

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

March 30, 2023

3:03 p.m.

**MEMBERS PRESENT**

Representative Mike Prax, Chair  
Representative Justin Ruffridge, Vice Chair  
Representative CJ McCormick  
Representative Dan Saddler  
Representative Jesse Sumner  
Representative Zack Fields  
Representative Genevieve Mina

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

PRESENTATION(S): OPPORTUNITIES TO GROW THE HEALTH WORKFORCE~  
APPRENTICESHIP AND BEYOND

- HEARD

HOUSE BILL NO. 96

"An Act relating to licensing and registration requirements for certain wholesale drug distributors; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 96

SHORT TITLE: LICENSING:DRUGS/DEVICES FOR HOME DIALYSIS

SPONSOR(S): REPRESENTATIVE(S) PRAX

03/06/23	(H)	READ THE FIRST TIME - REFERRALS
03/06/23	(H)	HSS, L&C
03/30/23	(H)	HSS AT 3:00 PM DAVIS 106

**WITNESS REGISTER**

CATHY MUNOZ, Acting Commissioner  
Office of the Commissioner

Department of Labor and Workforce Development  
Juneau, Alaska

**POSITION STATEMENT:** Introduced the discussion on apprentice programs in Alaska.

ANNE VELARDI, Apprenticeship Coordinator  
Alaska Workforce Investment Board  
Alaska Department of Labor and Workforce Development  
Anchorage, Alaska

**POSITION STATEMENT:** Presented the PowerPoint presentation, titled "Healthcare Apprenticeships."

JOELLE HALL, President  
Alaska American Federation of Labor and Congress of Industrial Organizations  
Anchorage, Alaska

**POSITION STATEMENT:** Presented on apprenticeship models.

NANCY MERRIMAN, CEO  
Alaska Primary Care Association  
Anchorage, Alaska

**POSITION STATEMENT:** Provided a PowerPoint presentation, titled "APCA (Alaska Primary Care Association) and Healthcare Workforce Training Programs."

JENNIFER NIXON, Director  
Workforce Development and Health Equity  
Alaska Primary Care Association  
Anchorage, Alaska

**POSITION STATEMENT:** Answered a question addressing the Alaska Primary Care Association's training programs.

CHADWICK VANCE, Staff  
Representative Mike Prax  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented the sectional analysis for HB 96, on behalf of Representative Prax, prime sponsor.

ELIZABETH STOLL, Director  
State and Government Affairs  
Baxter International Incorporated  
Deerfield, Illinois

**POSITION STATEMENT:** Gave a PowerPoint presentation, titled "Alaska House Bill 96," on behalf of Representative Prax, prime sponsor.

## ACTION NARRATIVE

[3:03:57 PM](#)

**CHAIR MIKE PRAX** called the House Health and Social Services Standing Committee meeting to order at 3:03 p.m. Representatives Sumner, Saddler, McCormick, Mina, and Prax were present at the call to order. Representatives Ruffridge and Fields arrived as the meeting was in progress.

### **PRESENTATION(S): Opportunities to Grow the Health Workforce, Apprenticeship and Beyond**

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CHAIR PRAX announced that the first order of business would be a presentation on the opportunities to grow the health workforce, apprenticeships and more.

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CATHY MUNOZ, Acting Commissioner, Office of the Commissioner, Department of Labor and Workforce Development, introduced the discussion on apprentice programs in Alaska. She noted that the state has access to apprenticeship programs, and she pointed out the federal Registered Apprenticeship Program in Alaska. She said that apprenticeships can be sponsored by a union, non-union organization, and employers. She highlighted that, through the Alaska Workforce Investment Board's coordination, apprenticeships are being offered in the construction, information technology (IT), healthcare, teaching, and aviation fields.

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ANNE VELARDI, Apprenticeship Coordinator, Alaska Workforce Investment Board, Alaska Department of Labor and Workforce Development, gave a PowerPoint presentation, titled "Healthcare Apprenticeships" [hardcopy included in the committee packet]. She started on slide 2, which addressed the American Apprenticeship Initiative, which supplies a grant for apprenticeship expansion. She stated that the grant involves 683 health care apprentices in the state and 17 occupations. The grant has helped doubled the number of female apprentices in Alaska and built strong partnerships with healthcare providers, including the Providence Alaska Medical Center, the Pioneer Home, and the Alaska Primary Care Association (APCA).

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MS. VELARDI, concluding the presentation, moved to slide 3, which listed some of the health care occupations utilizing the Registered Apprenticeship Program in Alaska. These include the occupations of clinical chiropractic assistant, medical coding and billing, veterinary technician, certified nursing assistant, pharmacy technician, surgical technician, medical assistant, dental assistant, and more.

