

**ALASKA STATE LEGISLATURE  
HOUSE LABOR AND COMMERCE STANDING COMMITTEE**

May 13, 2022

9:05 a.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**

CS FOR SENATE BILL NO. 190 (FIN)

"An Act extending the termination date of the Regulatory Commission of Alaska; relating to Regulatory Commission of Alaska regulations regarding refuse utilities; relating to the powers and duties of the legislative audit division; and providing for an effective date."

- MOVED HCS CSSB 190 (L&C) OUT OF COMMITTEE

SENATE BILL NO. 132

"An Act exempting veterinarians from the requirements of the controlled substance prescription database."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 190

SHORT TITLE: REGULATORY COMMISSION AK/REFUSE UTILITIES

SPONSOR(S): SENATOR(S) MYERS

02/15/22	(S)	READ THE FIRST TIME - REFERRALS
02/15/22	(S)	L&C, FIN
02/28/22	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/28/22	(S)	Heard & Held

02/28/22 (S) MINUTE(L&C)  
03/14/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
03/14/22 (S) Moved CSSB 190(L&C) Out of Committee  
03/14/22 (S) MINUTE(L&C)  
03/15/22 (S) L&C RPT CS 5DP SAME TITLE  
03/15/22 (S) DP: COSTELLO, GRAY-JACKSON, STEVENS,  
MICCICHE, REVAK  
03/21/22 (S) FIN AT 9:00 AM SENATE FINANCE 532  
03/21/22 (S) Heard & Held  
03/21/22 (S) MINUTE(FIN)  
03/23/22 (S) FIN AT 1:00 PM SENATE FINANCE 532  
03/23/22 (S) Heard & Held  
03/23/22 (S) MINUTE(FIN)  
03/28/22 (S) FIN AT 9:00 AM SENATE FINANCE 532  
03/28/22 (S) -- MEETING CANCELED --  
03/30/22 (S) FIN RPT CS 3NR 3DP NEW TITLE  
03/30/22 (S) DP: BISHOP, HOFFMAN, WIELECHOWSKI  
03/30/22 (S) NR: STEDMAN, WILSON, OLSON  
03/30/22 (S) FIN AT 9:00 AM SENATE FINANCE 532  
03/30/22 (S) Moved CSSB 190(FIN) Out of Committee  
03/30/22 (S) MINUTE(FIN)  
04/08/22 (S) TRANSMITTED TO (H)  
04/08/22 (S) VERSION: CSSB 190(FIN)  
04/09/22 (H) READ THE FIRST TIME - REFERRALS  
04/09/22 (H) L&C, FIN  
04/25/22 (H) L&C AT 3:15 PM BARNES 124  
04/25/22 (H) <Bill Hearing Postponed to 4/27/22>  
04/27/22 (H) L&C AT 3:15 PM BARNES 124  
04/27/22 (H) Heard & Held  
04/27/22 (H) MINUTE(L&C)  
04/29/22 (H) L&C AT 9:00 AM BARNES 124  
04/29/22 (H) <Bill Hearing Canceled>  
05/02/22 (H) FIN AT 1:30 PM ADAMS 519  
05/02/22 (H) Scheduled but Not Heard  
05/02/22 (H) L&C AT 3:15 PM BARNES 124  
05/02/22 (H) Heard & Held  
05/02/22 (H) MINUTE(L&C)  
05/04/22 (H) L&C AT 3:15 PM BARNES 124  
05/04/22 (H) Heard & Held  
05/04/22 (H) MINUTE(L&C)  
05/06/22 (H) L&C AT 9:00 AM BARNES 124  
05/06/22 (H) Heard & Held  
05/06/22 (H) MINUTE(L&C)  
05/13/22 (H) L&C AT 9:00 AM BARNES 124

