

ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

April 3, 2025

3:46 p.m.

MEMBERS PRESENT

Senator Forrest Dunbar, Chair
Senator Cathy Giessel, Vice Chair
Senator Matt Claman
Senator Löki Tobin
Senator Shelley Hughes

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CONFIRMATION HEARING(S) :

State Medical Board
Samantha Smith - Anchorage

- CONFIRMATION ADVANCED

SENATE BILL NO. 122

"An Act relating to insurance; establishing standards for health insurance provider networks; and providing for an effective date."

- MOVED CSSB 122(HSS) OUT OF COMMITTEE

SENATE BILL NO. 134

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

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 122

SHORT TITLE: HEALTH INSURANCE NETWORK STANDARDS

SPONSOR(S) : SENATOR(S) GIESEL BY REQUEST

03/05/25 (S) READ THE FIRST TIME - REFERRALS
 03/05/25 (S) HSS, L&C
 03/11/25 (S) HSS AT 3:30 PM BUTROVICH 205
 03/11/25 (S) Heard & Held
 03/11/25 (S) MINUTE(HSS)
 03/20/25 (S) HSS AT 3:30 PM BUTROVICH 205
 03/20/25 (S) <Bill Hearing Canceled>
 03/27/25 (S) HSS AT 3:30 PM BUTROVICH 205
 03/27/25 (S) Heard & Held
 03/27/25 (S) MINUTE(HSS)
 04/01/25 (S) HSS AT 3:30 PM BUTROVICH 205
 04/01/25 (S) <Bill Hearing Canceled>
 04/03/25 (S) HSS AT 3:30 PM BUTROVICH 205

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

WITNESS REGISTER

HEATHER CARPENTER, Director
 Division of Insurance
 Department of Commerce, Community and
 Economic Development (DCCED)
 Juneau, Alaska

POSITION STATEMENT: Answered questions about SB 122.

JERRFERY DAVIS, Principal
 Weston Group Consulting
 Wenatchee, Washington

POSITION STATEMENT: Answered questions concerning SB 122.

BRENDA SNYDER, Director
 State Government Affairs, CVS Health
 Tacoma, Washington

POSITION STATEMENT: Testified in opposition to SB 122.

STEVE COMPTON, MD, representing self
 Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to SB 122.

BRANDY SEIGNEMARTIN, Executive Director
Alaska Pharmacy Association
Eagle River, Alaska

POSITION STATEMENT: Testified in support of SB 134.

BETSY DOUDS-PACVAN, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to the appointment of Ms. Smith to the State Medical Board.

JENNIFER FAYETTE, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to the appointment of Ms. Smith to the State Medical Board.

SAMANTHA SMITH, Governor's Appointee, Medical Board
Anchorage, Alaska

POSITION STATEMENT: Testified as the governor's appointee to the State Medical Board.

CANDACE HICKEL, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to the appointment of Ms. Smith.

DONALD GENE HUDSON, DO, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of the appointment of Ms. Smith to the State Medical Board.

ACTION NARRATIVE

[3:46:10 PM](#)

CHAIR DUNBAR called the Senate Health and Social Services Standing Committee meeting to order at 3:46 p.m. Present at the call to order were Senators Hughes, Claman, Tobin, Giessel, and Chair Dunbar.

SB 122-HEALTH INSURANCE NETWORK STANDARDS

[3:47:29 PM](#)

CHAIR DUNBAR announced the consideration of SENATE BILL NO. 122 "An Act relating to insurance; establishing standards for health insurance provider networks; and providing for an effective date."

[3:48:03 PM](#)

CHAIR DUNBAR invited the sponsor to give a recap of SB 122.

[3:48:09 PM](#)

SENATOR GIESSEL recapped the purpose of SB 122 stating it is a consumer protection bill. SB 122 would require insurance companies to maintain adequate provider networks in their policies.

[3:49:14 PM](#)

CHAIR DUNBAR said the committee would hear two amendments.

[3:49:27 PM](#)

CHAIR DUNBAR solicited a motion.

[3:49:29 PM](#)

SENATOR GIESSEL moved to adopt Amendment 1, work order 34-LS0281\N.1.

