

**ALASKA STATE LEGISLATURE**  
**HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE**

February 17, 2022

3:04 p.m.

**MEMBERS PRESENT**

Representative Liz Snyder, Co-Chair  
Representative Ivy Spohnholz  
Representative Zack Fields  
Representative Ken McCarty  
Representative Christopher Kurka

**MEMBERS ABSENT**

Representative Tiffany Zulkosky, Co-Chair  
Representative Mike Prax

**COMMITTEE CALENDAR**

HOUSE BILL NO. 265

"An Act relating to telehealth; relating to the practice of medicine; relating to medical assistance coverage for services provided by telehealth; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 308

"An Act relating to dementia awareness."

- SCHEDULED BUT NOT HEARD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 265

SHORT TITLE: HEALTH CARE SERVICES BY TELEHEALTH

SPONSOR(S): REPRESENTATIVE(S) SPOHNHOLZ

|          |     |                                 |
|----------|-----|---------------------------------|
| 01/18/22 | (H) | PREFILE RELEASED 1/14/22        |
| 01/18/22 | (H) | READ THE FIRST TIME - REFERRALS |
| 01/18/22 | (H) | HSS, FIN                        |
| 02/01/22 | (H) | HSS AT 3:00 PM DAVIS 106        |
| 02/01/22 | (H) | -- MEETING CANCELED --          |
| 02/03/22 | (H) | HSS AT 3:00 PM DAVIS 106        |
| 02/03/22 | (H) | -- MEETING CANCELED --          |
| 02/17/22 | (H) | HSS AT 3:00 PM DAVIS 106        |

## **WITNESS REGISTER**

GENEVIEVE MINA, Staff  
Representative Ivy Spohnholz  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Offered the sectional analysis to HB 265 on behalf of Representative Spohnholz, prime sponsor.

APRIL KYLE, President and CEO  
Southcentral Foundation  
Anchorage, Alaska

**POSITION STATEMENT:** Testified during the hearing on HB 265.

NANCY MERRIMAN, Executive Director  
Alaska Primary Care Association  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 265.

PRESTON SIMMONS, CEO  
Providence Alaska Medical Center  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 265.

TOM CHARD, Executive Director  
Alaska Behavioral Health Association  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support of HB 265.

JOHN SOLOMON, Director  
Behavioral Health  
Maniilaq Association  
Kotzebue, Alaska

**POSITION STATEMENT:** Testified in support of telehealth during the hearing on HB 265.

SHANNON DAVENPORT, RN  
Alaska Nurses Association  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 265.

## **ACTION NARRATIVE**

[3:04:58 PM](#)

**CO-CHAIR LIZ SNYDER** called the House Health and Social Services Standing Committee meeting to order at 3:04 p.m.

Representatives Kurka, Spohnholz, Fields, McCarty, and Snyder were present at the call to order.

**HB 265-HEALTH CARE SERVICES BY TELEHEALTH**

[3:06:08 PM](#)

CO-CHAIR SNYDER announced that the only order of business would be HOUSE BILL NO. 265, "An Act relating to telehealth; relating to the practice of medicine; relating to medical assistance coverage for services provided by telehealth; and providing for an effective date."

[3:07:57 PM](#)

REPRESENTATIVE SPOHNHOLZ, as prime sponsor, presented HB 265 via a PowerPoint [hard copy included in the committee packet]. She said that HB 265 would expand the telehealth flexibilities created during the COVID-19 pandemic, as they have allowed health care to be more accessible and affordable. She mentioned prior bills which have addressed telehealth. Slide 3 listed the payment barriers to telehealth, as follows: no telehealth parity laws; some telehealth services not covered under Medicaid; and a higher burden for audio-only visits. The slide listed the regulation barriers as the in-person requirement for selecting health care providers and the requirement to document barriers before billing. As shown on slide 4, she pointed out that the state public health emergency expired in April 2021. She stated that the proposed legislation would restore the best of the telehealth flexibilities adopted during the COVID-19 pandemic, and this would ensure high-quality health care standards in Alaska.