BILL: SB 132

SHORT TITLE: CONTROLLED SUB. DATA: EXEMPT VETERINARIAN

SPONSOR (s) : SENATOR (s) HOLLAND

04/28/21 (S) READ THE FIRST TIME - REFERRALS  
04/28/21 (S) HSS, L&C  
02/03/22 (S) HSS AT 1:30 PM BUTROVICH 205  
02/03/22 (S) Heard & Held  
02/03/22 (S) MINUTE(HSS)  
02/08/22 (S) HSS AT 1:30 PM BUTROVICH 205  
02/08/22 (S) Moved SB 132 Out of Committee  
02/08/22 (S) MINUTE(HSS)  
02/09/22 (S) HSS RPT 4DP  
02/09/22 (S) DP: WILSON, REINBOLD, BEGICH, HUGHES  
02/23/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
02/23/22 (S) Heard & Held  
02/23/22 (S) MINUTE(L&C)  
03/02/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
03/02/22 (S) Moved SB 132 Out of Committee  
03/02/22 (S) MINUTE(L&C)  
03/04/22 (S) L&C RPT 2NR 1DP  
03/04/22 (S) NR: COSTELLO, REVAK  
03/04/22 (S) DP: GRAY-JACKSON  
03/04/22 (S) FIN REFERRAL ADDED AFTER L&C  
03/17/22 (S) FIN AT 9:00 AM SENATE FINANCE 532  
03/17/22 (S) Heard & Held  
03/17/22 (S) MINUTE(FIN)  
03/22/22 (S) FIN AT 9:00 AM SENATE FINANCE 532  
03/22/22 (S) Moved SB 132 Out of Committee  
03/22/22 (S) MINUTE(FIN)  
03/23/22 (S) FIN RPT 7DP  
03/23/22 (S) DP: STEDMAN, BISHOP, HOFFMAN, WILSON,  
WIELECHOWSKI, OLSON, VON IMHOF  
03/28/22 (S) TRANSMITTED TO (H)  
03/28/22 (S) VERSION: SB 132  
04/04/22 (H) READ THE FIRST TIME - REFERRALS  
04/04/22 (H) HSS, L&C  
04/14/22 (H) HSS AT 3:00 PM DAVIS 106  
04/14/22 (H) Scheduled but Not Heard  
04/19/22 (H) HSS AT 3:00 PM DAVIS 106  
04/19/22 (H) -- MEETING CANCELED --  
04/26/22 (H) HSS AT 3:00 PM DAVIS 106  
04/26/22 (H) Heard & Held  
04/26/22 (H) MINUTE(HSS)  
04/28/22 (H) HSS AT 3:00 PM DAVIS 106  
04/28/22 (H) Heard & Held  
04/28/22 (H) MINUTE(HSS)  
05/03/22 (H) HSS AT 3:00 PM DAVIS 106  
05/03/22 (H) Heard & Held

05/03/22 (H) MINUTE (HSS)  
 05/05/22 (H) HSS AT 3:00 PM DAVIS 106  
 05/05/22 (H) Moved HCS SB 132 (HSS) Out of Committee  
 05/05/22 (H) MINUTE (HSS)  
 05/09/22 (H) HSS RPT HCS (HSS) NEW TITLE 1DP 4AM  
 05/09/22 (H) DP: SPOHNHOLZ  
 05/09/22 (H) AM: FIELDS, PRAX, KURKA, ZULKOSKY  
 05/13/22 (H) L&C AT 9:00 AM BARNES 124

**WITNESS REGISTER**

SENATOR ROBERT MYERS  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** As the prime sponsor of CSSB 190 (FIN), answered a question about a proposed amendment.

ROBERT "BOB" PICKETT, Chair  
 Regulatory Commission of Alaska  
 Wasilla, Alaska

**POSITION STATEMENT:** During the hearing on CSSB 190 (FIN), answered a question.

SENATOR ROGER HOLLAND  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, introduced SB 132.

NIKKI ROSE, Staff  
 Senator Roger Holland  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** On behalf of Senator Holland, prime sponsor of SB 132, provided the sectional analysis for HCS SB 132 (HSS).

MCKAYLA DICK, DVM, Past President  
 Alaska Veterinary Association  
 North Pole, Alaska

**POSITION STATEMENT:** Provided invited testimony in support of HCS SB 132 (HSS).

PAM VENTGEN, Executive Director  
 Alaska State Medical Association  
 Anchorage, Alaska

**POSITION STATEMENT:** Provided invited testimony expressing the association's concerns with HCS SB 132 (HSS).

RACHEL BERNGARTT, DVM, Chair  
Board of Veterinary Examiners  
Juneau, Alaska

**POSITION STATEMENT:** Provided invited testimony in support of SB 132 via a PowerPoint presentation, titled "Why It Makes Sense to Exempt Veterinarians from the Prescription Drug Monitoring Program."

JUSTIN RUFFRIDGE, PharmD, Chair  
Alaska Board of Pharmacy  
Soldotna, Alaska

**POSITION STATEMENT:** During the hearing on SB 132, answered a question.

NICHOLAS PAPACOSTAS, MD, President  
Alaska Chapter, American College of Emergency Physicians  
Anchorage, Alaska

**POSITION STATEMENT:** During the hearing on SB 132, provided invited testimony.

RUSSELL JOHANSON, MD, Board Member  
Alaska Chapter, American College of Emergency Physicians  
Palmer, Alaska

**POSITION STATEMENT:** During the hearing on SB 132, provided invited testimony.

#### **ACTION NARRATIVE**

[9:05:01 AM](#)

**CO-CHAIR SPOHNHOLZ** called the House Labor and Commerce Standing Committee meeting to order at 9:05 a.m. Representatives Kaufman, Schrage, McCarty Nelson, Snyder, Fields, and Spohnholz were present at the call to order.

