Alaska Mental Health Trust Authority Board of Trustees
Anchorage, Alaska

POSITION STATEMENT: Testified as appointee to the Alaska Mental Health Trust Authority Board of Trustees.

DR. JAY BUTLER, Chief Medical Officer and Director
Division of Public Health
Alaska Department of Health and Social Services
Juneau, Alaska

POSITION STATEMENT: Addressed questions regarding a committee substitute for SB 91.

KATE GLOVER, Attorney
Legislative Legal Services
Legislative Affairs Agency
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions regarding a committee substitute for SB 91.

ACTION NARRATIVE

[5:30:33 PM](#)

CHAIR DAVID WILSON called the Senate Health and Social Services Standing Committee meeting to order at 5:30 p.m. Present at the call to order were Senators Giessel, von Imhof, Begich, Micciche, and Chair Wilson.

CONFIRMATION HEARINGS

Mental Health Trust Authority Board of Trustees

[5:30:55 PM](#)

CHAIR WILSON invited Christopher Cooke to address the committee. He explained that Mr. Cooke was nominated by the governor to serve on the Mental Health Trust Authority Board of Trustees. He said Mr. Cooke is before the committee to introduce himself and answer any questions.

[5:31:16 PM](#)

CHRISTOPHER COOKE, Appointee, Mental Health Trust Authority Board of Trustees, Anchorage, Alaska, disclosed that he is an

attorney and 49-year Alaskan resident. He provided personal and professional background information to the committee. He said he was interested in issues that confront Alaskans. He noted that he has educated himself about the Mental Health Trust Authority over the last several years. He added that he had some contact with the Mental Health Trust Authority Board of Trustees regarding some of the programs of the trust. He asserted that the Mental Health Trust Authority Board of Trustees is a place where he would like to participate and commit to serving Alaska. He noted that several members of the Mental Health Trust Authority Board of Trustees were in attendance to show their support.

[5:34:24 PM](#)

SENATOR GIESSEL noted that the Mental Health Trust Authority is taking steps to take over management of their investments and asked Mr. Cooke what his view was on that.

MR. COOKE explained that he knew by statute that the Mental Health Trust Authority is invested through the Alaska Permanent Fund Corporation and was not aware of any effort to change that. He noted that there were recent articles about the Trust Land Office and the use of proceeds from land investments and reinvestment of that money. He explained that he was not familiar with all of the background information on the decisions made by the Trust Land Office. He asserted that having controversy about how the trust operates does not benefit the beneficiaries. He said the purpose of the trust's assets is to promote the interests of the beneficiaries, not to own property and engage in property development for development sake.

[5:37:24 PM](#)

SENATOR GIESSEL pointed out that the lands that the trust owns have significant resources on them. She opined that the trust's resources should be developed for the maximum benefit of Alaskans, but the Mental Health Trust Authority should benefit as well. She asked what Mr. Cooke's position is on resource development on Mental Health Trust Authority lands.

MR. COOKE answered that he supports development to benefit the trust's beneficiaries. He noted that the Mental Health Trust Authority has the ability to exchange land; for example, a possible land trade in Ketchikan that helps both the community and the Mental Health Trust Authority.

[5:40:48 PM](#)

SENATOR GIESSEL concurred that land exchanges are a great way to benefit the Mental Health Trust Authority beneficiaries. She specified that her question was on Mr. Cook's position regarding mineral resource development on Mental Health Trust Authority land.

MR. COOKE answered that he is new to the board and does not have a position on any specific development. He said he is not opposed to mineral development. He revealed that he would rely on what the Trust Land Office recommends. He referenced former governor Jay Hammond on the importance of knowing what the costs as well as the benefits are.

SENATOR MICCICHE stated that his question is important and noted a "certain little coal mine" on Mental Health Trust Authority land that is heavily opposed by environmental groups. He set forth that the Mental Health Trust Authority has selected their lands for beneficiaries and asked how he is going to respond to the outside pressure not to develop the land.

[5:44:13 PM](#)

MR. COOKE assumed that Senator Micciche was referring to the Chuitna Coal Mine project. He stated that he was not sure what the project's status was. He reiterated that he would rely more on what the Trust Land Office recommends.

SENATOR MICCICHE asked why Mr. Cooke's 2015 appointment was not successful.

MR. COOKE replied that he did not pay as much attention to the legislative-confirmation process as he should have. He said he made a point to reach out and talk to more legislators about their views of the Mental Health Trust Authority as well as issues that are considered to be important.

SENATOR MICCICHE stated that Mr. Cooke's party affiliation did not matter and the seat he sought should be very non-political.

MR. COOKE answered absolutely.

SENATOR MICCICHE noted that Mr. Cooke at one point held one of the most political seats in the state. He asked if there is any potential for his previous appointment to get in the way of the very best decision-making processes that could occur for beneficiaries.

