

SENATE FINANCE COMMITTEE

March 7, 2023

9:02 a.m.

9:02:29 AM

CALL TO ORDER

Co-Chair Olson called the Senate Finance Committee meeting to order at 9:02 a.m.

MEMBERS PRESENT

Senator Donny Olson, Co-Chair  
Senator Lyman Hoffman, Co-Chair  
Senator Jesse Kiehl  
Senator Kelly Merrick  
Senator David Wilson

MEMBERS ABSENT

Senator Bert Stedman, Co-Chair  
Senator Click Bishop

ALSO PRESENT

Emily Ricci, Deputy Commissioner, Department of Health;  
Valerie Rose, Fiscal Analyst, Legislative Finance Division;  
Senator Bill Wielechowski, Sponsor; Kali Spencer, Staff,  
Senator Wielechowski; Sylvan Robb, Director, Division of  
Corporations, Business and Professional Licensing,  
Department of Commerce, Community and Economic Development;  
Kris Curtis, Legislative Auditor, Juneau;

PRESENT VIA TELECONFERENCE

Dr. Anne Zink, Chief Medical Officer, Department of Health,  
Palmer; Dr. Mishelle Nace, Pediatric Physician, Fairbanks;  
Brooke Ivy, Alaska Children's Trust, Anchorage; Jamie  
Morgan, Government Relations, American Heart Association,  
Sacramento; Antonia Leonard, Self, Eagle River;

SUMMARY

SB 38 INTERFERENCE WITH EMERGENCY SERVICES

SB 38 was REPORTED out of committee with and with three do pass and one no recommendation; and with two new zero fiscal notes from the Department of Administration, and three zero fiscal notes: FN 3 (COR), FN 4 (LAW), FN 5 (DPS).

SB 55 EXTEND STATE MEDICAL BOARD

SB 55 was HEARD and HELD in committee for further consideration.

SB 58 MEDICAID ELIGIBILITY: POSTPARTUM MOTHERS

SB 58 was HEARD and HELD in committee for further consideration.

#sb58

SENATE BILL NO. 58

"An Act relating to Medicaid eligibility; expanding eligibility for postpartum mothers; conditioning the expansion of eligibility on approval by the United States Department of Health and Human Services; and providing for an effective date."

9:04:24 AM

EMILY RICCI, DEPUTY COMMISSIONER, DEPARTMENT OF HEALTH, introduced herself. She displayed the presentation, "SB 58: Postpartum Medicaid Extension" (copy on file).

9:04:55 AM

DR. ANNE ZINK, CHIEF MEDICAL OFFICER, DEPARTMENT OF HEALTH, PALMER (via teleconference), pointed to slide 3, "What is Postpartum Medicaid Extension":

- SB 58 extends postpartum Medicaid coverage for new mothers from 60 days to 12 months.
- The original 60 days postpartum period for Medicaid came from Congress in 1986. The data are clear: postpartum health issues occur far beyond 60 days.
- SB 58 is an evidence-based action that supports growing families and will improve maternal health outcomes for Alaskans.

- Continued health care coverage is associated with detection and early intervention which improve long-term maternal and child health outcomes.

Dr. Zink pointed to slide 4, "What Are the Stakes?"

The United States is the only developed country where maternal mortality rates are worsening.

Dr. Zink looked at slide 5, "What Are the Stakes?"

- Pregnancy-related deaths occur well beyond the 60-day postpartum period.
- 29 percent of pregnancy-related deaths in the U.S. - not including those caused by accidents, homicides, and suicides - occur 43 to 365 days postpartum.
- For every pregnancy-related death, there are 70 to 80 cases of severe maternal illness and morbidity in the postpartum period.
- Medicaid-enrolled women are especially vulnerable to pregnancy-related death as they are more likely to experience chronic conditions, pre-term or low-weight births, and severe maternal morbidity.

Dr. Zink addressed slide 6, "Pregnancy-Associated Deaths in Alaska":

- In 2021, Alaska's overall pregnancy-associated death rate exceeded the previous 5-year average by 109 percent
- Among deaths in 2015-2019: 73 percent occurred >6 weeks post-delivery
- Among deaths reviewed by Alaska's Maternal and Child Death Review (MCDR) committee during 2016-2022, 88 percent were potentially preventable, and 44 percent were associated with barriers to health care access

Dr. Zink looked at slide 7, "What can Alaska do about it?"