[3:12:49 PM](#)

REPRESENTATIVE SPOHNHOLZ proceeded to slides 6-9 and listed the three provisions of HB 265: removes the in-person barrier in the licensing statute for telehealth; enhances telehealth treatment for substance abuse disorders; and expands Medicaid coverage for telehealth services and modalities. She said the removal of barriers would apply to all health care providers licensed in the state and allow each licensing board to determine what is appropriate. Regarding the enhancement of telehealth delivery, HB 265 would allow physicians, osteopaths, and physician assistants to write prescriptions for controlled substances without an in-person visit. It would allow practitioners waived by the Drug Enforcement Administration to

deliver medication-assisted treatment via telehealth without an in-person requirement. Regarding Medicaid, the proposed legislation would ensure reimbursements for behavioral health services. She said that in order to achieve the right balance while drafting the legislation a variety of stakeholders have been involved, including health care providers, behavioral health providers, tribal health, and others.

[3:15:49 PM](#)

GENEVIEVE MINA, Staff, Representative Ivy Spohnholz, Alaska State Legislature, on behalf of Representative Spohnholz, prime sponsor, offered the sectional analysis of HB 265 [included in the committee packet], which read as follows [original punctuation provided]:

Section 1

Adds a new section on telehealth under Title 8 for all health care providers licensed with the State of Alaska. This section removes the requirement for an in-person examination prior to a telehealth appoint. Health care providers licensed in a different state may also conduct telehealth if referred by a health care provider licensed in Alaska or with a federal or tribal health care program.

Subsections (b) and (c) create limits for a telehealth appointment. If a telehealth appointment falls outside of a provider's authorized scope of practice, they may refer a patient to an appropriate clinician. The cost of a service delivered through telehealth must be the same if it was delivered in person.

Subsections (d) and (e) ensures that physicians, osteopaths, physician assistants can deliver services related to opioid use disorder (e.g., medically assisted treatment) and controlled substances via telehealth without conducting an in-person examination for. For advanced practice registered nurses, these same provisions apply, with the addition of an in-person requirement for controlled substances (other than buprenorphine).

Subsection (f) gives patient or provider the choice to decline service through telehealth in favor of an in-person service.

Section 2 Removes the in-person requirement in AS 08.64.364(b) for an appropriate health care provider to assist a patient during a telehealth appointment with a physician or physician assistant regarding controlled substances. This section replicates the same provisions on cost, scope of services, and patient protections as Section 1.

Section 3 Adds a new section on telehealth under Title 18 for emergency medical services. This section removes the requirement for an in-person examination prior to a telehealth encounter. This section replicates the same provisions on cost, scope of services, and patient protections as Section 1.

Section 4 Adds a new section on telehealth payment under Title 47 for Alaska Medicaid. This section requires the Department of Health and Social Services to pay for telehealth services in the same manner as an in person service for the following: behavioral health services, Medicaid waiver and demonstration services; services provided by a community health aide or community health practitioner, behavioral health aide or behavioral health practitioner, dental health aide therapist, chemical dependency counselor; other services provided by an individual or entity eligible for department certification and Medicaid reimbursement; and services provided at rural clinics and federally qualified health centers. This subsection also allows for a telehealth visit to be conducted through any means which could be useful in a patient-provider relationship, including through email, text, and phone call. Subsection (b) allows for the department to restrict the provision of telehealth services if the telehealth services, according to substantial medical evidence, cannot be safely delivered via telehealth, or if the federal government will not reimburse the delivery of certain services provided via telehealth.

Sections 5-8 Amends the uncodified law to instruct the Department of Health and Social Services to submit an amendment to the state plan and seek approval from the U.S. Department of Health and Human Services if needed and provides immediate effective dates for other areas of this bill.

[3:19:40 PM](#)

REPRESENTATIVE SPOHNHOLZ, in reference to stakeholders, stated that in the following week she would present to the committee some modest changes to the proposed legislation.