#### **SB 190-REGULATORY COMMISSION AK/REFUSE UTILITIES**

[9:05:44 AM](#)

CO-CHAIR SPOHNHOLZ announced that the first order of business would be CS FOR SENATE BILL NO. 190(FIN), "An Act extending the termination date of the Regulatory Commission of Alaska; relating to Regulatory Commission of Alaska regulations regarding refuse utilities; relating to the powers and duties of the legislative audit division; and providing for an effective date."

[9:06:16 AM](#)

CO-CHAIR FIELDS moved to adopt Amendment 2 to CSSB 190(FIN), labeled 32-LS1525\W.3, Ambrose, 5/12/22, which read:

Page 1, line 2, following "utilities;":

Insert "**relating to municipal refuse utilities;**"

Page 1, line 11, following "filings.":

Insert "It is the intent of the legislature under sec. 4 of this Act to ensure the Regulatory Commission of Alaska and local decision makers make informed decisions in the public interest; it is not the intent of the legislature to interfere with normal rate-making methodologies."

Page 2, following line 8:

Insert new bill sections to read:

**\*\* Sec. 3.** AS 42.05.641 is amended to read:

**Sec. 42.05.641. Regulation by municipality.** The commission's jurisdiction and authority extend to public utilities, including a municipal refuse utility, operating within a municipality, whether home rule or otherwise. In the event of a conflict between a certificate, order, decision, or regulation of the commission and a charter, permit, franchise, ordinance, rule, or regulation of [SUCH] a local governmental entity, the certificate, order, decision, or regulation of the commission shall prevail.

**\* Sec. 4.** AS 42.05.641 is amended by adding new subsections to read:

(b) A municipality that seeks to privatize a municipal refuse utility that is subject to the provisions of this chapter shall submit a proposal to the commission for review. The commission may approve the proposal if the commission finds, after consideration of whether the proposal will result in higher rates for consumers, that privatization is in the public interest. A privatization proposal must include

(1) a business plan that lists the prospective vendors;

(2) the projected cost of private operation compared to continued municipal operation for a 10-year period;

(3) disclosure of any potential conflicts of interest on the part of municipal officials; and

(4) proposed methods

(A) for periodically evaluating the utility's performance to avoid diminished service quality, interruption, or stoppage of work by the contractor;

(B) to encourage competition and productivity;

(C) for monitoring a contract in order to detect any contractor defaults, monitor penalties, and prepare for contract renewals or renegotiations and inflation; and

(D) to address municipal employee displacement.

(c) In this section, "privatize" means

(1) selling, renting, leasing, transferring, or bequeathing a certificate of public convenience and necessity obtained by a municipality to another entity; or

(2) subcontracting a portion of refuse collection in a particular service area to another entity.

\* **Sec. 5.** AS 42.05.990(6) is amended to read:

(6) "public utility" or "utility" includes every

(A) corporation whether public, cooperative, or otherwise, company, individual, or association of individuals, their lessees, trustees, or receivers appointed by a court, that owns, operates, manages, or controls any plant, pipeline, or system for

(i) [(A)] furnishing, by generation, transmission, or distribution, electrical service to the public for compensation;

(ii) [(B)] furnishing telecommunications service to the public for compensation;

(iii) [(C)] furnishing water, steam, or sewer service to the public for compensation;

(iv) [(D)] furnishing by transmission or distribution of natural or manufactured gas to the public for compensation;

(v) [(E)] furnishing for distribution or by distribution petroleum or petroleum products to the public for compensation when the consumer has no alternative in the choice of supplier of a comparable product and service at an equal or lesser price;

(vi) [(F)] furnishing collection and disposal service of garbage, refuse, trash, or other waste material to the public for compensation;

(vii) [(G)] furnishing the service of natural gas storage to the public for compensation;

(viii) [(H)] furnishing the service of liquefied natural gas storage to the public for compensation;

(B) plant, pipeline, or system for furnishing collection and disposal service of garbage, refuse, trash, or other waste material to the public for compensation that is owned, operated, managed, or controlled by a municipality;"

Renumber the following bill sections accordingly.

[9:06:18 AM](#)

CO-CHAIR SPOHNHOLZ objected for the purpose of discussion.

[9:06:20 AM](#)

CO-CHAIR FIELDS noted the committee has been trying to refine this amendment in coordination with the Regulatory Commission of Alaska (RCA), Department of Law, and Legislative Legal Services.

[9:06:45 AM](#)

CO-CHAIR SPOHNHOLZ requested Co-Chair Fields describe how Amendment 2 is different from "the earlier version" the committee was considering.

CO-CHAIR FIELDS said Amendment 2 isn't substantively different, it is how the amendment is going to work. Amendment 2, he stated, would ensure the RCA does a review to make certain that proposed private ownership or proposed private operations do not adversely impact consumers. If a municipality is subsidizing municipal services, he continued, the intent is that the RCA back out those costs and look at an apples-to-apples comparison.

[9:07:35 AM](#)

REPRESENTATIVE MCCARTY inquired whether the apples-to-apples evaluation would include looking at whether the subsidy is out of property tax. For example, he said, the cost may go up if a business takes over, but the taxation may go down.