Section 9812 of the American Rescue Plan Act (ARPA) added the time-limited option for allowing states to

extend postpartum coverage from the required 60 days to 12 months for eligible beneficiaries through March 1, 2027.

The Consolidated Appropriations Act of 2023 (CAA-2023) revised ARPA to make the optional coverage extension permanent.

Co-Chair Hoffman looked at slide 6, and noted the number of deaths per 100,000 was twice in rural Alaska than in urban Alaska in 2020 and 2021. He remarked that in the Yukon Kuskokwim Delta, there was a prematernal home which housed pregnant people from outlying villages for the last trimester. He wondered whether there was any indication that the mortality rate for the region was reduced because of that expectant mother requirement.

Dr. Zink agreed to provide that information. She noted that the numbers were quite low, so it was difficult to pull out each region.

[9:10:54 AM](#)

Co-Chair Olson noted that 72 percent of deaths occurred after six weeks post-delivery. He wondered whether those were deaths of the children or deaths of the mother.

Dr. Zink replied that those were death of the mother.

Co-Chair Olson looked at slide 4, and queried the reason for the higher mortality rate in the United States.

Dr. Zink replied that access to health care coverage was a major challenge in Alaska and the other states. She remarked that there were many factors that affected the mother such as substance abuse and depression. She agreed to provide additional details.

Senator Kiehl asked about the services that the bill would enable the state to provide to lead to better outcomes.

Dr. Zink remarked that 72 percent of the maternal mortality rates from 2012 to 2021 were related to substance, drug, and alcohol abuse disorder, which would be put into a category of potentially preventable. She shared a story of a patient who was sober during her pregnancy, but after the birth she became depressed and started using drugs again.

She did not have health insurance to get treatment options. She stated that the woman reenrolled in Medicaid to obtain access to treatment.

Co-Chair Olson wondered whether a person from rural Alaska who gave birth in an urban hospital would be considered a rural or urban death.

Dr. Zink replied believed that it would be considered a rural death, because it was based on residency. She deferred to Ms. Nace.

[9:15:05 AM](#)

DR. MISHALLE NACE, PEDIATRIC PHYSICIAN, FAIRBANKS (via teleconference), stated that she would need to confirm the statistics in determining the differentiation.

[9:15:52 AM](#)

Ms. Ricci pointed to slide 8, "Why a Bill?"

- The Legislature must approve all optional groups for Medicaid coverage in statute AS 47.07.020
- Women who are eligible for Medicaid in Alaska based on their pregnancy currently only receive coverage for 60 days postpartum
- In Alaska, 51 percent of births are covered by Medicaid

Senator Wilson wondered how long it would be for the bill to be enacted after its passage.

Ms. Ricci replied that it would take effect by July 2024.

Co-Chair Olson wondered if all of the requirements were federally mandated before the bill could take effect.

Ms. Ricci replied that the regulations were state requirements, but there was one federal requirement.

[9:20:00 AM](#)

Dr. Zink looked at slide 9, "Benefits to Alaskans":

- Improves maternal health outcomes
  - Prevents gaps in health care coverage and improves health care access
- Improves maternal mental health
  - Mental health conditions contributed to 31 percent of pregnancy-associated deaths in Alaska between 2014 and 2018
  - 14 percent of Alaskan mothers who had a baby in 2020 had symptoms of postpartum depression
- Addresses disparities in maternal health outcomes
  - Medicaid plays a vital role in addressing disparities in maternal mortality and morbidity rates
- Improves child health outcomes
  - Parental enrollment in Medicaid is associated with a 29 percent higher probability that a child will receive an annual well-child visit

Dr. Zink pointed to slide 10, "Cost Savings":

- The costs for providing Medicaid coverage for new mothers who would have otherwise lost or experienced a gap in coverage have been estimated using historical Medicaid claims data, but these costs do not take into account potential savings and offsetting factors.
- Savings from averted severe maternal morbidity: Medicaid-enrolled pregnant women with severe maternal morbidity cost an average of \$10,134 annually compared to \$6,894 for those without.
- Savings from prevention: Preventing gaps in coverage ensures access to primary and preventive care, including management of chronic conditions and screening for mental health conditions, substance use, and intimate partner violence.