[5:47:38 PM](#)

MR. COOKE replied that his previous appointment will not get in the way. He concurred that his appointment is for a non-partisan position. He revealed that he was chair of the Democratic Party for two years from 1998 to 2000 and has not held party office since then. He asserted that the "party label" means nothing to him as far as the work of the Mental Health Trust Authority Board of Trustees is concerned.

SENATOR BEGICH asked to confirm that Mr. Cooke would support the Land Office's recommendation if they said there would be a net benefit to the beneficiaries from mineral development.

MR. COOKE answered that the Land Office's recommendation would be the minimum threshold.

SENATOR BEGICH revealed that he was involved with the Legislature in the 1980s when the Mental Health Trust Authority settlement was addressed. He detailed that in the process part of the impetus was to ensure that the trust's funds were invested wisely and invested into the Alaska Permanent Fund. He disclosed that he recently discovered that no deposits have been made by the Mental Health Trust Authority in the Alaska Permanent Fund since 2009. He noted that legislation has been introduced to correct and codify deposits into the Alaska Permanent Fund. He asked if Mr. Cooke intends to make sure that the Mental Health Trust Authority once again begins to make deposits from their income into the Alaska Permanent Fund.

[5:50:22 PM](#)

MR. COOKE answered that he is not well informed on the trust's financial history regarding deposits into the Alaska Permanent Fund. He stated that he knows the \$200 million settlement from 25 years ago has grown to \$600 million and the Mental Health Trust Authority conducts its business from the revenue that is derived from the \$600 million corpus.

SENATOR BEGICH stated that he is confident that Mr. Cooke will get up to speed on the issues. He encouraged Mr. Cooke to take the time to look at the Mental Health Trust Authority's investment strategies to ensure that their assets be used in the best interest of the beneficiaries. He noted that a question was asked of Mr. Cooke's past political affiliation. He asked if Mr. Cooke's judgement will be affected by individuals with independent or Republican affiliations.

MR. COOKE answered no.

[5:53:05 PM](#)

CHAIR WILSON opened public testimony.

[5:53:18 PM](#)

CHAIR WILSON closed public testimony.

SENATOR VON IMHOF moved that the appointment of Christopher Cooke to the Mental Health Trust Authority Board of Trustees be forwarded to a joint session for consideration. She set forth that the appointment does not reflect the intent of any of the committee members to vote for or against the confirmation of the individual during any further sessions.

[5:53:49 PM](#)

CHAIR WILSON announced that hearing no objection, the appointment is moved from committee.

[5:54:02 PM](#)

At ease.

SB 91-EXTEND DISASTER EMERGENCY: OPIOID EPIDEMIC

[5:56:30 PM](#)

CHAIR WILSON called the committee back to order. He announced the consideration of SB 91. He solicited a motion to adopt the proposed committee substitute (CS).

[5:57:08 PM](#)

SENATOR VON IMHOF moved to adopt the work draft CS for SB 91, 30-GS1127\D.

SENATOR GIESSEL objected for purposes of explanation of changes.

CHAIR WILSON reviewed the sectional analysis for the CS as follows:

Section 1

Authorizes the chief medical officer to issue a standing order, including a statewide standing order, for the prescription of an opioid overdose drug.

Section 2

Repeals section 1 on June 30, 2021.

Section 3

Extends to February 14, 2018 the opioid epidemic public health disaster emergency declared by Governor Walker on February 14, 2017. This section also limits the sources of funding the governor may use to respond to the disaster emergency and requires the Department of Health and Social Services to complete a report and submit the report to the legislature, on or before October 1, 2018, describing activities and expenditures related to substance abuse and mental health services administration grants and the disaster emergency.

Section 4

Makes the bill retroactive to March 15, 2017.

Section 5

Provides an immediate effective date for the bill.

CHAIR WILSON summarized that the intent of the CS was to make sure that funding is limited to the scope of the federal Substance Abuse and Mental Health Services Administration (SAMHSA) grant which the state of Alaska has already received with a declaration and the distribution of naloxone. He said the other part of the CS would allow the Legislature, if deemed to also allow additional funds, to be expended if additional federal grants or other funding sources were allowed to respond to the disaster emergency. He detailed that the final part of the CS was to make sure that funding for current projects will not be affected by the actions of SB 91.

[5:59:42 PM](#)

SENATOR VON IMHOF thanked Chair Wilson for working on the CS and stated support for the changes that were made.

CHAIR WILSON added that the CS also allows the state medical director to have a five-year coverage to extend naloxone coverage.

SENATOR BEGICH thanked Chair Wilson for the changes and acknowledged that the CS is acceptable to the Department of Health and Social Services (DHSS) as well.

SENATOR MICCICHE asked that confirmation from DHSS be placed on the record.

