

ALASKA STATE LEGISLATURE
HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

April 8, 2025

4:07 p.m.

MEMBERS PRESENT

Representative Genevieve Mina, Chair
Representative Andrew Gray
Representative Zack Fields
Representative Donna Mears
Representative Mike Prax
Representative Justin Ruffridge
Representative Rebecca Schwanke

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 96

"An Act establishing the Home Care Employment Standards Advisory Board; relating to payment for personal care services; and providing for an effective date."

- MOVED CSHB 96(HSS) OUT OF COMMITTEE

HOUSE BILL NO. 144

"An Act relating to prior authorization requests for medical care covered by a health care insurer; relating to a prior authorization application programming interface; relating to step therapy; and providing for an effective date."

- MOVED CSHB 144(HSS) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 96

SHORT TITLE: HOME CARE EMPLOYMENT STANDARDS ADV BOARD

SPONSOR(S): REPRESENTATIVE(S) PRAX

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|----------|-----|---------------------------------|
| 02/12/25 | (H) | READ THE FIRST TIME - REFERRALS |
| 02/12/25 | (H) | HSS, L&C |
| 03/25/25 | (H) | HSS AT 3:15 PM DAVIS 106 |
| 03/25/25 | (H) | Heard & Held |
| 03/25/25 | (H) | MINUTE(HSS) |

04/08/25 (H) HSS AT 3:15 PM DAVIS 106

BILL: HB 144

SHORT TITLE: INSURANCE; PRIOR AUTHORIZATIONS

SPONSOR(S): REPRESENTATIVE(S) RUFFRIDGE

03/21/25 (H) READ THE FIRST TIME - REFERRALS
03/21/25 (H) HSS, L&C
04/03/25 (H) HSS AT 3:15 PM DAVIS 106
04/03/25 (H) Heard & Held
04/03/25 (H) MINUTE (HSS)
04/08/25 (H) HSS AT 3:15 PM DAVIS 106

WITNESS REGISTER

JARED KOSIN, President and CEO
Alaska Hospital and Healthcare Association
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 144.

ACTION NARRATIVE

[4:07:47 PM](#)

CHAIR GENEVIEVE MINA called the House Health and Social Services Standing Committee meeting to order at 4:07 p.m. Representatives Prax, Fields, Mears, Ruffridge, Schwanke, and Mina were present at the call to order. Representative Gray arrived as the meeting was in progress.

HB 96-HOME CARE EMPLOYMENT STANDARDS ADV BOARD

[4:08:25 PM](#)

CHAIR MINA announced that the first order of business would be HOUSE BILL NO. 96, "An Act establishing the Home Care Employment Standards Advisory Board; relating to payment for personal care services; and providing for an effective date."

[4:09:06 PM](#)

REPRESENTATIVE PRAX, as prime sponsor, provided a brief recap of the history of HB 96. He said that HB 96 would establish an advisory board to address challenges with home care in Alaska.

[4:10:16 PM](#)

REPRESENTATIVE PRAX moved to adopt Amendment 1 to HB 96, labeled 34-LS0297\I.1, Radford, 4/2/25, which read as follows:

Page 6, lines 2 - 3:
Delete "enrolled with"
Insert "certified by"

CHAIR MINA objected for the purpose of discussion.

REPRESENTATIVE PRAX explained that Amendment 1 would clarify previous concerns regarding HB 96.

CHAIR MINA removed her objection to the motion to adopt Amendment 1. There being no further objection, Amendment 1 was adopted.

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REPRESENTATIVE PRAX moved to adopt Amendment 2 to HB 96, labeled 34-LS0297\I.2, Radford, 4/5/25, which read as follows:

Page 5, lines 11 - 23:
Delete all material and insert:
"(c) The department shall take the recommendations of the board into consideration when setting rates for covered services. If the rate set by the department for a covered service differs significantly from the rate recommended by the board, the commissioner shall notify the board and the chair of each legislative committee having jurisdiction of health and social services in writing."

CHAIR MINA objected for the purpose of discussion.

REPRESENTATIVE PRAX explained that Amendment 2 would simplify the process of producing the annual report by the advisory board.

CHAIR MINA removed her objection to the motion to adopt Amendment 2. There being no further objection, Amendment 2 was adopted.