CO-CHAIR FIELDS responded yes. He explained that the amendment isn't written at that level of detail because the RCA would be able to do that analysis.

[9:08:05 AM](#)

REPRESENTATIVE KAUFMAN requested the bill sponsor provide his view of Amendment 2.

[9:08:17 AM](#)

SENATOR ROBERT MYERS, Alaska State Legislature, as prime sponsor of CSSB 190(FIN), noted that he saw the amendment yesterday. He responded that it is still a big policy call, and he would prefer to see it as its own legislation rather than tacked onto this bill. He said he can live with it, however, and would like for the bill to move to the next committee.

[9:08:45 AM](#)

REPRESENTATIVE NELSON requested the RCA provide its opinion of Amendment 2.

[9:09:01 AM](#)

ROBERT "BOB" PICKETT, Chair, Regulatory Commission of Alaska (RCA), responded that he saw the amendment about 25 minutes ago and has no opinion on it. He said the priority is to get this extension bill out of committee as soon as possible because the consequences of not doing so, and setting into motion the winddown procedure, would be severe and consequential for all Alaskans.

CO-CHAIR FIELDS stated that the RCA sent some guidance that was attempted to be incorporated when the amendment was drafted, and that is what he was referencing regarding coordination.

[9:09:39 AM](#)

CO-CHAIR SPOHNHOLZ removed her objection to Amendment 2.

REPRESENTATIVE KAUFMAN objected to Amendment 2.

[9:09:43 AM](#)

A roll call vote was taken. Representatives McCarty, Schrage, Snyder, Fields, and Spohnholz voted in favor of Amendment 2.

Representatives Nelson and Kaufman voted against it. Therefore, Amendment 2 to CSSB 190(FIN) was adopted by a vote of 5-2.

[9:10:20 AM](#)

CO-CHAIR FIELDS moved to report CSSB 190(FIN), as amended, out of committee with individual recommendations and the attached fiscal notes. There being no objection, HCS CSSB 190(L&C) was reported out of the House Labor and Commerce Standing Committee.

[9:10:38 AM](#)

The committee took an at-ease from 9:10 a.m. to 9:15 a.m.

**SB 132-CONTROLLED SUB. DATA: EXEMPT VETERINARIAN**

[9:15:12 AM](#)

CO-CHAIR SPOHNHOLZ announced that the final order of business would be SENATE BILL 132, "An Act exempting veterinarians from the requirements of the controlled substance prescription database." [Before the committee was HCS SB 132(HSS).]

[9:15:38 AM](#)

SENATOR ROGER HOLLAND, Alaska State Legislature, as prime sponsor, introduced SB 132. The most important item, he stated, is that veterinarians are not trained in the 1996 Health Insurance Portability and Accountability Act (HIPAA), and one of the requirements of participating in the Prescription Drug Monitoring Program (PDMP) is that they must query and review the personal information of pet owners. This is a financial burden for veterinarians, he continued, and it's something the state should not be requiring them to do. Further, he opined that it's something they should not be allowed to do.

[9:16:26 AM](#)

NIKKI ROSE, Staff, Senator Roger Holland, Alaska State Legislature, on behalf of Senator Holland, prime sponsor of SB 132, provided the sectional analysis for HCS SB 132 (HSS) [included in the committee packet], titled "CS for Senate Bill 132 Controlled Substance Data Exemption for Veterinarians," which read as follows [original punctuation provided with some formatting changes]:

Sec. 1

AS 17.30.200(k) is amended by  
Remove "Dispensing, prescribing, or administering".  
Adds "dispensing, prescribing, or administering" to  
section (A)  
Adds "dispensing, prescribing, or administering" and  
adds "or" to section (B)  
Adds a new subsection to AS 17.30.200 (k)  
(C) "prescribing a controlled substance if the  
practitioner is a veterinarian

Sec. 2

AS 17.30.200(t) is amended to read:

(1) the practitioner is a veterinarian licensed under  
AS 08.98 who is dispensing a prescription of a  
controlled substance in a quantity intended to last  
for not more than three days or who did not dispense a  
controlled substance during the daily reporting  
period; or

(2) a controlled substance is (A) [(1)] administered  
to a patient at (i) [(A)] a health care facility; or  
(ii) [(B)] a correctional facility; or (B) [(2)]  
dispensed to a patient for an outpatient supply of 24  
hours or less at a hospital (i) [(A)] inpatient  
pharmacy; or (ii) [(B)] emergency department.

