

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

March 13, 2023

3:15 p.m.

MEMBERS PRESENT

Representative Jesse Sumner, Chair
Representative Justin Ruffridge, Vice Chair
Representative Mike Prax
Representative Dan Saddler
Representative Stanley Wright
Representative Ashley Carrick
Representative Zack Fields

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 75

"An Act relating to coverage for additional insureds under owner and contractor controlled insurance programs; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 58

"An Act relating to medical assistance for recipients of Medicaid waivers; establishing an adult care home license and procedures; providing for the transition of individuals from foster care to adult home care settings; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 75

SHORT TITLE: OWNER & CONTRACTOR CONTROLLED INSURANCE

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

02/15/23	(H)	READ THE FIRST TIME - REFERRALS
02/15/23	(H)	L&C
02/20/23	(H)	L&C AT 3:15 PM BARNES 124
02/20/23	(H)	Heard & Held

02/20/23 (H) MINUTE (L&C)
03/01/23 (H) L&C AT 3:15 PM BARNES 124
03/01/23 (H) <Bill Hearing Canceled>
03/13/23 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 58

SHORT TITLE: ADULT HOME CARE; MED ASSISTANCE
SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

02/03/23 (H) READ THE FIRST TIME - REFERRALS
02/03/23 (H) HSS, L&C, FIN
02/07/23 (H) HSS AT 3:00 PM DAVIS 106
02/07/23 (H) Heard & Held
02/07/23 (H) MINUTE (HSS)
03/07/23 (H) HSS AT 3:00 PM DAVIS 106
03/07/23 (H) Moved HB 58 Out of Committee
03/07/23 (H) MINUTE (HSS)
03/08/23 (H) HSS RPT 6DP
03/08/23 (H) DP: FIELDS, SUMNER, RUFFRIDGE,
MCCORMICK, MINA, PRAX
03/13/23 (H) L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

LORI WING-HEIER, Director
Division of Insurance
Department of Commerce, Community, and Economic Development
Juneau, Alaska

POSITION STATEMENT: Provided invited testimony on Amendment 1 to HB 75.

TONY NEWMAN, Acting Director
Division of Senior and Disability Services
Department of Health
Juneau, Alaska

POSITION STATEMENT: On behalf of the sponsor, House Rules by request of the governor, introduced HB 58 via a PowerPoint presentation, titled "House Bill 58: Adult Home Care" and gave the sectional analysis.

JAMIE KOKOSZKA, Program Coordinator
Council on Disabilities and Special Education
Department of Health
Anchorage, Alaska

POSITION STATEMENT: Gave public testimony in support of HB 58.

MICHELE GIRAULT, President

Board of Directors
Key Coalition of Alaska;
Executive Director,
Hope Community Resources
Anchorage, Alaska

POSITION STATEMENT: Gave public testimony in support of HB 58.

ACTION NARRATIVE

[3:15:40 PM](#)

CHAIR JESSE SUMNER called the House Labor and Commerce Standing Committee meeting to order at 3:15 p.m. Representatives Wright, Prax, Carrick, Ruffridge, and Sumner were present at the call to order. Representatives Saddler and Fields arrived as the meeting was in progress.

HB 75-OWNER & CONTRACTOR CONTROLLED INSURANCE

[3:16:10 PM](#)

CHAIR SUMNER announced that the first order of business would be HOUSE BILL NO. 75, "An Act relating to coverage for additional insureds under owner and contractor controlled insurance programs; and providing for an effective date."

[3:16:35 PM](#)

LORI WING-HEIER, Director, Division of Insurance, Department of Commerce, Community, and Economic Development, provided invited testimony on Amendment 1 to HB 75. She stated that Amendment 1 would clarify the language in the proposed legislation regarding additional insurance. She explained that the amendment would make it easier for large projects to have an owner-controlled or contractor-controlled insurance program for every contractor or subcontractor type. Anyone working on that site would be named on the owner-controlled or contractor-controlled insurance. The amendment would clarify that there are two ways additional insurance could be required.

