

ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

April 14, 2017

5:17 p.m.

MEMBERS PRESENT

Senator David Wilson, Chair
Senator Peter Micciche
Senator Tom Begich

MEMBERS ABSENT

Senator Natasha von Imhof, Vice Chair
Senator Cathy Giessel

COMMITTEE CALENDAR

SENATE BILL NO. 72

"An Act adding to the powers and duties of the State Commission for Human Rights; and relating to and prohibiting discrimination based on sexual orientation or gender identity or expression."

- HEARD & HELD

HOUSE JOINT RESOLUTION NO. 14

Urging the Federal Communications Commission to increase the Rural Health Care Program budget sufficiently to adjust for inflation, advances in technology and the services available with increased broadband, and the increase in demand for broadband-based services and provide for any unused funds to be carried forward to future funding years, ensuring that rural communities in the state continue to have access to affordable broadband telehealth services.

- MOVED HJR 14 OUT OF COMMITTEE

HOUSE BILL NO. 186

"An Act relating to the donation of food; and relating to food banks."

- BILL HEARING CANCELED

PREVIOUS COMMITTEE ACTION

BILL: SB 72

SHORT TITLE: DISCRIMINATION: GENDER ID.; SEXUAL ORIENT.

SPONSOR(S): SENATOR(S) GARDNER

03/01/17 (S) READ THE FIRST TIME - REFERRALS
03/01/17 (S) HSS, JUD, FIN
03/31/17 (S) HSS AT 1:30 PM BUTROVICH 205
03/31/17 (S) Heard & Held
03/31/17 (S) MINUTE(HSS)
04/10/17 (S) HSS AT 1:30 PM BUTROVICH 205
04/10/17 (S) -- MEETING CANCELED --
04/14/17 (S) HSS AT 5:15 PM BELTZ 105 (TSBldg)

BILL: HJR 14

SHORT TITLE: FCC: INCREASE RURAL HEALTH CARE BUDGET

SPONSOR(S): REPRESENTATIVE(S) EDGMON

03/06/17 (H) READ THE FIRST TIME - REFERRALS
03/06/17 (H) L&C
03/15/17 (H) L&C AT 3:15 PM BARNES 124
03/15/17 (H) -- MEETING CANCELED --
03/17/17 (H) L&C AT 3:15 PM CAPITOL 106
03/17/17 (H) Heard & Held
03/17/17 (H) MINUTE(L&C)
03/20/17 (H) L&C AT 3:15 PM BARNES 124
03/20/17 (H) Moved HJR 14 Out of Committee
03/20/17 (H) MINUTE(L&C)
03/22/17 (H) L&C AT 3:15 PM BARNES 124
03/22/17 (H) Moved HJR 14 Out of Committee
03/22/17 (H) MINUTE(L&C)
03/24/17 (H) L&C RPT 7DP
03/24/17 (H) DP: SULLIVAN-LEONARD, STUTES, WOOL,
JOSEPHSON, BIRCH, KNOPP, KITO
04/05/17 (H) TRANSMITTED TO (S)
04/05/17 (H) VERSION: HJR 14
04/06/17 (S) READ THE FIRST TIME - REFERRALS
04/06/17 (S) HSS
04/12/17 (S) HSS AT 1:30 PM BUTROVICH 205
04/12/17 (S) -- MEETING CANCELED --
04/14/17 (S) HSS AT 5:15 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

TIMOTHY CLARK, Staff
Representative Bryce Edgmon

Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided an overview of HJR 14.

JON ZASADA, Policy Integration Director
Alaska Primary Care Association
Anchorage, Alaska

POSITION STATEMENT: Provided information in support of HJR 14.

ACTION NARRATIVE

[5:17:26 PM](#)

CHAIR DAVID WILSON called the Senate Health and Social Services Standing Committee meeting to order at 5:17 p.m. Present at the call to order were Senators Begich, Micciche, and Chair Wilson.

SB 72-DISCRIMINATION: GENDER ID.; SEXUAL ORIENT.