Sec. 3

AS 17.30.200(u) is amended by adding a new paragraph  
to read:

(6) "practitioner" means

(A) a physician, dentist, advanced practice  
registered nurse, optometrist, scientific  
investigator, veterinarian, or other person licensed,  
registered, or otherwise permitted to distribute,  
dispense, conduct research with respect to, or to  
administer or use in teaching or chemical analysis a  
controlled substance in the course of professional  
practice or research in the state;

(B) a pharmacy, hospital, or other institution  
licensed, registered, or otherwise permitted to  
distribute, dispense, conduct research with respect  
to, or to administer a controlled substance in the  
course of professional practice or research in the  
state.

[9:19:08 AM](#)

CO-CHAIR SPOHNHOLZ announced the start of invited testimony on HCS SB 132(HSS).

[9:20:21 AM](#)

MCKAYLA DICK, DVM, Past President, Alaska Veterinary Association, provided invited testimony in support of HCS SB 132(HSS). She said veterinarians across Alaska are in support of exemptions from the PDMP because it is a system that is not working for veterinarians when animals don't have an identifier. There are key issues with identifiers, she stated, [Alaska] is lacking veterinarians as well as technicians who can help with that, and a lot of money is being spent on investigations throughout that process.

[9:21:11 AM](#)

PAM VENTGEN, Executive Director, Alaska State Medical Association (ASMA), provided invited testimony expressing the association's concerns with HCS SB 132(HSS). She said ASMA represents physicians across Alaska and has concerns about veterinarians being fully exempt from the PDMP. She related that ASMA does support the amendments to SB 132. She said the amendment that would exempt veterinarians from having to check the PDMP when prescribing, and the amendment that exempts veterinarians from logging into the PDMP on days their clinic has not dispensed medications, make the PDMP less onerous. The PDMP is cumbersome for all practitioners and physicians, she pointed out, and they have complained about that. But, she continued, Alaska currently ranks highest in the nation in overdose deaths, so this is not the time to back down on monitoring of controlled substances. While ASMA supports the amendments that make [reporting] a little less onerous, she continued, ASMA doesn't think veterinarians should be totally exempt from the PDMP.

[9:23:25 AM](#)

RACHEL BERNGARTT, DVM, Chair, Board of Veterinary Examiners (BOVE), provided invited testimony in support of SB 132 via a PowerPoint presentation, titled "Why It Makes Sense to Exempt Veterinarians from the Prescription Drug Monitoring Program." She noted that the presentation, which has not been updated to reflect the amendments, was prepared by the Alaska State Veterinary Medical Association (AKVMA) and that as a member of BOVE she contributed to the presentation.

DR. BERNGARTT turned to the second slide and said SB 132 began as an act exempting veterinarians but now she understands that it is called an act relating to the controlled substance prescription database. She stated that both AKVMA and BOVE support SB 132. She further noted that the Alaska Board of Pharmacy supports SB 132 and supports full veterinary exemption from the PDMP.

DR. BERNGARTT moved to the third slide and provided background on the PDMP. She said the PDMP was established in 2008 by Senate Bill 196, but in response to the increasing opioid epidemic the PDMP was amended in 2017 by House Bill 159 to include all Drug Enforcement Administration (DEA) permit holders, including veterinarians. She noted that neither AKVMA nor BOVE were consulted regarding this amendment. She stated that under [HCS SB 132(HSS)], veterinarians who prescribe but script out the prescriptions will be exempt from querying and reporting, and that burden will be passed on to the pharmacist to query and report. She further stated that under [HCS SB 132(HSS)], PDMP reporting will be required for all actively licensed practitioners who hold a federal DEA registration number and who prescribe, administer, or dispense federally scheduled II-IV controlled substances in Alaska. So, she said, those veterinarians who dispense in Alaska will still be required to query and report. According to the Alaska Board of Pharmacy, Dr. Bergartt continued, about 65 veterinarians in Alaska still directly dispense and [HCS SB 132(HSS)] will not help those veterinarians. Given the shortage of veterinarians and veterinary time, she added, [that requirement] is a big deal for those 65 veterinarians.

DR. BERNGARTT proceeded to the fourth slide and stated that the PDMP is not an effective database for veterinarians or their patients. The PDMP was established for human medicine, she pointed out, a query is made on the individual who brings the animal to the veterinarian and human data is obtained, not animal data. She said veterinarians are not trained in how to assess this human data that they are being mandated to view. Additionally, she noted, veterinarians are not mandated to assess this human data, they are mandated to view it and mandated to report. So, while some of that burden will be removed, she stated, the 65 veterinarians who do directly dispense will still be stuck in that quandary.

[9:27:54 AM](#)

DR. BERNGARTT displayed the fifth slide and said the querying of human PDMP information is an invasion into an individual's medical privacy. She related that, by and large, law has determined that HIPAA regulations do not apply specifically to the PDMP. However, she continued, veterinarians do not have the privacy infrastructure that human medical offices have, such as screen shields and isolated computers. While technically HIPAA may not apply to PDMPs, she said, there is the expectation of private human health data by a veterinarian's clients. Veterinarians, she pointed out, have access to more than just opiate information because the PDMP has visible information about all controlled substances, including postpartum depression medications, sex hormones, Ambien, and Lunesta.

