

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

February 28, 2022

3:19 p.m.

MEMBERS PRESENT

Representative Zack Fields, Co-Chair
Representative Ivy Spohnholz, Co-Chair
Representative Calvin Schrage
Representative Liz Snyder
Representative David Nelson
Representative James Kaufman
Representative Ken McCarty

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 323

"An Act extending the termination date of the State Physical Therapy and Occupational Therapy Board; and providing for an effective date."

- MOVED HB 323 OUT OF COMMITTEE

HOUSE BILL NO. 307

"An Act relating to the financing and issuance of bonds for a liquefied natural gas production system and natural gas distribution system; and providing for an effective date."

- MOVED HB 307 OUT OF COMMITTEE

HOUSE BILL NO. 306

"An Act extending the termination date of the Board of Pharmacy; and providing for an effective date."

- MOVED HB 306 OUT OF COMMITTEE

HOUSE BILL NO. 58

"An Act relating to insurance coverage for contraceptives and related services; relating to medical assistance coverage for contraceptives and related services; and providing for an effective date."

- MOVED CSHB 58 (L&C) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 323

SHORT TITLE: EXTEND PT & OCCUPATIONAL THERAPY BOARD

SPONSOR (s): REPRESENTATIVE (s) HOPKINS

02/14/22 (H) READ THE FIRST TIME - REFERRALS
02/14/22 (H) L&C, FIN
02/23/22 (H) L&C AT 3:15 PM BARNES 124
02/23/22 (H) Heard & Held
02/23/22 (H) MINUTE (L&C)
02/28/22 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 307

SHORT TITLE: EXTEND BOND AUTH FOR INTERIOR ENERGY PROJ

SPONSOR (s): REPRESENTATIVE (s) HOPKINS

02/04/22 (H) READ THE FIRST TIME - REFERRALS
02/04/22 (H) L&C, FIN
02/23/22 (H) L&C AT 3:15 PM BARNES 124
02/23/22 (H) Heard & Held
02/23/22 (H) MINUTE (L&C)
02/28/22 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 306

SHORT TITLE: EXTEND BOARD OF PHARMACY

SPONSOR (s): REPRESENTATIVE (s) STORY

02/04/22 (H) READ THE FIRST TIME - REFERRALS
02/04/22 (H) L&C, FIN
02/23/22 (H) L&C AT 3:15 PM BARNES 124
02/23/22 (H) Heard & Held
02/23/22 (H) MINUTE (L&C)
02/28/22 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 58

SHORT TITLE: CONTRACEPTIVES COVERAGE:INSURE;MED ASSIST

SPONSOR (s): REPRESENTATIVE (s) CLAMAN

02/18/21 (H) PREFILE RELEASED 1/15/21
02/18/21 (H) READ THE FIRST TIME - REFERRALS
02/18/21 (H) HSS, L&C
04/15/21 (H) HSS AT 3:00 PM DAVIS 106
04/15/21 (H) Heard & Held
04/15/21 (H) MINUTE (HSS)

04/20/21	(H)	HSS AT 3:00 PM DAVIS 106
04/20/21	(H)	Moved CSHB 58(HSS) Out of Committee
04/20/21	(H)	MINUTE(HSS)
04/22/21	(H)	HSS RPT CS(HSS) 5DP 2DNP
04/22/21	(H)	DP: FIELDS, SPOHNHOLZ, MCCARTY, ZULKOSKY, SNYDER
04/22/21	(H)	DNP: PRAX, KURKA
05/03/21	(H)	L&C AT 3:15 PM BARNES 124
05/03/21	(H)	<Bill Hearing Canceled>
05/07/21	(H)	L&C AT 8:00 AM GRUENBERG 120
05/07/21	(H)	Heard & Held
05/07/21	(H)	MINUTE(L&C)
05/12/21	(H)	L&C AT 3:15 PM BARNES 124
05/12/21	(H)	Heard & Held
05/12/21	(H)	MINUTE(L&C)
05/17/21	(H)	L&C AT 3:15 PM BARNES 124
05/17/21	(H)	<Bill Hearing Canceled>
02/28/22	(H)	L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

TANNER FRITSINGER, Staff
 Representative Grier Hopkins
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: During the hearing on HB 323, provided closing comments on behalf of Representative Hopkins, sponsor.

REPRESENTATIVE ANDI STORY
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: As the prime sponsor of HB 306, provided closing comments on the bill.

JUSTIN RUFFRIDGE, Chair
 Board of Pharmacy
 Soldotna, Alaska

POSITION STATEMENT: During the hearing on HB 306, answered questions.