[4:12:59 PM](#)

REPRESENTATIVE MEARS moved to report HB 96, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 96(HSS) was reported out of the House Health and Social Services Standing Committee.

[4:13:19 PM](#)

The committee took an at-ease from 4:13 p.m. to 4:15 p.m.

HB 144-INSURANCE; PRIOR AUTHORIZATIONS

[4:15:49 PM](#)

CHAIR MINA announced that the final order of business would be HOUSE BILL NO. 144, "An Act relating to prior authorization requests for medical care covered by a health care insurer; relating to a prior authorization application programming interface; relating to step therapy; and providing for an effective date." [Before the committee, adopted as a working document on 4/3/25, was the proposed committee substitute (CS) for HB 144, Version 34-LS0780\N, Wallace, 4/1/25.]

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REPRESENTATIVE RUFFRIDGE, as prime sponsor, provided a brief recap of the history of HB 144. He said that the proposed legislation would improve prior authorization by reducing wait times and increasing access for patients.

[4:17:23 PM](#)

CHAIR MINA opened public testimony HB 144, Version N. After ascertaining that no one wished to testify, she closed public testimony.

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The committee took an at-ease from 4:17 p.m. to 4:22 p.m.

[4:22:23 PM](#)

CHAIR MINA ascertained that Amendment 1 would not be offered.

REPRESENTATIVE GRAY moved to adopt Amendment 2 to HB 144, Version N, labeled 34-LS0780\N.2, Wallace, 4/7/25, which read as follows:

Page 2, line 19:
Delete "If"
Insert "Except as provided in (g) of this section, if"

Page 2, line 27, following "request":
Insert "under (b) of this section,"

Page 3, line 13, following "under":
Insert "(b) of"

Page 3, following line 15:
Insert new subsections to read:
"(g) The times specified in (b) of this section for notifying a health care provider of a decision do not apply to a health care provider that submits a prior authorization request for medical care to be provided on equipment owned by the health care provider, the facility where the health care provider is employed, or an entity affiliated with the facility where the health care provider is employed.

(h) The provisions of (g) of this section do not apply to a prior authorization request submitted by a health care provider employed by a hospital licensed in this state."

REPRESENTATIVE RUFFRIDGE objected.

REPRESENTATIVE PRAX objected.

REPRESENTATIVE RUFFRIDGE stated that HB 144 has been carefully crafted with compromises, and he does not believe Amendment 2 would help the bill move forward.

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REPRESENTATIVE GRAY explained that Amendment 2 would disincentivize the practice of self-dealing, during which physicians prescribe imaging on equipment they already own. He said that this practice is already outlawed in other states and contributes to the increasing cost of healthcare.

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CHAIR MINA asked how Amendment 2 would help lower healthcare costs.

REPRESENTATIVE GRAY responded that Amendment 2 would disincentivize ordering tests that are unnecessary. He said that HB 144 would provide an expedited pathway for physicians to have prior authorizations approved quickly for tests performed on their own equipment. This may cause physicians to prescribe testing that is more expensive to the patient, yet more profitable for the physician.

CHAIR MINA asked about the situation in rural Alaska, where a patient might have access only to one federally qualified health center (FQHC), which owns its own equipment.

REPRESENTATIVE GRAY responded that equipment at an FQHC is not owned by the providers ordering tests, so Amendment 2 would not apply to them.

CHAIR MINA asked about the situation in rural Alaska where there is only one provider who owns their own equipment.

REPRESENTATIVE GRAY responded that he believes that situation is extremely unlikely and emphasized that imaging for emergency care does not require prior authorization, so Amendment 2 would still not apply.

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REPRESENTATIVE RUFFRIDGE said that there is a diverse range of FQHCs in Alaska. He described one FQHC in Skagway and the limited access that Skagway residents have to healthcare other than that FQHC. Therefore, patients do not always have multiple options for care that will be approved with a prior authorization.

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REPRESENTATIVE GRAY moved Conceptual Amendment 1 to Amendment 2, as follows:

Page 1, line 19

Insert "or FQHC" after "hospital"

REPRESENTATIVE RUFFRIDGE objected.

REPRESENTATIVE PRAX objected.

REPRESENTATIVE RUFFRIDGE said that he appreciated the opportunity to exempt FQHCs from the provisions of Amendment 2, but he believes that exemptions highlight the difficulty of Amendment 2 itself.