DR. BERNGARTT spoke to the sixth slide. She specified that veterinarians are already regulated by the DEA and must participate in the Suspicious Order Monitoring System. When a veterinarian registers with a veterinary distribution company, she related, the distribution company is going to take information about that veterinarian's prescribing habits, such as how many animals per year the veterinarian sees and the type of practice, and the distribution company is required to report any suspicious ordering to the DEA. This DEA oversight, she said, is to control and prevent diversion from the licensed professional to drug dealers and users.

[9:30:11 AM](#)

CO-CHAIR SPOHNHOLZ inquired about the date that the Suspicious Order Monitoring System went into place.

DR. BERNGARTT replied that she is unsure but believes it has been in place for the entirety of her 20 years as a veterinarian. She said she will get back to the committee with an answer.

CO-CHAIR SPOHNHOLZ remarked that the timing is important because a lot of systems have been in place that failed to prevent the opioid epidemic from happening and the committee is mindful of keeping Alaskans safe.

DR. BERNGARTT responded that regarding veterinary diversion where the human has taken the medication prescribed for the animal, BOVE and AKVMA have reached out to emergency physicians, other medical health professionals, and substance abuse coordinators and have received information that veterinary drugs as a whole are not part of the issue being seen right now in

Alaska with synthetic fentanyl and those types of drugs. She said veterinarians do not carry those drugs.

[9:32:33 AM](#)

DR. BERNGARTT continued her presentation. She turned to the seventh slide and related that 34 other states have completely exempted veterinarians from participating in the PDMP. She said BOVE is asking that Alaska join those 34 states in what makes sense fiscally, privacy-wise, and resource-wise. Those 34 other states, she continued, have seen no increased reporting of doctor shopping and no increased reporting of drug diversion from veterinarians. Had it been a problem in those states, she added, they would have addressed it.

DR. BERNGARTT moved to the eighth slide and noted that [between 2016 and 2018] veterinarians [in Alaska] prescribed 0.3 to 1 percent of the total morphine milligram equivalents (MMEs). She said dentists prescribe even less than veterinarians, so maybe dentists should be exempt too. She then reframed that statement to say that it isn't about the total number of MMEs, of which veterinarians prescribe a very small percentage, but rather that the drugs veterinarians prescribe are not the drugs that go out into the population and contribute to addiction and overdose. Veterinarians, she continued, are not dispensing oxycontin, methadone, or heroin, which are the drugs of concern in the opioid epidemic.

[9:35:50 AM](#)

CO-CHAIR SPOHNHOLZ maintained that that was an inflammatory statement because there are no prescribers who prescribe heroin.

DR. BERNGARTT responded that her comments were to the things that are contributing to the opioid epidemic, and she didn't mean to insinuate that there were other prescribers who were prescribing heroin. She said she just wanted to say for the record that veterinarians are not.

CO-CHAIR SPOHNHOLZ stated that the reason for the PDMP was never to address illicit drugs, it was to control and monitor typical controlled substances that are legally prescribed for health care reasons that helped drive the opioid epidemic. Heroin was never incorporated into the PDMP, she continued, and she is cautious about using inflammatory rhetoric.

[9:37:02 AM](#)

DR. BERNGARTT resumed her presentation. She moved to the ninth slide and related that the Board of Veterinary Examiners and the profession have had to deal with the issue of investigative cost that has been passed on to veterinarians. She said Alaska's veterinarians have the highest licensing fees in the US. The PDMP investigations, she pointed out, haven't shown one instance of diversion or nefarious conduct, they've simply been querying, reporting, and [addressing] technical issues. Veterinarians have testified before BOVE, she related, that they have repeatedly entered this data but cannot find this data in their own PDMP screens and then they received letters that they are being investigated for improper querying and improper reporting. So, she continued, there is an issue with how the system handles animal data because it was designed for human data. Dr. Bergartt further related that there are grants which cover the cost of PDMP staff to mine the data to figure out who may be in violation. That information is then passed over to PDMP's investigations department which does its step, she said, and that cost is passed directly to the Board of Veterinary Examiners. Currently there is not a grant that covers the costs on both sides, she advised, although there possibly may be some money coming down the pipe to BOVE to help keep licensing fees static. This would be helpful in relation to attracting and recruiting new veterinarians to the state of Alaska, she added.

DR. BERNGARTT concluded her presentation by speaking from the eleventh slide, "AKVMA URGES A YES vote on SB 132," which read [original punctuation provided]:

An Exemption of Veterinarians from participating in the PDMP:

Will allow veterinarians to provide the appropriate, timely, medical management appropriate for each patient.

Will increase the efficiency of the PDMP system for its intended purpose, by allowing for accurate interpretation of data and trends in human medicine.

Will allow continued judicious use of controlled substances that is already practiced by veterinarians.

