

ALASKA STATE LEGISLATURE
HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

May 15, 2025

4:22 p.m.

MEMBERS PRESENT

Representative Genevieve Mina, Chair
Representative Andrew Gray
Representative Zack Fields
Representative Mike Prax
Representative Justin Ruffridge

MEMBERS ABSENT

Representative Donna Mears
Representative Rebecca Schwanke

COMMITTEE CALENDAR

SENATE BILL NO. 134

"An Act relating to pharmacy benefits managers; relating to third-party administrators; and providing for an effective date."

- MOVED HCS SB 134(HSS) OUT OF COMMITTEE

HOUSE BILL NO. 185

"An Act relating to medical assistance eligibility for family planning services; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 149

"An Act relating to pharmacy benefits managers; relating to third-party administrators; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: SB 134

SHORT TITLE: PHARMACY BENEFITS MANAGER;3RD PARTY ADMIN

SPONSOR(S): SENATOR(S) GIESSEL

03/18/25 (S) READ THE FIRST TIME - REFERRALS

03/18/25	(S)	HSS, L&C
04/01/25	(S)	HSS AT 3:30 PM BUTROVICH 205
04/01/25	(S)	Heard & Held
04/01/25	(S)	MINUTE(HSS)
04/03/25	(S)	HSS AT 3:30 PM BUTROVICH 205
04/03/25	(S)	Heard & Held
04/03/25	(S)	MINUTE(HSS)
04/15/25	(S)	HSS AT 3:30 PM BUTROVICH 205
04/15/25	(S)	Moved SB 134 Out of Committee
04/15/25	(S)	MINUTE(HSS)
04/18/25	(S)	HSS RPT 4DP
04/18/25	(S)	DP: DUNBAR, HUGHES, GIESSEL, TOBIN
04/30/25	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
04/30/25	(S)	Heard & Held
04/30/25	(S)	MINUTE(L&C)
05/05/25	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
05/05/25	(S)	Moved SB 134 Out of Committee
05/05/25	(S)	MINUTE(L&C)
05/07/25	(S)	L&C RPT 4DP 1NR
05/07/25	(S)	DP: BJORKMAN, DUNBAR, MERRICK, GRAY- JACKSON
05/07/25	(S)	NR: YUNDT
05/13/25	(S)	TRANSMITTED TO (H)
05/13/25	(S)	VERSION: SB 134
05/13/25	(H)	HSS AT 3:15 PM DAVIS 106
05/13/25	(H)	<Pending Referral>
05/14/25	(H)	READ THE FIRST TIME - REFERRALS
05/14/25	(H)	HSS, L&C
05/15/25	(H)	HSS AT 3:15 PM DAVIS 106

BILL: HB 185

SHORT TITLE: MEDICAL ASSISTANCE; FAMILY PLANNING
 SPONSOR(s): REPRESENTATIVE(s) HALL

04/11/25	(H)	READ THE FIRST TIME - REFERRALS
04/11/25	(H)	HSS, FIN
05/06/25	(H)	HSS AT 3:15 PM DAVIS 106
05/06/25	(H)	Heard & Held
05/06/25	(H)	MINUTE(HSS)
05/15/25	(H)	HSS AT 3:15 PM DAVIS 106

WITNESS REGISTER

JANE ROHR, Staff
 Senator Cathy Giessel
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Presented SB 134 on behalf of Senator Giessel, prime sponsor.

REPRESENTATIVE CAROLYN HALL
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 185.

JJ JACKSON, Staff
Representative Carolyn Hall
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Representative Hall, prime sponsor of HB 185, read the answers to previously asked questions.

KRISTIN DELFINO, Division Operations Manager
Director's Office
Division of Healthcare Services
Department of Health
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 185.

ACTION NARRATIVE

[4:22:40 PM](#)

CHAIR GENEVIEVE MINA called the House Health and Social Services Standing Committee meeting to order at 4:22 p.m. Representatives Ruffridge, Gray, Fields, and Mina were present at the call to order. Representative Prax arrived as the meeting was in progress.

SB 134-PHARMACY BENEFITS MANAGER;3RD PARTY ADMIN

[4:23:14 PM](#)

CHAIR MINA announced that the first order of business would be SENATE BILL NO. 134, "An Act relating to pharmacy benefits managers; relating to third-party administrators; and providing for an effective date."

[4:23:42 PM](#)

JANE ROHR, Staff, Senator Cathy Giessel, Alaska State Legislature, presented SB 134 on behalf of Senator Giessel,

prime sponsor. She stated that pharmacy benefit managers and third-party administrators do business as intermediaries "between insurance companies and pharmacies or consumers." Some responsibilities include the negotiation of medication prices and the processing of claims. She continued:

Current statute requires these entities to be registered, which only allows for a basic level of recognition. The purpose of this bill is to require transparency and accountability for third-party administrators and pharmacy benefit managers operating in the state of Alaska, by requiring them to be licensed and subject to oversight by the Division of Insurance.