[5:17:53 PM](#)

CHAIR WILSON announced the consideration of SB 72 and stated the following:

At this time, I would like to close public testimony on [SB 72], "Discrimination: Gender ID, Sexual Orientation" that was presented by Senator Gardner which we first heard on March 31.

SENATOR BEGICH objected and explained as follows:

Mr. Chairman, I object to closing testimony on that bill without proper notification to people. I am confused by that, could you explain this to me?

CHAIR WILSON explained as follows:

Yes, we can always reopen testimony another time, but at this time just for, yes, SB 72.

SENATOR BEGICH replied as follows:

You said SB 72.

CHAIR WILSON replied yes.

SENATOR BEGICH noted his objection and concern as follows:

I find that uncomfortable. We have received so much e-mail, we received phone calls asking about when the next public testimony is going to be on this and I was not aware that you were going to do that today. So I feel a little blindsided by that. I have assured constituents that I would tell them that if I knew there was public hearing open still that I would pass that on to them and I feel a little blindsided by this. You might want to take an at-ease.

[5:19:03 PM](#)

At ease.

[5:20:13 PM](#)

CHAIR WILSON called the committee back to order. He explained the purpose of closing public testimony on SB 72 as follows:

So this being the closing down into the interim, prepping for the interim, we found it best to sort of close public testimony so that we don't, folks waiting for to come back to testify and we can take this up and open testimony at a later date in time when we have a bill to come back before us another day.

SENATOR BEGICH withdrew his objection as follows:

Mr. Chairman, thank you for that explanation, I withdraw my objection.

[CHAIR WILSON held SB 72 in committee for future consideration, and public testimony was closed.]

HJR 14-FCC: INCREASE RURAL HEALTH CARE BUDGET

[5:20:50 PM](#)

CHAIR WILSON announced the consideration of HJR 14. He noted that the legislation is time sensitive and his intention is to hear the bill, take public testimony, and hopefully move the resolution out of committee.

[5:21:15 PM](#)

TIMOTHY CLARK, Staff, Representative Bryce Edgmon, Alaska State Legislature, Juneau, Alaska, sponsor of the resolution, provided the following overview of HJR 14:

HJR 14 has to do with a Federal Communications Commission (FCC) funded broadband support program for rural centers in Alaska and across the country. Rural Alaska has made great strides in recent years in the long distance delivery of health care via tele-medicine; these broadband services expand locally available treatment options for an increasing number of maladies including treatment for substance abuse, they accelerate diagnosis and treatment, and help Alaskans avoid expensive travel for care, but despite these advances, we are about to hit a roadblock.

The existence of such services depends on the FCC Rural Health Care Universal Service Support Program. The budget for the program has been capped at the same level since it was established in 1997, 20-years ago. The program is funded through Universal Service charges, there is no state-funding obligation. For most of the program's existence, the \$400 million budget has been enough to meet demand, but as you can imagine after decades of advances in technology, increases in demand, and the effect of inflation, the FCC expects the demand exceed the budget cap for the first time in 2017.

HJR 14 urges the FCC to increase the Rural Health Care Universal Support budget sufficiently to adjust for inflation, to keep up with advances in technology and services available to increase broadband, and to meet the increased demand for these broadband-based services; additionally, the resolution encourages the FCC to index the program budget for inflation and to allow any unused funds to be carried forward to future funding years, this will allow health-care providers to continue improving access to health care in rural locations.

[5:24:24 PM](#)

SENATOR MICCICHE said he respects the noted names and organizations that support HJR 14. He asked Mr. Clark if he was aware of any opposition to HJR 14.

MR. CLARK answered none that he was aware of. He noted that when the resolution crossed the floor of the House concern was expressed regarding the way programs from the Universal Service charges are funded. He opined that the objection may have been related to the potential for increased costs to consumers. He

pointed out that a \$200 million increase to the budget would equate to pennies on consumers' bills because the fund is a nationwide program.

CHAIR WILSON asked Mr. Zasada if he had any comments to add.