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REPRESENTATIVE SADDLER requested the number of registered apprenticeships and the number of Alaskans who are participating in the apprenticeships today.

MS. VELARDI answered that the figure is about 2,054, but this varies seasonally. She noted that most of these apprenticeships are in construction. In response to a series of follow-up questions, she explained that it would be hard for a 16-year-old to work in a health care apprenticeship because of the restrictions, and most healthcare apprentices are 18 years old or older. She responded that the length of the apprenticeships are generally one to two years. She responded that using construction apprenticeships as an example, apprenticeships would start at about 60 percent of the journey worker's wage and work up to 100 percent. She said that typically there will be one or two wage increases during the apprenticeship, and then one more on the completion of the apprenticeship. She explained that any apprenticeship that did not show a wage increase would not be approved.

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REPRESENTATIVE MINA asked about outreach for these opportunities. She questioned whether there is a waitlist for apprenticeship applicants.

MS. VELARDI shared that the outreach is more geared to sponsors than job seekers, and these sponsors are starting to advertise apprenticeships to entice new employees. She stated that there is not a waitlist.

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JOELLE HALL, President, Alaska American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), address the different apprenticeship models. She explained that there are multi-employer apprenticeship systems, with private sector employers who may be in competition or band together to train the workforce. She further explained that the system is done in joint with unions and employers. She voiced that as the Alaska AFL-CIO president, there is an opportunity for the health care industry to adopt this system. She explained that the system is 95 percent funded by member dues. She added that there are currently no health care apprenticeships in the AFL-CIO apprenticeship system.

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REPRESENTATIVE MINA asked whether there are more robust models in other states.

MS. HALL answered that the topic has not come up in her talks with other AFL-CIO leaders.

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REPRESENTATIVE FIELDS offered his understanding that the Dartmouth-Hitchcock system in New Hampshire was the first to build out system-wide apprenticeships.

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NANCY MERRIMAN, CEO, Alaska Primary Care Association (APCA), gave the PowerPoint presentation, titled "APCA (Alaska Primary Care Association) and Healthcare Workforce Training Programs" [hardcopy included in the committee packet]. She moved to slide 2, which listed the portfolio of health workforce training programs hosted by APCA. The list includes spring break and summer scrubs camps, high school explore camps, pre-apprenticeship for training in health, college credit agreements, and more.

MS. MERRIMAN advanced to slide 3, which addressed the Area Health Education Centers (AHEC) in Southcentral Alaska. She pointed out that the mission of AHEC is to develop and enhance education and training networks within communities, academic institutions, and community-based organizations. She moved to slide 4 and discussed the APCA's K-12 health care career camps. She said the camps provide students with experience in mock surgeries, vet clinics, and working with health care

professionals. She expressed that the program is popular. She moved to slide 5 and discussed preparing Alaskans for the Pre-Apprenticeship Training in Healthcare (PATH) Academy

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MS. MERRIMAN moved to slide 6, which addressed the federal Registered Apprenticeship Program. She pointed out that APCA has partnered with the US Department of Labor and the Alaska Department of Labor and Workforce Development. She pointed out that the slide listed some of the current apprenticeships registered in the program.

MS. MERRIMAN transitioned to slide 7 and explained the federal Good Jobs Challenge grant, which APCA has recently received. She said the grant has allowed APCA to push the registered apprenticeship programs out around the state. It has also allowed APCA to partner with all of the organizations listed on slide 7.

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MS. MERRIMAN moved to slide 9, which addressed APCA's college credit and supports. At Alaska Pacific University (APU), apprentices can receive college credit in the programs for pharmacy technician, billing and coding specialist, community health worker, medical assistant, and electronic health records. She pointed out that APCA works at reducing barriers that keep Alaskans from pursuing careers in health care. She added that it has financial resources to assist apprentices with items like rent, insurance, gas, childcare, and others. She concluded the presentation on slide 9 and informed members on how they can access more information about apprenticeships.

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REPRESENTATIVE FIELDS, concerning the Good Jobs Challenge, asked whether hospitals have partnered with APCA to expand apprenticeship training opportunities.

MS. MERRIMAN answered that the Alaska Hospital and Healthcare Association (AHHA) is one of the key partners, and it will be a sub-recipient organization in the challenge grant. She stated that AHHA will be working with hospitals to identify apprenticeship pathways to develop. She said APCA has a list of 8 apprenticeships it offers, and through grants, the hope is to increase the number of apprenticeships from 8 to 12 or more.

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REPRESENTATIVE MINA asked for a breakdown of the PATH Academy's pre-apprenticeship program. She asked the number of graduates who are connected with the apprenticeship program.

MS. MERRIMAN answered that it is common for a person to go from PATH to a job, from PATH to an apprenticeship, or from PATH to an academic program.