Co-Chair Hoffman wondered how the bill applied to those hospitals by Alaska Native health corporations.

Dr. Zink replied that the bill would apply to anyone who was covered by pregnancy Medicaid coverage, both tribal and non-tribal.

Dr. Zink looked at slide 11, "Alaska Supports SB 58":

Extending Postpartum Medicaid Coverage is supported by:

- The American College of Obstetricians and Gynecologists (ACOG)
- The American Medical Association
- The American Academy of Pediatrics
- The Society for Maternal-Fetal Medicine
- The American College of Physicians
- The American Academy of Family Physicians
- The American Hospital Association
- The American Psychiatric Association
- The American College of Cardiology
- The American Osteopathic Association
- The March of Dimes

Co-Chair Olson asked for an example of extreme maternal morbidity, and the costs associated with that.

Dr. Zink replied that an example would be someone with chronic hypertension, or someone with a development of a clot. She stated that once the coverage was lost, a person was less likely to have follow up care or preventative care.

[9:25:51 AM](#)

Co-Chair Olson wondered how often eclamptic or preeclamptic symptoms were seen post-partum.

Dr. Zink responded that those only would apply to the first six weeks post-delivery, however women could have chronic hypertension that can be exacerbated during pregnancy and require long term coverage. She deferred to Dr. Nace.

Dr. Nace stated that about one quarter to one third of the conditions would happen in the 62 day to one year post delivery time period.

Co-Chair Olson stressed that it was a significant number.

Ms. Ricci continued to discuss slide 11. She stressed that there was an initial upfront cost of approximately \$2.6 million in UGF associated with the bill on an annual basis.

Dr. Zink pointed to slide 12, "Healthy Families Initiative." She stated that the slide showed the overall

life impacts of the mother and baby. She stressed the significant impact of untreated mental health.

[9:31:12 AM](#)

Dr. Zink discussed slide 13, "Healthy Families Initiative":

Strong families are the foundation of a healthy society and a vibrant economy.

- 4-year statewide investments in the health and well-being of Alaskan families
- Governor Dunleavy proposed \$9.5M (UGF) in FY 24 operating budget for Healthy Families activities within DOH:
  - Postpartum Medicaid extension
  - Office of Health Savings
  - TB and congenital syphilis mitigation
  - Fresh Start Campaign

Dr. Zink pointed to slide 15, "Section 1":

Adds a new section (o) to AS 47.07.020, authorizing the department to implement an extension of postpartum Medicaid coverage up to the maximum period authorized under federal law.

Co-Chair Olson asked whether the current congenital syphilis trend was increasing or decreasing.

Dr. Zink replied that syphilis was rapidly on the rise.

[9:35:06 AM](#)

Ms. Ricci pointed to slide 17, "Section 3":

Amends the uncodified law to establish the requirement that the commissioner of health notifies the revisor of statutes within 30 days of federal approval of the state plan amendment.

Ms. Ricci addressed slide 18, "Section 4":

Establishes that the postpartum extension takes effect on the day after the date the commissioner notifies the revisor of statutes as described above.

Co-Chair Olson queried the anticipated number of participants in the program.

Ms. Ricci replied that she estimated at least 1556 participants that would have lost coverage entirely, and another 2300 that would have had gaps in coverage.

[9:38:06 AM](#)

VALERIE ROSE, FISCAL ANALYST, LEGISLATIVE FINANCE DIVISION, (LFD) addressed the bill's fiscal note.

Co-Chair Olson queried the limit of federal funding for the bill.

Ms. Rose replied approximately \$6.4 million was needed in additional federal authority for the department.

[9:40:50 AM](#)

Co-Chair Hoffman wondered whether the implementation of the fiscal note would follow the same process for the initial 60 days.

Ms. Rose deferred to the department.

Co-Chair Hoffman wondered whether there would be additional requirements to access those funds statewide.

Ms. Rose deferred to the department.

Co-Chair Hoffman said he would accept a written response.

Co-Chair Olson OPENED public testimony.

[9:42:42 AM](#)

BROOKE IVY, ALASKA CHILDREN'S TRUST, ANCHORAGE (via teleconference), spoke in support of the bill.

