

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

April 25, 2024

3:33 p.m.

**MEMBERS PRESENT**

Senator David Wilson, Chair  
Senator James Kaufman, Vice Chair  
Senator Forrest Dunbar

**MEMBERS ABSENT**

Senator Löki Tobin  
Senator Cathy Giessel

**COMMITTEE CALENDAR**

SENATE BILL NO. 219

"An Act relating to utilization review entities; exempting certain health care providers from making preauthorization requests for certain services; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 219

SHORT TITLE: PRIOR AUTH EXEMPT FOR HEALTH PROVIDERS

SPONSOR(S): SENATOR(S) WILSON

02/07/24	(S)	READ THE FIRST TIME - REFERRALS
02/07/24	(S)	L&C, HSS
03/13/24	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/13/24	(S)	Heard & Held
03/13/24	(S)	MINUTE(L&C)
04/08/24	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
04/08/24	(S)	Heard & Held
04/08/24	(S)	MINUTE(L&C)
04/10/24	(S)	L&C WAIVED PUBLIC HEARING NOTICE, RULE 23
04/10/24	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
04/10/24	(S)	Moved SB 219 Out of Committee
04/10/24	(S)	MINUTE(L&C)
04/15/24	(S)	L&C RPT 3DP 1NR

04/15/24 (S) DP: BJORKMAN, DUNBAR, GRAY-JACKSON  
04/15/24 (S) NR: MERRICK  
04/16/24 (S) HSS AT 3:30 PM BUTROVICH 205  
04/16/24 (S) Heard & Held  
04/16/24 (S) MINUTE (HSS)  
04/25/24 (S) HSS AT 3:30 PM BUTROVICH 205

#### **WITNESS REGISTER**

JULIA FONOV, Staff  
Senator David Wilson  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Provided an overview of SB 219 and delivered a summary of changes from version A to B.

#### **ACTION NARRATIVE**

[3:33:22 PM](#)

**CHAIR DAVID WILSON** called the Senate Health and Social Services Standing Committee meeting to order at 3:33 p.m. Present at the call to order were Senators Dunbar, Kaufman, and Chair Wilson.

#### **SB 219-PRIOR AUTH EXEMPT FOR HEALTH PROVIDERS**

[3:34:02 PM](#)

CHAIR WILSON announced the consideration of SENATE BILL NO. 219 "An Act relating to utilization review entities; exempting certain health care providers from making preauthorization requests for certain services; and providing for an effective date."

[3:34:20 PM](#)

CHAIR WILSON stated his office worked with stakeholders and created a committee substitute for SB 219.

[3:34:45 PM](#)

JULIA FONOV, Staff, Senator David Wilson, Alaska State Legislature, Juneau, Alaska, said SB 219 allows providers with a proven track record of approved prior authorizations to be exempt from the lengthy process of requesting authorization from insurance companies. SB 219 would reduce wait times for patients to receive services and reduce the time providers spend performing prior authorizations. Physicians spend an average of two business days a week dedicated to working on prior authorizations. Under SB 219 providers that qualify for exemption would receive a list of services and the duration.

[3:35:42 PM](#)

CHAIR WILSON solicited a motion.

[3:35:56 PM](#)

CHAIR WILSON moved to adopt the committee substitute (CS) for SB 219, work order 33-LS1302\B, as the working document.

[3:36:02 PM](#)

SENATOR KAUFMAN objected for purposes of discussion.

[3:36:08 PM](#)

MS. FONOVO provided a summary of changes for SB 219 from version A to B:

[Original punctuation provided.]

**CSSB 219 (HSS)**

**"An Act relating to utilization review entities; exempting certain health care providers from making preauthorization requests for certain services; and providing for an effective date."**

**SUMMARY OF CHANGES**

**Version A to Version B**

**Section 1:**

Version B raises the approval rate to 90% for prior authorization requests that health care providers must have to be exempt from preauthorization requirements, instead of 80% in Version A.

Version B adds that the approval rate for prior authorization requests is determined after the appeal process.

**Section 2:**

Version B adds a definition for health care provider, which is a person licensed in this state or another state of the United States to provide medical care services, a health care facility, or a health care institution.

[3:37:22 PM](#)

CHAIR WILSON asked if there was further discussion, finding none he asked if objection to the adoption of the CS was maintained.

[3:38:02 PM](#)

SENATOR KAUFMAN removed his objection.

[3:38:03 PM](#)

CHAIR WILSON asked if there was further objection to the adoption of the CS for SB 219.

[3:38:14 PM](#)

SENATOR DUNBAR stated he did not have an objection to the adoption of the CS but asked if there could be discussion after its adoption.

[3:38:17 PM](#)

CHAIR WILSON found no further objection and CSSB 219 was adopted as the working document.

[3:38:25 PM](#)

SENATOR DUNBAR asked whether the "gold card" would apply to specific providers versus groups of providers. He asked if the provision existed in the prior version of SB 219.

[3:38:48 PM](#)

CHAIR WILSON replied it is a forthcoming change that is not currently in SB 219.

[3:38:54 PM](#)

MS. FONOV stated that it is in the definition section for health care provider and can be applied under the CSSB 219. She referenced work draft SB 219, version B, page 3, line 27, "'health care provider' means a person licensed in this state or another state of the United States to provide medical care services, a health care facility, or a health care institution." She stated this definition was not in SB 219, version A. Providers and insurance companies recommended including the definition.

[3:40:07 PM](#)

SENATOR DUNBAR opined that a legal and practical distinction exists between a facility or institution functioning as one entity and a group of providers. He noted that while the providers are not independent contractors, their operations differ from a hospital group. He questioned whether the two groups should be treated the same and suggested further consideration of the issue before SB 219 is heard again.

CHAIR WILSON said he is willing to work on the language used in the definition.

[3:41:07 PM](#)

SENATOR KAUFMAN stated he would reserve his questions for a later hearing of SB 219.

[3:41:15 PM](#)

CHAIR WILSON held SB 219 in committee.

[3:42:13 PM](#)

There being no further business to come before the committee, Chair Wilson adjourned the Senate Health and Social Services Standing Committee meeting at 3:42 p.m.