4-LS0281\N.1
Wallace
3/25/25

A M E N D M E N T 1

OFFERED IN THE SENATE
TO: SB 122

BY SENATOR GIESSEL

Page 1, lines 5 - 10:

Delete all material and insert:

"Sec. 21.07.035. Minimum provider network standards. (a) A health care insurer shall take the network requirements of this section into account when calculating the benefits of, or other contractual requirements applicable to, a covered person's health care insurance policy that, as determined by the director,

(1) requires the covered person to use a limited network of health care providers, as defined in regulation by the director; or

(2) creates a substantial financial or other incentive or disincentive for the covered person to use a limited network of health care providers."

[3:49:32 PM](#)

CHAIR DUNBAR objected for purposes of discussion.

[3:49:40 PM](#)

SENATOR GIESSEL explained that in the original SB 122, section 21.05.035 emphasizes its core purpose as consumer protection by establishing minimum provider network standards. The bill directs the Division of Insurance to assess network adequacy, clarifying that insurers must consider network breadth when calculating benefits. She said the director will evaluate whether networks are so narrow or low-cost that consumers may be misled or lack meaningful choice and will weigh whether consumers are fully informed when selecting between limited, lower-cost networks and broader, higher-cost options.

[3:51:47 PM](#)

SENATOR HUGHES asked for clarification on why Amendment 1 is needed if 90 percent of providers are required to be in-network.

[3:52:06 PM](#)

SENATOR GIESSEL responded that the example is used to illustrate the risk that insurers may intentionally offer extremely narrow networks to attract consumers seeking low premiums. SB 122 is intended as a safeguard to prevent consumers from unknowingly choosing low-cost plans that later limit access to needed specialists, resulting in inadequate coverage when medical needs arise.

[3:53:35 PM](#)

SENATOR HUGHES reiterated that she doesn't understand the need based on large percentages in SB 122. She requested the Division of Insurance Director speak to the committee for further understanding.

[3:54:09 PM](#)

HEATHER CARPENTER, Director, Division of Insurance, Department of Commerce, Community and Economic Development (DCCED), Juneau, Alaska, answered questions about SB 122. She introduced herself.

SENATOR HUGHES asked whether she sees the amendment as necessary.

[3:54:53 PM](#)

MS. CARPENTER replied that how Senator Giessel described it is probably accurate. She said Alaska doesn't have a narrow network and she doesn't know if it would apply to someone who doesn't have privileges at a hospital because of how the networks look.

[3:55:37 PM](#)

SENATOR HUGHES asked whether the amendment would hurt the consumer.

[3:55:47 PM](#)

MS. CARPENTER answered that she doesn't think it will hurt the consumer. She stated she agrees with Senator Giessel that consumers need to be more informed.

[3:56:10 PM](#)

CHAIR DUNBAR removed his objection. He found no further objection and Amendment 1 (N.1) was adopted.

[3:56:25 PM](#)

CHAIR DUNBAR solicited a motion.

[3:56:31 PM](#)

SENATOR CLAMAN moved to adopt Amendment 2, work order 34-LS0281\N.2.

34-LS0281\N.2
Wallace
4/1/25

A M E N D M E N T 2

OFFERED IN THE SENATE
TO:SB 122

BY SENATOR CLAMAN

Page 3, line 3:
Delete "85"
Insert "70"

Page 3, line 7:
Delete "85"
Insert "70"

Page 3, line 10:
Delete "90"
Insert "75"

Page 3, line 14:
Delete "90"
Insert "75"

Page 3, line 18:
Delete "95"
Insert "80"

Page 3, line 22:
Delete "95"
Insert "80"

[3:56:36 PM](#)

CHAIR DUNBAR objected for purposes of discussion.

[3:56:43 PM](#)

SENATOR CLAMAN described Amendment 2 stating it reduces the required provider network coverage percentages in all six regions by 15 percent, such as lowering 85 percent to 70 percent and 90 percent to 75 percent, while maintaining the bill's consumer protections and making the requirements more acceptable to insurers.