[5:26:50 PM](#)

JON ZASADA, Policy Integration Director, Alaska Primary Care Association, Anchorage, Alaska, addressed the need to increase the rural health-care budget as follows:

This issue is moving quickly, federally. For the current fiscal year that we are in, some community health centers are already seeing a drop in the subsidy that they are receiving through this fund, meaning that some providers' monthly internet bills are going up from \$500 a month to almost \$4,000 a month. The cap-increase effort is very timely, we are working so that it doesn't occur for the fiscal year that starts July 1.

Additional ramifications that I wanted to just share with the committee, certain SB 74 redesign components could also be endangered if the cap is not raised and these include: the ability of rural providers to fully use tele-health, to undertake care coordination, to continue to support mental-health parity in rural communities and in their efforts to address the opioid epidemic.

Basically, rural health providers have built their care systems around dedicated internet that is subsidized through this program and it is very important. We believe the state of Alaska showed its full support to the federal government as we go through the process of having the cap increased.

[5:28:44 PM](#)

SENATOR MICCICHE asked if Mr. Zasada believes that Alaska enjoys more support from the program than what the state likely pays into the program.

MR. ZASADA replied that Senator Micciche's query is probably the case. He detailed that Alaska uses about \$100 million out of the \$400 million fund: \$38 million for community health, \$27 million for rural hospitals, and other care entities take up the rest.

SENATOR MICCICHE explained that his question related to the concern about increased costs and pointed out that Alaskans enjoy much more benefit on a dollar value than what is paid in.

MR. CLARK stated that his assumption is that Alaskans enjoy a considerable benefit from the program, far short of what is being contributed to the program.

[5:30:44 PM](#)

SENATOR BEGICH commended Senator Micciche for his question that underscored the state receiving 25 percent of the fund. He asked Mr. Zasada to verify that the state receives 25 percent of the fund.

MR. ZASADA answered correct.

SENATOR BEGICH agreed that the state really is benefitting from the fund to a great degree.

CHAIR WILSON disclosed that during his time at Eastern Aleutian Tribes he was able to see some of the tele-health technologies and its capabilities. He said he could only imagine what some of the health-care centers are doing now in some of the rural entities to try to hopefully lower health-care costs.

[5:32:09 PM](#)

CHAIR WILSON opened public testimony on HJR 14.

[5:32:24 PM](#)

CHAIR WILSON closed public testimony on HJR 14.

[5:32:39 PM](#)

SENATOR MICCICHE moved to report HJR 14, version J, [30-LS0422\J], from committee with individual recommendations and attached zero-fiscal note.

[5:32:49 PM](#)

CHAIR WILSON announced that being no objection, HJR 14 moved from the Senate Health and Social Services Standing Committee.

[5:32:56 PM](#)

At ease.

SB 72-DISCRIMINATION: GENDER ID.;SEXUAL ORIENT.

[5:34:05 PM](#)

CHAIR WILSON called committee back to order and recognized Senator Micciche.

SENATOR MICCICHE commented on closing public testimony on SB 72, stating the following:

Mr. Chairman, I do think sometimes the public doesn't understand when we temporarily close down public testimony. I think I appreciate your explanation, the fact is we are in the last couple of days and we will be prioritizing to just a few bills and the bills that are in this stage of the process will not be taken up until next year. So I just wanted to make sure on the SB 72 issue that people understood that we don't leave public testimony open over the interim and when the bill is going to be heard it gets picked back up. Sometimes people just call in, they may be kind of new to this process and they just call in for that bill and don't realize that that's not an unusual thing. So I just wanted to clarify a little bit more, but I appreciate you doing your part earlier to clarify for the public. I think our process can be confusing.

CHAIR WILSON agreed with Senator Micciche. He added that his office is always still open to take comments, questions or concerns on SB 72.

SENATOR BEGICH thanked Chair Wilson for his commitment to appreciating that the process can continue in the following session on SB 72.

[SB 72 was held in committee with public testimony closed.]

[5:35:43 PM](#)

There being no further business to come before the committee, Chair Wilson adjourned the Senate Health and Social Services Committee at 5:35 p.m.