Will eliminate unnecessary and disproportionate business burdens for veterinarians.

[9:40:17 AM](#)

REPRESENTATIVE KAUFMAN surmised the existing system presents risk in that veterinarians and their assistants are not trained or qualified to look at this private medical data but are doing so because that is how the system is constructed.

DR. BERNGARTT agreed that this is the case. She said the PDMP permits veterinarians to delegate the PDMP responsibilities of querying and reporting to a licensed veterinary technician. She advised that Alaska has about 430 licensed veterinarians and about 260 licensed veterinary technicians, so not even one delegate per veterinarian is physically possible. She further advised that most of those licensed veterinary technicians are congregated in the larger metropolitan areas of Anchorage and Fairbanks, and therefore the actual ability for veterinarians to delegate is low.

CO-CHAIR SPOHNHOLZ noted that [HCS SB 132(HSS)] requires only the 65 dispensing veterinarians in Alaska to participate in the PDMP; the remaining 370 veterinarians who are not dispensing and are just prescribing are excluded from participating.

[9:42:13 AM](#)

REPRESENTATIVE KAUFMAN offered his understanding that there is little evidence that the veterinary source of medicines is a pipeline of illicit drug use because the drugs prescribed are not preferred by those who are abusing substances. He therefore surmised there is little risk.

DR. BERNGARTT agreed. She said veterinarians don't utilize and therefore don't prescribe drugs such as oxycodone and Vicodin, which she understands are drugs that have a high-risk potential for continued addiction and abuse.

REPRESENTATIVE KAUFMAN commented that he sees little benefit and a risk of medical data exposure for not much benefit. He asked why the bill isn't being moved along quickly for the benefit of all concerned.

DR. BERNGARTT responded that there has not been an identifiable benefit for veterinary participation in the PDMP; none of the investigations generated through the PDMP have identified an instance of veterinary diversion or drug shopping. However, she continued, there have been identified harms to the veterinary profession and veterinary clientele through the increased

exposure of private health data, the time cost to veterinarians to participate in the PDMP, and the investigative costs. She allowed that [HCS SB 132(HSS)] will relieve the bulk of veterinarians practicing in Alaska of those duties, but said her concern is the 65 veterinarians who do dispense and the burden that could be created to rural and underserved communities that are served by dispensing veterinarians.

[9:45:22 AM](#)

REPRESENTATIVE SNYDER noted that three amendments were added to SB 132 in House Health and Social Services Standing Committee. One of the amendments, she stated, provides that non-dispensing veterinarians who send prescriptions to a pharmacist do not have to review or enter data into the PDMP, leaving 65 veterinarians for which there is concern. Another of the amendments, she continued, does not require any of the veterinarians, including those 65, to interact with the PDMP if the medication they prescribe or dispense is for three days or less. Most of the investigations to date, she further said, have had to do with the querying problems and not having to inquire if the veterinarian has not prescribed or dispensed that day, and the amendment for that will affect all veterinarians, including the 65, and should reduce investigations related to those issues. As a person in the field of public health, she said the intent was to find a balance and middle ground to navigate the input across the spectrum. She agreed additional work on the PDMP is necessary and that there have been failures in coordination between the state and the veterinarians. She concurred that there are concerns with HIPAA, but pointed out that the full statute includes guidelines and penalties for divulging that health information and educational materials are supposed to be provided through the state giving oversight on the PDMP.

[9:48:12 AM](#)

REPRESENTATIVE NELSON asked whether it is correct that the pharmacy association supported the broad exemption that was in the original version of SB 132.

DR. BERNGARTT answered that's correct, the Alaska Board of Pharmacy voted to support full exemption of veterinarians from the PDMP in February 2022.

REPRESENTATIVE NELSON noted that the pharmacy association and a bunch of veterinarians originally supported SB 132 and asked whether that has changed with the amendments.

DR. BERNGARTT replied that she personally hasn't had a conversation with the Alaska Board of Pharmacy or its chair, Justin Ruffridge. She said she personally feels that the buck is being passed to the pharmacist for identifying the person to be queried. The problem of identifying who to query will remain, she advised, because the person who brought the pet to the veterinarian may not be the person who picks up the prescription given there may be multiple household members. The pharmacist will still have to either query more than one person or pick one person to query, she pointed out. This gets into issues of data integrity, she continued, and what type of data is really being collected as far as being meaningful to the human health professionals that are trained to analyze and utilize this data.

[9:50:13 AM](#)

JUSTIN RUFFRIDGE, PharmD, Chair, Alaska Board of Pharmacy, responded to Representative Nelson's question. He stated that querying and looking at the PDMP for veterinary prescriptions has been a large and long-time issue for the pharmacy board. A big issue, he explained, is that there is no unilateral way that pharmacies are required to input the data for a prescription from a veterinarian for an animal. To solve the issue, he continued, regulation is currently being developed for a specific way to add information into the PDMP. However, he advised, it will be linked to one owner, so the problem will still exist in the scenario of multiple owners and people getting prescriptions.