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JENNIFER NIXON, Director, Workforce Development and Health Equity, Alaska Primary Care Association, responding to the question, stated that this varies depending on the apprenticeship program and the job the student has before the pre-apprenticeship. She expressed uncertainty on the specific percentages of graduates connected with apprenticeship programs and offered to report back concerning the data.

MS. MERRIMAN commented that there are PATH Academies for specific jobs, like direct support professionals. She noted that 100 percent of the students involved in the direct-service professionals' program are picked up by employers.

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REPRESENTATIVE MINA inquired about individuals who had not connected to an apprenticeship and what additional resources it would take for them to find employment.

MS. MERRIMAN responded that health care apprenticeships are new to the health care sector, but they are growing. She stated that apprenticeships are not currently advertised, but there are opportunities for incumbent workers to enter an apprenticeship. She said APCA is building the number of employment coordinators to help people find the next step in employment.

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REPRESENTATIVE FIELDS stressed the need to build the apprenticeship system over time, namely in the construction industry. He speculated on the difference between the construction and the health care sector. He asked how the apprenticeship system could be expanded by informing employers of the return on investment (ROI).

MS. MERRIMAN relayed that health care apprenticeships have been growing, and this raises awareness. She pointed out that grant funding is building up the system. She indicated that what employers understand about apprenticeships needs to be addressed. She added that there has been a growing awareness about ROI when employers are investing in the apprenticeship system.

REPRESENTATIVE FIELDS relayed concerns about the rising costs of travel nurses in the state. He put forth that this reflects the state's inability to supply local nurses. He asked how apprenticeship pipelines could be used to address workforce needs.

MS. MERRIMAN answered that APCA is considering "career ladders." She explained that this is when a person enters a health care career at an accessible level, and then progresses. She said that this system leverages the importance of entry-level positions.

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CHAIR PRAX asked how APCA markets apprenticeship programs.

MS. MERRIMAN expressed the opinion that APCA is getting better at this, but it takes time to convey the meaning of an apprenticeship. She stressed that employers are important to the system's success. She stated that APCA's outreach includes radio, social media, and the internet. In response to a follow-up question, she explained that APCA is an association of federally qualified health centers, and it supports 29 federally qualified organizations. She said APCA partners with AHHA, as well as with the Alaska Tribal Health System and Behavioral Health.

CHAIR PRAX offered his understanding that APCA is marketing to individual businesses and organizations outside of APCA.

MS. MERRIMAN responded that this is correct, as APCA can help any Alaskan interested in a health care career.

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REPRESENTATIVE FIELDS recalled that primary care employees who may already have a job were the first group of employees

marketed to. It was emphasized that with an apprenticeship, a job could become a career.

MS. MERRIMAN commented that most of the apprentices that enter the program are incumbent workers with the employer offering an apprenticeship opportunity.

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MS. NIXON, in conclusion, commented that the apprenticeship system has been an opportunity to be involved in something that is positive. She stated that the Good Jobs Challenge grant offers the opportunity to expand the apprenticeship program to every populated area of Alaska.

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The committee took an at-ease from 4:12 p.m. to 4:15 p.m.

[Chair Prax passed the gavel to Vice Chair Ruffridge.]

**HB 96-LICENSING:DRUGS/DEVICES FOR HOME DIALYSIS**

[4:15:30 PM](#)

VICE CHAIR RUFFRIDGE announced that the final order of business would be HOUSE BILL NO. 96, "An Act relating to licensing and registration requirements for certain wholesale drug distributors; and providing for an effective date."

[4:15:50 PM](#)

CHAIR PRAX, as prime sponsor, presented the sponsor statement on HB 96 [copy included in the committee packet], which read as follows [original punctuation provided]:

In Alaska, the Pharmacy Board requires a pharmacy that only distributes dialysis supplies and solutions to the home of dialysis patients, to comply with the same arduous requirements as retail pharmacies (e.g., Walgreens, CVS) that handle controlled substances, compounds, and dispense medications with varying safety profiles. Pharmacies that deliver dialysis supplies and solutions only offer a limited product portfolio and follow all Quality and FDA requirements; additional retail pharmacy mandates are onerous to the operations.

Currently 24 states allow manufacturers that are registered as wholesale drug distributors and who distribute dialysis supplies and solutions, to deliver directly to home dialysis patients. An additional 8 states provide for some form of special licensure for the distribution of these products which ensures that the dialysis supplies are available for delivery to patients. Both Hawaii and Nevada have bills pending this session to accomplish the same goal.

HB 96 would amend the pharmacy practice act to allow manufacturers of home dialysis drugs, supplies and devices to be exempted from pharmacy if they maintain control of all products from manufacturing to the patient. This would still require the pharmacy to maintain any additional licenses such as a wholesaler license.