[6:01:21 PM](#)

DR. JAY BUTLER, Chief Medical Officer and Director, Division of Public Health, Alaska Department of Health and Social Services, Juneau, Alaska, stated that DHSS is in support of the CS.

SENATOR MICCICHE asked him to clarify that the emergency order was extended to 2018.

CHAIR WILSON answered yes.

SENATOR MICCICHE inquired why immediate authorization for the chief medical officer to issue a standing order was also included. He said he thought the authorization for the chief medical office was the reason for the declaration in the first place.

SENATOR VON IMHOF replied that she thought the authorization was only good for 30 days. She assumed that the authorization was one-two type of step.

6:03:09 PM

KATE GLOVER, Attorney, Legislative Legal Services, Legislative Affairs Agency, Alaska State Legislature, Juneau, Alaska, replied to Senator Micciche's question as follows:

As I understand the purpose of the extension is to extend the declaration of the disaster emergency because the governor only has authority to declare a disaster emergency for 30 days. So this bill would extend that for an additional year. The first section of the bill also authorizes the chief medical officer to issue a standing order and that can be effective through June 30, 2021; but, I think the purpose of the retroactivity provision through March 15 is so there is no gap between the expiration of the governor's disaster declaration and the extension.

SENATOR MICCICHE stated that there is a "disconnect" with his question. He restated his inquiry as follows:

The reason for the declaration was to not have a need for the standing order, yet we are providing a standing order and no longer have a reason for the emergency declaration and we are extending the emergency declaration although we are providing a standing order that begins on March 15, 2017 and it goes to 2021.

MS. GLOVER replied to Senator Micciche statement as follows:

The March 15, 2017 applies to the entire bill, not just to the standing order. As to the specific authorization for the standing order, that maybe a question more appropriately directed to the department.

CHAIR WILSON commented on the five-year grant as follows:

I don't want to speak for the department, but I believe that the life of the grant is a five-year grant and so by extending the orders for the chief medical officer, it extends for the lifetime for the project declared under the disaster.

[6:06:14 PM](#)

SENATOR MICCICHE addressed the need for an emergency declaration as follows:

Respectively, that is quite clear to me. I don't believe we any longer have a reason for an emergency declaration which is my primary question; we have extended that a year although we have retroactive coverage for the standing order, which was the reason for the emergency declaration. So I don't believe we need both.

DR. BUTLER addressed Senator Micciche's question as follows:

Senator Micciche, I think what you are describing is correct, the disaster declaration was intended to establish the authority of the chief medical officer to do the prescription and the bill now actually establishes that authority and extends it through the life of the funding cycle for the program. So whether or not we need the disaster declaration once we have that authority I think is a valid question.

SENATOR GIESSEL asked him to verify that the emergency order also allowed federal receipts of funding.

DR. BUTLER answered no. He specified that the funding had already been acquired through the federal grant. He specified that the disaster declaration was the most expeditious way to move forward with the program.

[6:08:31 PM](#)

SENATOR GIESSEL asked him to confirm that deleting the emergency order's extension would not implicate or remove the funding.

DR. BUTLER answered correct.

SENATOR WILSON asked if DHSS or the administration is looking to acquire more federal funds throughout different departments; for example, corrections or public safety.

DR. BUTLER replied that DHSS is looking for other federal sources of funds.

CHAIR WILSON asked if another declaration is required for additional funds.

DR. BUTLER answered no.

[6:09:51 PM](#)

At ease.

[6:16:29 PM](#)

CHAIR WILSON called the committee back to order.

[6:16:38 PM](#)

SENATOR GIESSEL removed her objection to the CS.

CHAIR WILSON asked if there were any other amendments.

[6:16:45 PM](#)

SENATOR GIESSEL said she'd like to offer a conceptual amendment and ask Ms. Glover if it works. She explained her conceptual amendment as follows:

There are two facets to my conceptual amendment. The first one is on line 5, letter (d), starts out, "The chief medical officer may issue." So there's a lot of chief medical officers out there, Mr. Chairman, so I believe this specification should be made, "The chief medical officer of the Department of Health and Social Services may issue a standing order." That is the first part of conceptual amendment.

The second part relates to section 3, letter (a), and that appears on line 11, on page 1. We have identified that (a) is not needed, that is to say the extension of the disaster emergency because we are authorizing on line 5, the chief medical officer of DHSS to issue

the standing order; that authorization is being taken care of in line 5, we don't need a disaster extension to do that. So we believe that removing section (a) and then going on to page 2 and removing references to that extension on lines 3, 5, and 14 would retain the restrictions on the money aspect of all of this, but remove that reference to the extension. There's also the word "extending" in line 1, page 1 in the title, but that's a drafter's expertise there.