KRIS CURTIS, CPA, CISA, Legislative Auditor
 Division of Legislative Audit
 Juneau, Alaska

POSITION STATEMENT: During the hearing on HB 306, answered a question.

DUANE WOOD

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 306.

BARRY CHRISTENSEN, RPh, Co-Chair Legislative Committee
Alaska Pharmacists Association
Ketchikan, Alaska

POSITION STATEMENT: Testified in support of HB 306.

LIZZIE KUBITZ, Staff
Representative Matt Claman
Alaska State Legislature

POSITION STATEMENT: Juneau, Alaska. During the hearing on HB 58, provided an explanation of the changes in Version I of the bill on behalf of Representative Claman, prime sponsor.

ACTION NARRATIVE

[3:19:25 PM](#)

CO-CHAIR IVY SPOHNHOLZ called the House Labor and Commerce Standing Committee meeting to order at 3:19 p.m. Representatives Kaufman, Schrage, Snyder, Nelson, Fields, and Spohnholz were present at the call to order. Representative McCarty arrived as the meeting was in progress.

HB 323-EXTEND PT & OCCUPATIONAL THERAPY BOARD

[3:21:05 PM](#)

CO-CHAIR SPOHNHOLZ announced that the first order of business would be HOUSE BILL NO. 323, "An Act extending the termination date of the State Physical Therapy and Occupational Therapy Board; and providing for an effective date."

[3:21:33 PM](#)

TANNER FRITSINGER, Staff, Representative Grier Hopkins, Alaska State Legislature, provided closing comments on HB 323 on behalf of Representative Hopkins, sponsor. He stated that passing the bill is important for the benefit of Alaskans and urged that the board be extended.

[3:22:22 PM](#)

The committee took a brief at-ease.

[3:22:32 PM](#)

CO-CHAIR SPOHNHOLZ opened public testimony on HB 323, then closed it after ascertaining that no one wished to testify.

[3:22:59 PM](#)

CO-CHAIR FIELDS moved to report HB 323 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 323 was moved out of the House Labor and Commerce Standing Committee.

HB 307-EXTEND BOND AUTH FOR INTERIOR ENERGY PROJ

[3:23:17 PM](#)

CO-CHAIR SPOHNHOLZ announced that the next order of business would be HOUSE BILL NO. 307, "An Act relating to the financing and issuance of bonds for a liquefied natural gas production system and natural gas distribution system; and providing for an effective date."

[3:23:50 PM](#)

CO-CHAIR SPOHNHOLZ opened public testimony on HB 307, then closed it after ascertaining that no one wished to testify.

[3:24:09 PM](#)

CO-CHAIR FIELDS moved to report HB 307 out of committee with individual recommendations and the accompanying [zero] fiscal notes. There being no objection, HB 307 was moved out of the House Labor and Commerce Standing Committee.

HB 306-EXTEND BOARD OF PHARMACY

[3:24:31 PM](#)

CO-CHAIR SPOHNHOLZ announced that the next order of business would be HOUSE BILL NO. 306, "An Act extending the termination date of the Board of Pharmacy; and providing for an effective date."

[3:25:19 PM](#)

The committee took an at-ease from 3:25 p.m. to 3:26 p.m.

[3:26:25 PM](#)

CO-CHAIR SPOHNHOLZ invited the bill sponsor to provide comment.

[3:26:56 PM](#)

REPRESENTATIVE ANDI STORY, Alaska State Legislature, as the prime sponsor of HB 306, provided closing comments on the bill. She said the Board of Pharmacy is important to Alaska and Alaskans and urged that the board be extended.

[3:28:10 PM](#)

REPRESENTATIVE SNYDER inquired about the Board of Pharmacy's position regarding the participation of veterinarians in the Prescription Drug Monitoring Program (PDMP).

[3:28:43 PM](#)

JUSTIN RUFFRIDGE, Chair, Board of Pharmacy, replied that at its last meeting the Board of Pharmacy voted to support the bill that was currently in front of the legislature to exempt veterinarians from the PDMP [SB 132, HB 91]. He explained that some potential updates are needed in the PDMP for it to work in a more efficient and cohesive manner. In the meantime, he continued, since the veterinarians are not participating in the current rendition of the PDMP until some changes are made, it seemed that the Board of Pharmacy was in support of that exemption until such time as those changes were put in place. He said a letter was recently sent out in that regard.