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CHADWICK VANCE, Staff, Representative Mike Prax, Alaska State Legislature, on behalf of Representative Prax, prime sponsor, presented the sectional analysis for HB 96 [copy included in the committee packet], which read as follows [original punctuation provided]:

Section 1: This section amends AS 08.80.157(h) to provide wholesale drug distributors the ability to legally deliver dialysate drugs and devices directly to patients.

[4:19:14 PM](#)

ELIZABETH STOLL, Director, State and Government Affairs, Baxter International Incorporated, on behalf of Representative Prax, prime sponsor, gave a PowerPoint presentation, titled "Alaska House Bill 96" [hardcopy included in committee packet]. She began on slide 2, which addressed the treatment of end state renal disease (ESRD) in Alaska. She pointed out that there are 1,086 ESRD patients in the state, of which 154 are home dialysis patients.

MS. STOLL moved to slide 3 and addressed how patients receive dialysis products at home. She pointed out that for ESRD patients who elect to receive dialysis in the home, they must receive monthly home shipments of supplies. The slide lists the

details of the supplies, which when shipping, weighs between 500 and 1,000 pounds. She pointed out that because of this, home delivery is an essential service for the home patient. She moved to slide 4, which continued how patients receive dialysis products at home. She stated that patients must be trained on using the dialysis kits, while the physician would determine the monthly supply needed and send this to the pharmacy where the monthly shipment order is determined. This will then be shipped to a nearby distribution center, where employees organize each patient's monthly supplies into deliveries. After several compliance checks the orders are delivered directly to the patient's home.

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MS. STOLL advanced to slide 5 and addressed why the law needs to be changed. The slide read as follows [original punctuation provided].

The Alaska Pharmacy Board requires a pharmacy that only distributes dialysis supplies and solutions to the home of dialysis patients, to comply with the same arduous requirements as retail pharmacies that handle controlled substances, compounds, and dispense medications with varying safety profiles.

These Pharmacies that deliver dialysis supplies and solutions only offer a limited product portfolio and follow all Quality and FDA requirements.

The law also requires a licensed pharmacist (above and beyond the Alaska licensed out of state central pharmacy that has processed the order) to physically view the boxes before they can leave the warehouse, which is onerous and unnecessary.

MS. STOLL moved to slide 6, which read as follows [original punctuation provided]:

What does the Bill DO?

This bill will:

Amend the pharmacy practice act to allow manufacturers of home dialysis drugs, supplies and devices to be exempted from being licensed as a pharmacy if they maintain control of all products from manufacturing to the patient.

This would still require the location to maintain any additional licenses, such as an Alaska wholesaler license.

This means the Alaska Board of Pharmacy still has jurisdiction over the location and its operations.

MS. STOLL moved to slide 7, which read as follows [original punctuation provided]:

Why Is this Change Ok for Alaskans?

In Alaska, we believe the requirement to require a pharmacist to review and place a second label onto the boxes prior to leaving the warehouse is onerous and unnecessary.

This bill will mirror what the National Board of Pharmacy's Model Act outlines for these pharmacies and distribution centers.

There are 24 states that currently operate under the model and an additional 8 states provide for some form of special licensure for the distribution of these products with zero instances of harm to any patient.

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MS. STOLL moved to slide 8 and pointed out that this is the standard of practice in 32 other states. She advanced to slide 9 to present a map of states that exempt ESRD distribution and those which require minimal pharmacy audits. She transitioned to slide 10, which addressed things to consider, including that the proposed legislation would not include diabetes supplies or any other type of device, no compounding or manipulation of products would occur, and solutions would be under the manufacturers control from the licensed manufacturing plant to the patient's home.

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REPRESENTATIVE SUMNER asked why the change is good for Alaskans.

MS. STOLL answered that the change simplifies the distribution model and removes unnecessary regulations. She added that this therapy would save money for Medicaid recipients.

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VICE CHAIR RUFFRIDGE inquired as to what the distribution model looks like for rural Alaska.

MS. STOLL responded that nothing of what currently happens would change. She explained that there is an Anchorage distribution facility with a system of boat and air transport that would move orders to rural Alaska.

VICE CHAIR RUFFRIDGE questioned whether the Anchorage distribution center or the facility in North Carolina is licensed.

MS. STOLL explained that Baxter International has a manufacturing license in North Carolina, and the Anchorage distribution center is licensed as a wholesaler and a pharmacy. She added that with the proposed legislation, Baxter International would be removing the pharmacy license at the Anchorage distribution center.

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CHAIR PRAX questioned the dialysis kits.

MS. STOLL explained the contents of a dialysis kit. In response to a follow-up question, she elaborated that the process is overseen by a physician or a dialysis center.

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VICE CHAIR RUFFRIDGE announced that HB 96 was held over.

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#### **ADJOURNMENT**

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 4:34 p.m.