[3:18:56 PM](#)

REPRESENTATIVE RUFFRIDGE moved Amendment 1, labeled 33-GH1009\A.1, Marx, 2/22/23 to HB 75, which read as follows:

Page 1, line 9:
Delete "or"

Page 1, lines 11 - 13:

Delete "[; OR

(4) INSURANCE POLICIES ENDORSED TO NAME ONE OR MORE PERSONS AS ADDITIONAL INSUREDS]"

Insert "; or

(4) insurance policies endorsed to name one or more persons as additional insureds, if naming a person as an additional insured is a term required by a contract; this paragraph does not apply to an owner controlled or contractor controlled insurance program for a major construction project"

REPRESENTATIVE PRAX objected for the purpose of discussion.

[3:19:05 PM](#)

REPRESENTATIVE PRAX asked whether the owner of the project and subcontractors can still be covered by additional insurance.

MS. WING-HEIER responded in the affirmative. In response to a follow-up question, she said that the division has had "numerous" conversations with insurance companies in the process of working on the proposed legislation.

[3:20:22 PM](#)

REPRESENTATIVE PRAX withdrew his objection. There being no further objection, Amendment 1 to HB 75 was adopted.

CHAIR SUMNER announced that HB 75, as amended, was held over.

HB 58-ADULT HOME CARE; MED ASSISTANCE

[3:20:36 PM](#)

CHAIR SUMNER announced that the final order of business would be HOUSE BILL NO. 58, "An Act relating to medical assistance for recipients of Medicaid waivers; establishing an adult care home license and procedures; providing for the transition of individuals from foster care to adult home care settings; and providing for an effective date."

[3:21:02 PM](#)

TONY NEWMAN, Acting Director, Division of Senior and Disability Services, Department of Health, introduced HB 58 via a PowerPoint presentation, titled "House Bill 58: Adult Home Care."

[3:21:26 PM](#)

The committee took an at-ease from 3:21 p.m. to 3:22 p.m.

[3:22:48 PM](#)

MR. NEWMAN stated that HB 58 would add to the services offered by the division. On slide 2, he pointed out that there is a program which allows seniors and people with disabilities to stay in their homes when they might otherwise need institutional care, and the federal government covers approximately half of the cost of the program. He gave examples of the home-based and community-based waivers offered by Alaska and said that the program saves money.

[3:25:39 PM](#)

REPRESENTATIVE FIELDS asked whether each category saves the state money.

MR. NEWMAN answered in the affirmative and explained that the programs would give individuals who qualify for institutional care a choice. In response to a follow-up question, he said that there are some cases in which an individual may not be able to receive the full amount of care in an institution in Alaska.

[3:27:17 PM](#)

MR. NEWMAN continued to slide 3 and slide 4 and gave an overview of how home and community-based waivers can be used. He stated that not all waivers cover every possible care option. Explaining care coordinators, he said that to receive care all waiver recipients work with a coordinator; however, the coordinators are not state employees. Continuing, he said that the division is seeking a new home-care option that would allow an individual in need of living assistance to live in the house of another individual while receiving professional care and state support. This option allows for individuals to receive care while remaining in the same community, especially when the community does not have any assisted living facilities.

[3:31:40 PM](#)

REPRESENTATIVE PRAX asked what qualifications would be required for someone to receive state assistance to take care of a family member living in their home.

MR. NEWMAN answered that a certification would be required, but certain requirements such as having a year's worth of experience in providing home care could be waived or replaced with care experience, such as child care.

[3:33:28 PM](#)

REPRESENTATIVE CARRICK asked whether this opportunity could be extended to those who are already caring for a neighbor or family member.

MR. NEWMAN, without knowing the specifics, expressed uncertainty; however, he added this is the type of scenario envisioned with the proposed legislation. In response to a follow-up question, he said that there is still some uncertainty regarding whether this program could apply to legal guardians.