[3:57:39 PM](#)

JERRFERY DAVIS, Principal, Weston Group Consulting, Wenatchee, Washington, answered questions concerning SB 122. He stated that the revised percentages are intended to preserve the bill's consumer protection goals and apply only to narrow network plan designs, particularly those with little or no out-of-network coverage. He said in cases where consumers may be drawn to lower-cost plans without fully understanding network limitations, SB 122 requires insurers offering such plans to meet specified network adequacy percentages, which are believed to still fulfill the bill's original intent.

[3:59:27 PM](#)

CHAIR DUNBAR removed his objection. He found no further objection and Amendment 2 (N.2) was adopted.

[3:59:45 PM](#)

CHAIR DUNBAR opened public testimony on SB 122.

[4:00:33 PM](#)

At ease.

[4:00:49 PM](#)

CHAIR DUNBAR reconvened the meeting and resumed public testimony.

[4:01:03 PM](#)

BRENDA SNYDER, Director, State Government Affairs, CVS Health, Tacoma, Washington, testified in opposition to SB 122. She explained that health carriers offer employers and plan sponsors various cost-saving tools, including network design, to balance access, cost, and quality while improving outcomes and controlling expenses. She said carriers already must meet ACA and CMS network adequacy standards, overseen by the Alaska Division of Insurance, and have expanded provider networks significantly in recent years. She argued that the bill's proposed changes to network adequacy percentages would disrupt this balance, weaken quality safeguards, increase provider leverage in negotiations, raise costs and out-of-pocket expenses, and potentially put patient safety at risk.

[4:03:33 PM](#)

STEVE COMPTON, MD, representing self, Anchorage, Alaska, testified in opposition to SB 122. He emphasized that Alaska already suffers from severe provider shortages across multiple specialties, including pulmonology, endocrinology, cardiology, pediatric neurosurgery, and primary care, forcing some patients to leave the state for care. He argued that insurers' cost-control strategies often reduce access to care, that there is currently no clear standard for network adequacy, and that consumer protections are lacking, particularly in light of statements by a dominant out-of-state insurer indicating plans to implement a new network strategy in Alaska.

[4:07:00 PM](#)

CHAIR DUNBAR closed public testimony on SB 122.

[4:07:13 PM](#)

SENATOR HUGHES asked why SB 122 references Medicare Advantage, noting that it is not available in Alaska and primarily serves individuals over age 65. She asked whether the reference is merely to identify a list of specialties and, if so, how pediatric care would be accounted for.

[4:07:57 PM](#)

SENATOR GIESSEL suggested that Mr. Davis answer the question.

[4:08:14 PM](#)

MR. DAVIS replied that the reference is to a list of specialties and acknowledged the point brought up about pediatrics.

[4:08:32 PM](#)

SENATOR HUGHES asked whether this is something that needs to be fixed.

MR. DAVIS replied that adding pediatrics would be a good addition but it's referencing a list not products.

[4:08:50 PM](#)

SENATOR HUGHES stated that the amendment improves SB 122 but remains concerned that it adds another layer of network adequacy requirements beyond those already mandated by the Affordable Care Act. She questioned the use of percentage-based standards rather than provider-to-population ratios. She stated that she is worried that the thresholds may still be too high given Alaska's limited specialists, and cautioned that mandated percentages could increase provider leverage, raise health care costs, and discourage insurer participation, ultimately reducing competition and harming consumers.

[4:11:00 PM](#)

CHAIR DUNBAR solicited the will of the committee.

[4:11:03 PM](#)

SENATOR GIESSEL moved to report SB 122, work order 34-LS0281\N, as amended, from committee with individual recommendations and attached fiscal note(s).

[4:11:19 PM](#)

CHAIR DUNBAR found no objection and CSSB 122(HSS) was reported from the Senate Health and Social Services Standing Committee.

[4:11:32 PM](#)

At ease.

SB 134-PHARMACY BENEFITS MANAGER;3RD PARTY ADMIN

[4:13:14 PM](#)

CHAIR DUNBAR reconvened the meeting and announced the consideration of SENATE BILL NO. 134 "An Act relating to pharmacy benefits managers; relating to third-party administrators; and providing for an effective date."

[4:13:32 PM](#)

CHAIR DUNBAR opened public testimony on SB 134.