MS. ROHR, in conclusion, offered to answer questions.

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CHAIR MINA noted those available for questions and entertained amendments.

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REPRESENTATIVE RUFFRIDGE moved to adopt Amendment 1 to SB 134, labeled 34-LS0461\A.2, Wallace, 5/14/25, which read as follows:

Page 16, following line 13:

Insert a new bill section to read:

"* Sec. 32. AS 21.36.520(a) is amended to read:

(a) An insurer providing a health care insurance policy or its pharmacy benefits manager may not

(1) interfere with a covered person's right to choose a pharmacy or provider;

(2) interfere with a covered person's right of access to a clinician-administered drug;

(3) interfere with the right of a pharmacy or pharmacist to participate as a network pharmacy;

(4) reimburse a pharmacy or pharmacist an amount less than the amount the pharmacy benefits manager reimburses an affiliate for providing the same pharmacy services, calculated on a per-unit basis using the same generic product identifier or generic code number;

(5) impose a reduction in reimbursement for pharmacy services because of the person's choice among pharmacies that have agreed to participate in the plan

according to the terms offered by the insurer or its pharmacy benefits manager;

(6) use a covered person's pharmacy services data collected under the provision of claims processing services for the purpose of soliciting, marketing, or referring the person to an affiliate of the pharmacy benefits manager;

(7) prohibit or limit a pharmacy from mailing, shipping, or delivering drugs to a patient as an ancillary service; however, the insurer or its pharmacy benefits manager

(A) is not required to reimburse a delivery fee charged by a pharmacy unless the fee is specified in the contract between the pharmacy benefits manager and the pharmacy;

(B) may not require a patient signature as proof of delivery of a mailed or shipped drug if the pharmacy

(i) maintains a mailing or shipping log signed by a representative of the pharmacy or keeps a record of each notification of delivery provided by the United States mail or a package delivery service; and

(ii) is responsible for the cost of mailing, shipping, or delivering a replacement for a drug that was mailed or shipped but not received by the covered person;

(8) prohibit or limit a network pharmacy from informing an insured person of the difference between the out-of-pocket cost to the covered person to purchase a drug, medical device, or supply using the covered person's pharmacy benefits and the pharmacy's usual and customary charge for the drug, medical device, or supply;

(9) conduct or participate in spread pricing in the state;

(10) assess, charge, or collect a form of remuneration that passes from a pharmacy or a pharmacist in a pharmacy network to the pharmacy benefits manager, including claim processing fees, performance-based fees, network participation fees, or accreditation fees;

(11) reverse and resubmit the claim of a pharmacy more than 90 days after the date the claim was first adjudicated, and may not reverse and resubmit the claim of a pharmacy unless the insurer or pharmacy benefits manager

(A) provides prior written notification to the pharmacy;

(B) has just cause;

(C) first attempts to reconcile the claim with the pharmacy; and

(D) provides to the pharmacy, at the time of the reversal and resubmittal, a written description that includes details of and justification for the reversal and resubmittal;

(12) prohibit or limit a pharmacy from collecting a fee from a covered person for a service or product not covered by the covered person's health care insurance policy."

Renumber the following bill sections accordingly.

CHAIR MINA objected for the purpose of discussion.

REPRESENTATIVE RUFFRIDGE explained that there have been reports of contracts or policies that do not allow a pharmacy to collect a fee for additional services, such as delivery or adherence packing, without risking termination of contract. The language that would be added by adopting Amendment 1 would remedy that.

CHAIR MINA removed her objection.

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REPRESENTATIVE GRAY objected. He asked who would pay.

REPRESENTATIVE RUFFRIDGE clarified that Amendment 1 allows for a service that is not already covered under the plan; therefore the fee would be charged to the patient. In response to follow-up questions from Representative Gray, Representative Ruffridge noted that he, as a pharmacist, regularly mails prescriptions to patients in remote areas or when items are difficult to obtain from different locations. He noted that Amendment 1 would allow a pharmacy to offer delivery service.

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REPRESENTATIVE GRAY removed his objection. There being no further objection, Amendment 1 was adopted.

[4:29:15 PM](#)

REPRESENTATIVE GRAY moved to report SB 134, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HCSSB 134(HSS) was reported out of the House Health and Social Services Standing Committee.

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The committee took an at-ease from 4:29 p.m. to 4:31 p.m.

HB 185-MEDICAL ASSISTANCE; FAMILY PLANNING

[4:31:26 PM](#)

CHAIR MINA announced that the final order of business would be HOUSE BILL NO. 185, "An Act relating to medical assistance eligibility for family planning services; and providing for an effective date."