[3:37:27 PM](#)

REPRESENTATIVE SADDLER asked for clarification on legal guardianship of children in regard to qualifications for the benefits provided by the proposed legislation.

MR. NEWMAN answered that all parents have the duty to care for their children, whether there is a disability or not, but once the child turns 18, parents do not automatically have the responsibility to care for the child anymore. The parents could potentially qualify under the proposed legislation if they are assigned legal guardianship for their adult child with disabilities.

[3:38:45 PM](#)

REPRESENTATIVE WRIGHT asked why legislation like HB 58 has not already been passed.

MR. NEWMAN answered that home-based assisted living is a relatively new idea. He added that because of recent workforce shortages, the need for alternative solutions has increased. In response to a follow-up question, he said that there are ongoing discussions on how to help military families with disabled children under this type of legislation.

[3:40:25 PM](#)

MR. NEWMAN gave the sectional analysis for HB 58. He explained that Section 1 would set a rate of payment for caretakers, while Sections 2 through 7 would modify definitions to establish what would qualify as an adult-care home. The requirements for an adult-care home would also be defined, and Section 8 would provide the effective date.

[3:42:58 PM](#)

REPRESENTATIVE SADDLER asked whether Section 1 would cover an individual who begins care taking of another individual who is currently not under care.

MR. NEWMAN answered that it is specifically aimed at transitioning care for disabled children in the foster care system when they become adults. In response to a follow-up question, he said that this section would apply to an individual already being cared for.

[3:44:07 PM](#)

REPRESENTATIVE FIELDS asked whether 24-hour care was literal, or whether a family member would be able to leave for a short period of time to do an activity, such as grocery shopping.

MR. NEWMAN answered that such requirements would be decided by regulation if the bill is passed. In response to a follow-up question, he expressed the belief that HB 58 has the potential to cut down on the waitlist for assisted living, but this number is indeterminate.

[3:46:24 PM](#)

REPRESENTATIVE SADDLER asked whether this form of care transition would be more cost effective.

MR. NEWMAN answered that it is likely to save money, because individuals who would otherwise require the care of a nursing home may no longer need this because of homecare, but it is possible that some individuals who are currently "making do" without some services may receive services as part of the proposed legislation.

[3:48:11 PM](#)

CHAIR SUMNER opened public testimony on HB 58.

[3:48:34 PM](#)

JAMIE KOKOSZKA, Program Coordinator, Council on Disabilities and Special Education, on behalf of the Council on Disabilities and Special Education, gave public testimony in support of HB 58. She advised that the current law has an oversight concerning disabled children transitioning to adulthood. She said that the proposed legislation would allow quicker access to care for individuals who have been in foster care, and these individuals, after turning the age of 18, are left on their own. She added that, if the proposed bill were to be passed, the council is prepared to work with the state on regulations.

[3:51:21 PM](#)

MICHELE GIRAULT, President, Board of Directors, Key Coalition of Alaska; Executive Director, Hope Community Resources, on behalf of the Key Coalition of Alaska, gave public testimony in support of HB 58. She stated that the Key Coalition of Alaska is a nonprofit organization that advocates for individuals with disabilities, and it does this by reviewing proposed legislation or policy to see whether it would align with the state statute for developmental disabilities. She said that the coalition supports the legislation because it would provide individuals with disabilities choices that would allow them to gain access to services that would best suit their individual needs.

[3:53:04 PM](#)

REPRESENTATIVE SADDLER asked whether the proposed legislation would directly benefit Hope Community Resources.

MS. GIRAULT answered that the organization cares and advocates for people who would receive the greatest benefit from the proposed legislation. In response to a follow-up question, she said that family life is the greatest difference between an assisted living home and an adult care home.

[3:55:43 PM](#)

CHAIR SUMNER, after ascertaining that there was no one else who wished to testify, closed public testimony on HB 58.

[HB 58 was held over.]

3:55:52 PM

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 3:55 p.m.