[9:51:47 AM](#)

NICHOLAS PAPACOSTAS, MD, President, Alaska Chapter, American College of Emergency Physicians (ACEP), provided invited testimony on SB 132. He thanked the veterinarians who have worked to use the PDMP, which he understands has been very hard for them. He said the PDMP has been transformative for emergency physicians in being able to see the number of prescriptions and the sources, and therefore how a patient is exposed to controlled substances. Even though the total volume that could be prescribed by veterinarians is currently low, he continued, it is important to ensure that the PDMP is complete and includes most drugs and prescriptions from veterinary sources. Many of those who suffer from opioid use disorder (OUD) or other substance use disorders (SUDs), he related, have

their first exposure via a prescription for a legitimate purpose or in some cases the prescription of a family member or friend.

DR. PAPACOSTAS stated that overdose death gets the most press, but more silent is when a vulnerable person takes a tablet of, say, hydromorphone, for the first time recreationally, which can potentially spin off a devastating substance use disorder. Hydromorphone is a very powerful opioid, he said, and it sounds from the veterinary white paper that it is a commonly prescribed veterinary opioid. Dr. Bergartt referenced that veterinarians are not prescribing medications that cause addiction, he continued, but hydromorphone is a powerful opioid that people in the emergency room who have opioid use disorder commonly request by name.

DR. PAPACOSTAS pointed out that the most important function of the PDMP is to identify vulnerable patients and help them get treatment, it is not necessarily to catch people doing things wrong. He stated that ACEP agrees the PDMP is currently problematic for veterinarians. He said ACEP thinks the amendments proposed in Section 1 and Section 2 exempting most veterinarians from checking the PDMP at all and exempting all veterinarians from checking the PDMP if they provide very short-term prescriptions of under three days of controlled substances are good intermediate solutions that balance the regulatory burden on veterinarians while continuing to capture important data for patients and public safety.

DR. PAPACOSTAS noted that ACEP's 3/22/22 letter cites a five-year study between 2014 and 2019 that looked at the states which do have veterinary monitoring in the PDMP. He said the study characterized veterinarian shopping or doctor shopping as when there are four or more prescriptions from different sources for one animal, and during the study period the instances of such shopping increased from 900 at the start to 2800 at the end. The only reason this increase is known, he stressed, is because the PDMP exists and the states that are tracking the PDMP with veterinary sources are tracking those sources. States that have exempted veterinarians are flying blind, he said, and the reason they've seen no uptick is because they are not watching to see if there has been any uptick in those problems.

DR. PAPACOSTAS related that the 2022 PDMP legislative report shows that the trend in overdose deaths from prescription medication declined between 1999 and 2020, but then in 2020 overdose deaths involving prescription medication spiked to 90. It has recently come out, he continued, that overdose deaths are

increasing year over year nationally and especially in Alaska, and therefore ACEP agrees that now is not the time to take the eye off what is going on with these medications.

[9:56:35 AM](#)

REPRESENTATIVE MCCARTY, in relation to the statement about the states that are flying blind, inquired about the DEA across the US keeping records about where diversion exists.

DR. PAPACOSTAS replied that he thinks diversion is a very large volume of opioids. He said he isn't talking about prescriptions that are necessarily vet shopping that are going to affect an individual patient suffering from opioid disorder and going from doctor to doctor or potentially a veterinarian or veterinarians for a controlled substance. Diversion is specifically the DEA, he stated, and the DEA is interested in people who are selling these prescriptions for the purpose of making money, it is not looking into when one individual patient is exposed to these medications, so they don't achieve the same function.

REPRESENTATIVE MCCARTY commented that he talks to the DEA to give his concerns about people who are doctor shopping. He stated that Dr. Papacostas's answer seems to be incongruent with other responsibilities of the DEA, such as doctors and pharmacies doing questionable activities.

DR. PAPACOSTAS responded that yes there is potentially the responsibility to report, but followed with the question, "What information are they using if they don't have the PDMP to spot patterns that they would want to report to the DEA?"

[9:58:28 AM](#)

RUSSELL JOHANSON, MD, Board Member, Alaska Chapter, American College of Emergency Physicians (ACEP), provided invited testimony on SB 132. He stated he is an emergency room physician with Mat-Su Regional Medical Center and doesn't know a single emergency physician in Alaska who disagrees with the position stated by Dr. Papacostas. He said all physicians have difficult conversations daily with their patients and it is important for physicians to know all their sources of opiates. He related that he's heard a lot of talk about it being onerous to use the PDMP. However, in his opinion, he continued, it is a great responsibility to introduce drugs that are quite harmful and can devastate a community, and therefore a little bit of work to make sure it is done safely is not too onerous.

[HCS SB 132 (HSS) was held over.]

10:00:08 AM

**ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 10:00 a.m.