[4:32:02 PM](#)

REPRESENTATIVE CAROLYN HALL, Alaska State Legislature, as prime sponsor of HB 185, reviewed that the proposed legislation would create a family planning state plan amendment (SPA) that expands Medicaid coverage to provide family planning services to Alaskans. She highlighted that the proposed legislation would turn the existing temporary 1115 waiver to a permanent SPA, one benefit of which is that it would increase the number of Alaskans eligible for family planning services to 225 percent of the federal poverty level. She introduced her staff to respond to questions asked at the previous hearing on HB 185.

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JJ JACKSON, Staff, Representative Carolyn Hall, Alaska State Legislature, on behalf of Representative Hall, prime sponsor of HB 185, read [from a handout available in the committee file] responses to previous questions, which read as follows [original punctuation provided]:

What are Family Planning Services?

...Alaska Administrative Code (AAC) 110.230(f) defines "family planning services" as:
"Services and materials provided with the purpose of postponing, avoiding, or terminating pregnancy; includes the dispensing of birth control drugs and

devices for males and females, and the performance of vasectomies, sterilizations, and abortions for the purpose of avoiding or terminating pregnancy.”

State Planning Amendments (SPA) are narrow branches of Medicaid that provide specific services. In the case of the Family Planning (FP) SPA, HB 185 would not include abortion services. As stated on page 2, lines 10 and 11 of the bill, these services would be for “individuals of child-bearing age who are not pregnant.”

Are there examples of other SPAs in other states?

According to a Kaiser Family Foundation (KFF) report, thirty states have a Centers for Medicare & Medicaid Services (CMS) waiver or SPA to cover FP services. Alaska has expanded Medicaid with SPAs, with the passage of HCS SB 58 in 2023, a bill sponsored by Governor Dunleavy, regarding Medicaid eligibility for postpartum mothers.

More information about Preterm Births

In a 2025 study conducted by Dr. Micah Hahn from UAA’s Institute of Circumpolar Health, there are a myriad of factors that contribute to preterm births:

- Pre-pregnancy diabetes
- Hypertension
- Tobacco during pregnancy
- Less than eleven prenatal care visits
- Travelling for birth
- Inadequate prenatal care

More information regarding Congenital Syphilis in Alaska

Based on information provided in a State of Alaska Epidemiology Bulletin (which is provided in this packet), “Congenital Syphilis (CS) is a form of syphilis passed from the mother to the developing fetus.” CS has serious health risks, which include: “neurologic or musculoskeletal disabilities or death of the fetus.” According to former Department of Health Chief Medical Officer Dr. Anne Zink, CS is “A completely preventable condition.” Access to prenatal care covered by an FP SPA could help decrease the rates of CS in Alaska.

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CHAIR MINA opened public testimony on HB 185. After ascertaining there was no one who wished to testify, she closed public testimony.

[4:37:31 PM](#)

REPRESENTATIVE PRAX noted that the bill specifies that the family planning services would be for those who are not pregnant. He asked for confirmation that that "eliminates paying for abortion services."

REPRESENTATIVE HALL confirmed that is correct. In response to follow-up comments, she spoke briefly about increasing access to care, then she deferred to a representative from the Department of Health (DOH).

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KRISTIN DELFINO, Division Operations Manager, Director's Office, Division of Healthcare Services, Department of Health, stated that she is not aware of any specific programs where "an individual with congenital syphilis can come into a facility and gain eligibility through that avenue." She said there are programs for those who need hospitalization services where the hospital can preemptively determine eligibility for a period of time that must be verified through DOH's Division of Public Assistance.

REPRESENTATIVE PRAX concluded that that may be an issue for another time but it is not the point of HB 185. He reiterated his remark about abortion, noting that it would not be correct to think the proposed legislation would cover it.

[4:42:00 PM](#)

REPRESENTATIVE HALL underlined that the emphasis of the bill is for people who are not pregnant.

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MR. JACKSON proffered that family planning typically includes abortion; however, an amendment passed by Congress in 1976 made federal funding for abortion services illegal.

[4:43:18 PM](#)

The committee took a brief at-ease at 4:43 p.m.

4:44:00 PM

REPRESENTATIVE GRAY asked, "Is there any way that this bill could be used to fund abortions."

REPRESENTATIVE HALL answered, "Absolutely not."

4:44:29 PM

CHAIR MINA announced that HB 185 was held over.

CHAIR MINA announced this was the last meeting of the House Health and Social Services Standing Committee for session 2025. She thanked everyone. She expressed her goal of addressing bills in the next session in 2016.

4:46:12 PM

ADJOURNMENT

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 4:46 p.m.