SENATOR GIESSEL summarized that her conceptual amendment is the addition of DHSS to the chief medical officer's specification and the removal of the extension of the disaster emergency.

CHAIR WILSON asked Ms. Glover if she had any concerns.

6:19:01 PM

MS. GLOVER addressed Senator Giessel's conceptual amendment as follows:

With respect to the first part adding, "The Department of Health and Social Services" after chief medical officer, I think that would be fine. I believe, although I can't give you a citation right now, I believe we do use the term "chief medical officer" elsewhere in the statutes to refer to the chief medical officer of the Department of Health and Social Services without specifying that, but I don't believe it would hurt to clarify that here.

With respect to the second part, if we were to remove (a), I don't believe that we would need (b). The only reason that the governor has the authority to transfer funds from other sources to use the disaster relief fund is because he's declared a disaster emergency. I believe that the disaster emergency ends today, today is the 15th and so once that disaster emergency expires then there is no longer a need for those specific funding restrictions under (b); if it still must report than (c) is helpful, but I don't believe that (b) would be necessary anymore either if the only incentive of extending the disaster was to allow for standing orders then all that needs to happen to allow standing orders. The authority to spend funding that is not appropriated for this purpose goes away when the disaster declaration ends.

SENATOR MICCICHE noted that the committee planned to support the opioid epidemic activities by having the bill on the Senate floor the next day. He asked Ms. Glover if she might have trouble completing the changes in time for the floor session.

MS. GLOVER replied that her office will try its best.

[6:21:23 PM](#)

At ease.

[6:23:31 PM](#)

CHAIR WILSON called the committee back to order.

SENATOR GIESSEL summarized the changes to the conceptual amendment as follows:

We took under consideration your recommendation to remove section (b) on page 2 and saw the wisdom of that, (c) now becomes the only piece of section 3, but we would like to make sure that those are annual reports. So, what is (c), line 12, on page 2, deletes "On or before October 1, 2018;" the sentence begins, "The Department of Health and Social Services shall 'annually'," the word "annually" is added, "Complete a report describing activities and expenditures, etc."

MS. GLOVER replied that the changes made sound fine. She asked if the annual reports would be through June 30, 2021 because that is the date section 1 is repealed.

SENATOR GIESSEL explained that the thought of committee members was that it is possible that the governor may, or DHSS may secure an additional grant that even goes beyond 2021 in which case the Legislature would want to continue receiving annual reports.

MS. GLOVER replied that Senator Giessel's explanation sounds fine. She summarized that the reporting requirement would continue in effect indefinitely. She added that the standing order would be repealed on June 30, 2021 and what remains of the act would take effect immediately.

SENATOR GIESSEL concurred with Ms. Glover's synopsis of the conceptual amendment.

MS. GLOVER suggested that some changes be made to the title as well.

SENATOR GIESSEL replied yes. She noted that the committee anticipated a title change.

CHAIR WILSON asked that Senator Giessel reiterate her conceptual amendment.

[6:25:39 PM](#)

SENATOR GIESSEL stated the following:

I move conceptual amendment 1, that being on page 1, line 5, after the words, "The chief medical officer" would be added to this phrase, "Of the Department of Health and Social Services."

Then going down to Section 3, line 11, removing subsection (a) and continuing on page 2, removal of subsection (b).

Then under subsection (c), line 12 on page 2, the sentence would delete, "On or before October 1, 2018," and would begin, "The Department of Health and Social Services shall 'annually' [the word annually would be added there] complete a report."

Then in section (c) there is a phrase on line 14 at the end of the line that says, "Extended under this section that is no longer relevant and should be removed."

[6:27:04 PM](#)

CHAIR WILSON asked if there was objection to conceptual amendment 1.

SENATOR BEGICH said he had no objection, but asked that a conforming title be added.

SENATOR GIESSEL agreed to a conforming title change.

CHAIR WILSON asked Ms. Glover if the committee could also request an explanation of the changes that accompany the CS as amended.

MS. GLOVER answered yes.

[6:27:47 PM](#)

CHAIR WILSON announced that hearing no objection, conceptual amendment 1 is adopted.

[6:28:04 PM](#)

At ease.

[6:28:20 PM](#)

CHAIR WILSON called the committee back to order. Finding no further objection, he solicited a motion.

[6:28:46 PM](#)

SENATOR VON IMHOF moved to report SB 91, as amended, with forthcoming updated fiscal note(s).

CHAIR WILSON announced that there being no objection, CSSB 91(HSS) moved from the Senate Health and Social Services Standing Committee.

[6:29:09 PM](#)

At ease.

[6:30:28 PM](#)

CHAIR WILSON called the committee back to order.

[6:30:43 PM](#)

There being no further business to come before the committee, Chair Wilson adjourned the Senate Health and Social Services Standing Committee at 6:30 p.m.