[3:29:47 PM](#)

CO-CHAIR SPOHNHOLZ offered her understanding that the [July 2021] sunset audit report on the Board of Pharmacy states that veterinarians are participating at a higher rate than are many of the other prescribers. She recalled commenting at the bill's previous hearing about the need to potentially update the statute to make it easier for veterinarians to use but said she didn't mean to imply that veterinarians should not participate in the PDMP.

MR. RUFFRIDGE responded that this has been a long time coming in discussion at the board level. He confirmed that the data for veterinarians shows a higher [participation] rate in the PDMP, but said it is a smaller number of individuals. Pharmacists and pharmacies, he stated, currently have the highest rate of usage of the PDMP, in the high 90 percentages, but it is because the

usage for pharmacists and pharmacies is relatively straight forward and clear reporting, with no review requirement unless it is felt like there is a necessity to review. Regarding other prescribers, he pointed out that there are more of them, and it is unclear as to what the delegate usage can be, especially for physicians, so it would be difficult to move in the direction of needing to discipline licensees for non-review requirements. The Board of Veterinary Examiners, he continued, found itself in an equally tough position of having to undergo investigations for individuals who were in many cases just providing normal everyday care, but the zero-reporting requirement was very burdensome and there is a small number of individuals. The Board of Veterinary Examiners made its case relatively well at the Board of Pharmacy's last meeting and the board agreed on the exemption. The Board of Pharmacy has previously discussed the need for some changes to the PDMP regarding efficiencies and the chair of the veterinary board has said that that would be a great time to have a seat at the table to discuss those issues.

[3:32:40 PM](#)

REPRESENTATIVE SNYDER asked whether the Board of Pharmacy has reviewed the study published in late 2021 or early 2022 regarding a significant increase in the instance of veterinarian shopping as it pertains to opioids. She recommended becoming familiar with the study prior to future hearings on [the bill that would exempt veterinarians from the PDMP].

MR. RUFFRIDGE answered that some things heard at the board level echo those concerns, including reports received from the Drug Enforcement Administration (DEA). How veterinary prescriptions happen in the PDMP has been a difficulty, he said. For example, some pharmacies input veterinary prescriptions under the owner's name with the pet's name elsewhere in the record, while other pharmacies input the animal's name and birthdate and not the owner's name at all. The Board of Pharmacy asked the question of whether there needs to be a clear description of how veterinary data is input into the pharmacy software as well as into the PDMP. The answer was yes, so the Board of Pharmacy is currently working towards regulation language to solidify how reporting of veterinary prescriptions happens in the PDMP.

[3:35:02 PM](#)

CO-CHAIR SPOHNHOLZ understood Mr. Ruffridge to have stated that work is being done to clarify what information veterinarians must enter in the PDMP if they were to continue to comply. She

encouraged Mr. Ruffridge to read the "Journal of Veterinary Medicine" report that shows a three-fold increase in opioid prescription amongst veterinarians in the last five years. Peer reviewed data, she continued, shows an increase in veterinarian shopping and the committee is interested in simplifying the statute, providing statutory updates to make it easy for folks to participate, and addressing any make-work and ambiguous elements. The opioid epidemic continues and the cost of turning a blind eye to a small subsection of the provider community could be costly for individual Alaskans over time and everyone bears the cost of that. She said she and Representative Snyder are concerned and curious about potential updates to the statute to meet the state's public health need while making the PDMP more user friendly and transparent for veterinarians and other license types who are required to participate in the PDMP.

MR. RUFFRIDGE agreed with Co-Chair Spohnholz's statement and said there is clear evidence that tweaks are needed. Overdose deaths in Alaska have gone up, he said, and that has been with the PDMP in place. Additional features could be integrated into the PDMP, he continued, such as data that is already collected regarding overdoses, so physicians and other prescribers are aware of issues with patients that they are seeing. Work needs to be done on the PDMP and the Board of Pharmacy would like to participate in that conversation when it is deemed appropriate.

CO-CHAIR SPOHNHOLZ stated that the committee will follow up with Mr. Ruffridge and Ms. Chambers to set up a time to identify potential solutions.

[3:38:08 PM](#)

REPRESENTATIVE MCCARTY asked whether language should be included in the bill about the audit issues that led to the board's extension for only six years [rather than eight].

CO-CHAIR SPOHNHOLZ explained it is typical that the sunset audit findings are presented alongside the sunset extension legislation, but the legislation doesn't typically include any reference to that. She said a shorter sunset extension implies that there were some issues which need to be addressed.