[3:21:54 PM](#)

APRIL KYLE, President and CEO, Southcentral Foundation (SCF), expressed hope that the health care system would be able to incorporate what had been learned during the COVID-19 pandemic. She described HB 265 as "a step toward that." She stated that prior to the pandemic, the tribal health system had been delivering health care across Alaska for decades, but not without barriers, such as reliance on video services for reimbursement, which is not feasible in many places in the state. As a result, there were some telehealth deliveries, but many times health care relied on transporting [patients] to hub communities or Anchorage. She stated that at the start of the pandemic, SCF had changed its service delivery model "overnight" to create safe, in-person care, clinically sound video care, and good audio care. Care teams from the areas of mental health, addiction services, and primary care partnered with people and families to determine the best type of care needed. She said this resulted in "good clinical outcomes and cost savings." She emphasized the importance of bringing people the type of care needed "in real time" so their health would not spiral downward.

[3:25:17 PM](#)

NANCY MERRIMAN, Executive Director, Alaska Primary Care Association, testified in support of HB 265. She stated that the proposed legislation would expand telehealth in Alaska by increasing access to primary care and behavioral health services. She listed the following benefits: a range of telehealth modalities; the option for patients and providers to engage outside a clinical setting; and reimbursements for telehealth visits. She stated that in 2020 health centers served 105,000 patients through 450,000 visits. She noted that substance abuse disorder treatment is one of the fastest growing areas of telehealth. She added that the temporary telehealth policy changes benefited health centers, as now they are recognized as telehealth treatment providers. She spoke about the challenges of accessing health care centers and the number of patients who live in underserved rural communities. She said in 2021 a cohort of health centers reported that 59 percent of telehealth services occurred by phone and 41 percent by audio

and video. She reported that telehealth for behavioral health now represents 35 percent of all telehealth usage. She further reported that the use of telehealth visits has resulted in fewer dropped visits and less delayed care. She urged the committee to support HB 265.

3:29:42 PM

PRESTON SIMMONS, CEO, Providence Alaska Medical Center ("Providence"), testified in support of HB 265. He reported that in 2020 Providence served more than 12,000 Alaskans via telehealth. He said behavioral health represented 31 percent of this, with the other areas being internal medicine, family medicine, pediatrics, and maternal and fetal medicine. He spoke about health care transformation to improve overall economics and health outcomes. He advised that the state has the opportunity to use what it learned during the pandemic to modernize the health care system, while also taking advantage of the federal advancements in broadband infrastructure.

MR. SIMMONS urged the state to stop incentivizing the most expensive forms of health care, giving the example of using emergency rooms for primary care. He talked about Providence's initiative to modernize how it serves communities in Alaska. He stated that the top 10 percent of health care users account for "a vast majority of costs." He shared that individuals have explained that they use the emergency room for primary care because emergency rooms are on public transportation routes, while other facilities often are not. Telehealth removes the barriers related to transportation, improves health equity, and strengthens patient relationships, while "incentivizing the most appropriate care settings." He talked about the benefits of telehealth, not only in Anchorage, but in other areas of the state. He mentioned helping patients near their support network, including helping COVID-19 patients via telehealth. He talked about scheduling telehealth appointments by phone and empowering Alaskans to make informed health care decisions. He said Providence averaged 120 virtual visits per day during the height of the pandemic. He indicated that there has been improved health outcomes because of telehealth, and he said HB 265 would allow the good work being done to continue.

3:35:03 PM

TOM CHARD, Executive Director, Alaska Behavioral Health Association (ABHA), testified in support of HB 265. He stated that the proposed legislation would improve access to care,

patient satisfaction, provider satisfaction, and the efficiency and outcomes of the care received. He said that during the federal and state public health emergencies, ABHA set aside some regulations and removed regulatory barriers, which resulted in the exponential expansion of behavioral health in telehealth. He noted that the annual Medicaid report published in November [2021] highlighted that the top diagnoses were in the category of behavioral health. He stated that the option of telehealth had removed barriers, such as transportation issues, child care issues, or [scheduling issues related to] jobs or school attendance. He emphasized that the federal public health emergency would expire on 4/15/22, and on the next day benefits gained over the last couple years could be lost. He stated that HB 265 would extend those benefits by extending the flexibility around modality, removing the in-person requirements, and ensuring payment parity. He said within the past two years at Providence no-show rates have dropped and more people have received care, with patients and providers being more satisfied. He urged the passage of HB 265.

[3:39:18 PM](#)

CO-CHAIR SNYDER opened public testimony on HB 265.