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REPRESENTATIVE PRAX emphasized that the goal of HB 144 would be to compromise the interests of all the parties it involves, and Amendment 2 with its conceptual amendment, would disrupt that process.

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REPRESENTATIVE GRAY [moved to withdraw] Conceptual Amendment 1 to Amendment 2. [There being no objection, Conceptual Amendment 1 was withdrawn.]

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REPRESENTATIVE PRAX said that his objection to Amendment 2 is the same as his objection to its conceptual amendment. He explained that Amendment 2 would complicate HB 144 in a way that would make it difficult for the bill to move forward.

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REPRESENTATIVE GRAY said that there is nothing in HB 144 that would reduce healthcare costs. He said that expediting the timeline of prior authorizations might actually increase costs. He emphasized that self-dealing is extraordinarily problematic. He said that removing the barriers that prior authorization creates to prescribe expensive testing may increase the practice of self-dealing.

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CHAIR MINA asked what types of equipment other than magnetic resonance imaging (MRI) machines Amendment 2 would apply to.

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JARED KOSIN, President and CEO, Alaska Hospital and Healthcare Association, responded that he does not entirely understand the intention behind Amendment 2. He said that the equipment typically owned by physicians is imaging equipment. He said

that this amendment, by focusing on providers rather than patients, would undermine patients' ability to quickly receive care.

REPRESENTATIVE GRAY responded that he has never done a prior authorization for an x-ray and that Amendment 2 would not prevent a patient from receiving any kind of procedure. He emphasized that the intention of Amendment 2 is to stop self-dealing.

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REPRESENTATIVE SCHWANKE said she appreciates the thought behind Amendment 2. She expressed concern about restricting private businesses who made business decisions, like buying their own equipment, under laws that allowed them to do so for their own profit.

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REPRESENTATIVE RUFFRIDGE asked if healthcare providers, or their employers, would be on a list of entities that own their own equipment. He also asked who would police insurance companies from approving prior authorizations from those entities on their own equipment.

REPRESENTATIVE GRAY responded to Representative Schwanke's concerns, stating that the owners of imaging equipment are making millions of dollars at the expense of Alaska. He emphasized that it is unfair to self-deal. He responded to Representative Ruffridge, stating that Amendment 2 would not place a burden on the state, but insurance companies should know who orders a test and on what equipment.

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REPRESENTATIVE RUFFRIDGE said that Amendment 2 would add a burden to the state because the responsibility would not fall solely on the insurance company. He emphasized that Amendment 2 would delay care and hurt patients.

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REPRESENTATIVE GRAY said that current law in Alaska requires that doctors being paid by Medicare or Medicaid, who own their equipment, must disclose that information to their patients. He disagreed that Amendment 2 would delay care.

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REPRESENTATIVE MEARS asked if Amendment 2 would address an existing issue or would close a loophole that HB 144 would create.

REPRESENTATIVE GRAY responded that there is an existing problem in Alaska. He said that Amendment 2 would not fix this problem but would prevent the problem from becoming easier to occur.

REPRESENTATIVE MEARS asked about practices of self-dealing that could be addressed outside of Amendment 2.

REPRESENTATIVE GRAY responded that a bill stopping self-dealing practices would not be widely supported.

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CHAIR MINA said she would not support Amendment 2.

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A roll call vote was taken. Representative Gray voted in favor of Amendment 2 to HB 144, Version N. Representatives Prax, Ruffridge, Schwanke, Mears, Fields, and Mina voted against it. Therefore, Amendment 2 failed to be adopted by a vote of 1-6.

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REPRESENTATIVE GRAY asked the sponsor of the bill to address how all entities would save money under HB 144, Version N.

REPRESENTATIVE RUFFRIDGE responded that the prior authorization process requires a large workload, which increases their cost. He said HB 144, Version N, would increase efficiency and decrease the employees needed to complete the prior authorization process, thus decreasing the cost to treat patients.

[5:00:41 PM](#)

REPRESENTATIVE MEARS moved to report CSHB 144, Version 34-LS0780\N, Wallace, 4/1/25, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 144 (HSS) was reported out of the House Health and Social Services Standing Committee.

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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 5:01 p.m.