[9:44:54 AM](#)

JAMIE MORGAN, GOVERNMENT RELATIONS, AMERICAN HEART ASSOCIATION, SACRAMENTO (via teleconference), testified in support of the legislation.

Co-Chair Olson queried the specific types of cardio myopathies.

[9:47:32 AM](#)

ANTONIA LEONARD, SELF, EAGLE RIVER (via teleconference), expressed concern about state-funded medical coverage.

Co-Chair Olson CLOSED public testimony.

[9:50:57 AM](#)

Ms. Zink addressed the question about the question of maternal death related to COVID-19 vaccinations. She stated that an internal maternal death review board reviewed all maternal deaths by exploring all factors that would contribute to the death. She noted that seven were suicide, seven were drug and alcohol overdoses, eight were homicide and assault, eight were injury, nine were pregnancy related medical causes, and nine were other medical causes. She stated that the medical causes were primarily heart disease and diabetes.

Ms. Ricci thanked the committee.

SB 58 was HEARD and HELD in committee for further consideration.

#sb55

SENATE BILL NO. 55

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

[9:54:05 AM](#)

SENATOR BILL WIELECHOWSKI, SPONSOR, introduced himself.

[9:54:39 AM](#)

KALI SPENCER, STAFF, SENATOR WIELECHOWSKI, stated that SB 55 extended the termination date of the State Medical Board to June 30, 2031. She stated that the recommendation came from an audit performed by Legislative Audit.

[9:57:43 AM](#)

SYLVAN ROBB, DIRECTOR, DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING, DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, stated that there was a small fiscal note that reflected the continued costs to the State Medical Board.

Co-Chair Olson asked about the significance and cost of investigations.

Ms. Robb responded that investigation costs were not within the fiscal note. She stated that the governor's budget proposed changing the investigation fund source.

Co-Chair Olson spoke of the cost of investigations. He asked about the current number of investigations.

Ms. Robb said that the fiscal note reflected the cost of running the board.

[10:00:07 AM](#)

KRIS CURTIS, LEGISLATIVE AUDITOR, JUNEAU, spoke to the sunset audit of the board.

[10:04:17 AM](#)

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[10:04:56 AM](#)

RECONVENED

Co-Chair Olson OPENED and CLOSED public testimony.

Senator Wielechowski stated that he did not have further comments.

Ms. Spencer thanked the committee.

[10:05:41 AM](#)

Senator Wilson recalled that there was a new cost shift for investigations and wondered whether a percentage of the fee could be used for investigations. He felt that shifting the entire cost to UGF might be too great.

Ms. Robb stated that the investigative fees would be for the 21 boards that were covered by the Division of Corporations, Business, and Professional Licensing. She

shared that the percentage had been examined in the past, such as the Board of Midwives. She stressed that spreading the set fee for every licensee, was because of the differential of the number of licensees.

Senator Wilson felt that determining a fee to cover investigations would not be impossible.

Ms. Robb replied that she could examine a way to determine the fee.

Senator Wilson felt that maybe there could be a nominal fee to offset that cost.

Co-Chair Olson wondered whether the State Medical Board still had a long wait period to receive a license.

Ms. Robb replied that the current licensing time was approximately eight to ten weeks.

[10:10:56 AM](#)

Co-Chair Olson wondered whether the delay was related to podiatrists and physicians assistants.

Ms. Robb agreed to provide that information.

SB 55 was HEARD and HELD in committee for further consideration.

#sb38

SENATE BILL NO. 38

"An Act establishing the crime of interference with emergency communications."

[10:12:07 AM](#)

Senator Wilson thanked the committee for hearing the legislation.

Co-Chair Olson noted that there were five fiscal notes.

Senator Wilson MOVED to REPORT SB 38 with individual recommendations and attached fiscal notes. There being NO OBJECTION, it was so ordered.

SB 38 was REPORTED out of committee with and with three do pass and one no recommendation; and with two new zero fiscal notes from the Department of Administration, and three zero fiscal notes: FN 3(COR), FN 4(LAW), FN 5(DPS).

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ADJOURNMENT

10:14:09 AM

The meeting was adjourned at 10:14 a.m.