[3:39:09 PM](#)

KRIS CURTIS, CPA, CISA, Legislative Auditor, Division of Legislative Audit, responded that the reduction in the extension isn't necessarily a reflection of any specific finding or

recommendation. It is to recognize the board's evolving role in combatting the public health crisis, she said. It is also recognizing her recommendation not to wait eight years to come back to see how the board is adapting to the new laws, as well as because new laws are continuing to be discussed. The legislature may want to consider reducing or increasing the extension, she added.

[3:40:04 PM](#)

CO-CHAIR SPOHNHOLZ opened public testimony on HB 306.

[3:40:21 PM](#)

DUANE WOOD, testified in support of HB 306. He said he is a pharmacy student at the University of Alaska Anchorage (UAA). He pointed out that every state has such a board to structure, guide, and maintain the pharmacy community, and the board maintains the professional licenses of pharmacists, technicians, and interns. The whole community benefits from the knowledge that the professional licenses of pharmacists and the Board of Pharmacy are on solid ground, he stated.

[3:41:42 PM](#)

BARRY CHRISTENSEN, RPh, Co-Chair Legislative Committee, Alaska Pharmacists Association, testified in support of HB 306. He stated that he is a practicing pharmacist and that the Board of Pharmacy has always done a great job. He recounted that former Senator Lyda Green worked with [the Alaska Pharmacists Association] to put forward the PDMP, which has been a work in motion. He said the Board of Pharmacy over the years has done a great job in nurturing the PDMP and making sure it is continued.

[3:42:45 PM](#)

CO-CHAIR SPOHNHOLZ closed public testimony after ascertaining that no one else wished to testify.

[3:42:53 PM](#)

CO-CHAIR FIELDS moved to report HB 306 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 306 was moved out of the House Labor and Commerce Standing Committee.

[3:43:18 PM](#)

The meeting was recessed at 3:43 p.m. to a call of the chair.

[4:21:08 PM](#)

CO-CHAIR SPOHNHOLZ called the committee back to order at 4:21 p.m.. Present at the call back to order were Representatives Nelson, Schrage, Snyder, Fields, and Spohnholz. Representative McCarty arrived as the meeting was in progress.

HB 58-CONTRACEPTIVES COVERAGE:INSURE;MED ASSIST

CO-CHAIR SPOHNHOLZ announced that the final order of business would be HOUSE BILL NO. 58, "An Act relating to insurance coverage for contraceptives and related services; relating to medical assistance coverage for contraceptives and related services; and providing for an effective date."

[4:22:12 PM](#)

CO-CHAIR FIELDS moved to adopt the proposed committee substitute (CS) for HB 58, labeled 32-LS0259\I, Marx, 5/14/21, as the working document. There being no objection, Version I was before the committee.

[4:23:04 PM](#)

LIZZIE KUBITZ, Staff, Representative Matt Claman, provided an explanation of the changes in Version I of the bill on behalf of Representative Claman, prime sponsor. She said Version I removes the reference to voluntary sterilization procedures found in Version B, page 2, line 1. She related that in spring 2021 the Division of Insurance was advised by the U.S. Centers for Medicare and Medicaid Services (CMS) that male sterilization as written in Version B is broader than what is required by the federal government. The [2010 Patient Protection and Affordable Care Act ("Affordable Care Act")] defines the 10 essential health benefits, which includes coverage for contraceptives, to be as broad as the guidelines provided by the Health Resources and Services Administrative (HRSA) Women's Preventative Services Guidelines. The HRSA guidelines are applicable to females, they do not address male contraceptives or sterilization. Therefore, because the federal government would expect the state to defray the cost of male sterilization as provided in Version B of HB 58, Version I was drafted to remove the reference to voluntary sterilization procedures.

[4:24:26 PM](#)

CO-CHAIR SPOHNHOLZ stated it's unfortunate that it's not included in one of the essential benefits as required by the Affordable Care Act. But, she said, it would add a significant fiscal note to the bill, and the intention is to ensure that the bill doesn't have a significant fiscal impact. She stressed that it isn't being said that male sterilization isn't a welcome contribution to family planning in Alaska.

[4:24:58 PM](#)

CO-CHAIR FIELDS moved to report the proposed CS for HB 58, Version 32-LS0259\I, Marx, 5/14/21, out of committee with individual recommendations and the accompanying fiscal notes.

[4:25:09 PM](#)

REPRESENTATIVE NELSON objected.

[4:25:16 PM](#)

A roll call vote was taken. Representatives McCarty, Schrage, Snyder, Fields, and Spohnholz voted in favor of reporting Version I of HB 58. Representatives Nelson voted against it. Therefore, CSHB 58(L&C) was moved out of the House Labor and Commerce Standing Committee by a vote of 5-1.

[4:26:14 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 4:26 p.m.