[3:39:40 PM](#)

JOHN SOLOMON, Director, Behavioral Health, Maniilaq Association, shared that before the pandemic he had flown into villages to provide in-person counseling services. He emphasized that "up here" telehealth is not about getting better health care; it is about getting any care at all. He indicated there was an 800 percent increase in those seeking care when telehealth was an option, and he said those were people who had been waiting for care. He expressed support for telehealth.

[3:41:08 PM](#)

SHANNON DAVENPORT, RN, Alaska Nurses Association (ANA), testified that ANA supports HB 265 because it would provide "continuity of care," as nurses would be able to follow-up with patients at home via telehealth. Furthermore, as a hospice nurse, she said telehealth has made it easier for families to say goodbye to their loved ones. She stated that telehealth services have opened avenues for those who were unable to be seen by a provider in person. She reiterated ANA's support of HB 265.

[3:43:06 PM](#)

CO-CHAIR SNYDER closed public testimony on HB 265.

[3:43:16 PM](#)

REPRESENTATIVE FIELDS said he supports many of the provisions in the proposed legislation; however, he would like to ensure Alaskans are choosing available doctors in the state as opposed to paying doctors in the Lower 48. To clarify, he pointed to language which would amend AS 08.01, on page 1 of the proposed legislation, line 9-12, which read:

If a health care provider is licensed in another state, the health care provider may provide services under this section only to a patient who is referred by a health care provider licensed under this title or a federal or tribal health care program.

REPRESENTATIVE FIELDS explained that he does not want the proposed legislation to undermine Alaska's limited and necessary health care workforce.

[3:44:11 PM](#)

REPRESENTATIVE SPOHNHOLZ responded that this is important, and it will be addressed in the upcoming committee substitute. She explained that this would allow for follow-up visits with specialists via telehealth after an in-person visit to a doctor in the Lower 48.

[3:45:28 PM](#)

REPRESENTATIVE FIELDS opined that one of the more disturbing developments has been the growing investment in health care by Wall Street, and he advised that a loophole should not be created which "outsiders could exploit to the detriment of Alaska."

[3:46:04 PM](#)

REPRESENTATIVE MCCARTY expressed concern regarding the requirement that in-state providers be licensed while out-of-state providers are not required to be licensed. He said "do no harm" does not extend to unlicensed providers unless an interstate compact exists.

[3:47:34 PM](#)

REPRESENTATIVE SPOHNHOLZ responded that the upcoming committee substitute would address this issue. She clarified that Alaskans would be allowed to have follow-up visits via telehealth with providers in the Lower 48 in regard to "very unique specialty care" not available in the state. She offered some examples of this.

[3:50:28 PM](#)

REPRESENTATIVE MCCARTY offered his understanding that there were some [providers] licensed in Alaska who were "rogue." He said that the state investigated the individuals; however, once they leave the state, they are no longer licensed. He opined that it was great to offer telehealth during an emergency period. He related that he has heard, "when it ended," providers do not want to pay the licensing fees in Alaska. He expressed the opinion that this is offensive.

[3:51:57 PM](#)

CO-CHAIR SNYDER noted that this issue had been addressed in a past session, and she asked if there were any significant changes in the proposed legislation.

[3:52:48 PM](#)

MS. MINA responded that the main differences would be the focus on health care providers licensed in Alaska and the expansion of Medicaid services. She said the language in HB 265 is narrower than previous legislation.

[3:53:28 PM](#)

REPRESENTATIVE FIELDS asked if it would be possible to charge non-licensed providers to practice in Alaska. He then inquired about equitable payment for telehealth and what other states are doing.

[3:54:14 PM](#)

REPRESENTATIVE SPOHNHOLZ, to the first question, answered that the solution would be to have a registration fee, which could be equivalent to a license fee. She said that the committee substitute would affect a very narrow class of people. To Representative Fields' second question, she said historically

telehealth is done at a lower rate, and sometimes there is an associated telehealth service fee. The problem, she explained, is "that hasn't supported the marketplace in developing telehealth." She indicated that telehealth may not have brick and mortar costs, but it has technology-related costs.

[HB 265 was held over.]

[3:57:32 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 3:57 p.m.