[4:13:59 PM](#)

BRANDY SEIGNEMARTIN, Executive Director, Alaska Pharmacy Association, Eagle River, Alaska, testified in support of SB 134. She stated that licensing pharmacy benefit managers and third-party administrators is a necessary, common-sense step to

give the Division of Insurance proper oversight and enforcement authority. While recent legislation improved transparency and accountability, licensure is needed to ensure compliance, align with standard practice.

[4:15:11 PM](#)

CHAIR DUNBAR closed public testimony on SB 134.

[4:15:15 PM](#)

CHAIR DUNBAR held SB 134 in committee.

[4:15:24 PM](#)

At ease.

CONFIRMATION HEARING(S) : STATE MEDICAL BOARD

[4:16:46 PM](#)

CHAIR DUNBAR reconvened the meeting and announced the consideration of the governor's appointee Samantha Smith to the State Medical Board.

[4:17:29 PM](#)

CHAIR DUNBAR opened public testimony on the appointment of Ms. Smith to the State Medical Board.

[4:17:50 PM](#)

BETSY DOUDS-PACVAN, representing self, Anchorage, Alaska, testified in opposition to the appointment of Ms. Smith to the State Medical Board. She expressed strong concern about appointing Ms. Smith as the physician assistant representative on the State Medical Board. She cited her limited practical experience, narrow and atypical work background, and lack of experience working with other PAs in Alaska. She stated that Ms. Smith lacks sufficient understanding of Alaska's medical practice environment and the profession's history in the state. She recommended against confirming Ms. Smith's appointment as it's premature for her career.

[4:21:07 PM](#)

JENNIFER FAYETTE, representing self, Anchorage, Alaska, testified in opposition to the appointment of Ms. Smith to the State Medical Board. She stated that Ms. Smith has the willingness to serve but lacks sufficient clinical breadth, experience in diverse Alaskan practice settings and professional judgment to represent PAs in Alaska.

[4:23:35 PM](#)

At ease.

[4:45:53 PM](#)

CHAIR DUNBAR reconvened the meeting and invited Ms. Smith to testify as the governor's appointee to the State Medical Board.

[4:46:15 PM](#)

SAMANTHA SMITH, Governor's Appointee, State Medical Board, Anchorage, Alaska, testified as the governor's appointee to the State Medical Board. She outlined her education and work history. She stated that while Alaskans are hardworking, she has observed patients being mistreated by the medical community, leading to a loss of trust in the health care system. She cited the common refrain, she has heard from her patients, "I'm sick and tired of being sick and tired." She said this motivated her to seek a role on the medical board, believing Alaskans deserve high-quality care and confidence in their medical providers.

[4:48:53 PM](#)

SENATOR TOBIN explained that the State Medical Board oversees licensure, continuing education, DEA registration, scope of practice, and disciplinary matters. She asked about Ms. Smith's experience with and understanding of this oversight. She also asked about her familiarity with expectations for providers in areas not reflected in her résumé, including DEA registration and prescriptive authority.

[4:49:56 PM](#)

MS. SMITH responded that she lacks direct oversight experience but believes her status as a newer provider gives her familiarity with current laws and licensure processes. She said she understands regulatory requirements through her practice and experience working under others, emphasizing patient safety. She described her understanding of the licensure process, including how applications with potential red flags are reviewed and investigated, and stated she would contact prior employers, programs, boards, and applicants when concerns arise. She explained that she does not hold DEA registration because her practice focuses on non-pharmaceutical treatments and does not involve prescribing pain medications.

[4:55:04 PM](#)

CHAIR DUNBAR returned to public testimony.

[4:55:23 PM](#)

CANDACE HICKEL, representing self, Anchorage, Alaska, testified in opposition to the appointment of Ms. Smith. She stated that

there are more than 25 letters opposing Ms. Smith's appointment. Common themes in the letters were that Ms. Smith's clinical practice does not reflect how PAs practice in Alaska. She said Ms. Smith is unwilling to work with local PA organizations, and she lacks sufficient clinical experience. She noted that Ms. Smith has only four years of experience in a highly specialized field—regenerative medicine—that is not representative of PA practice in Alaska. She said Ms. Smith does not have the experience working in rural settings, and raised concerns about an apparent HIPAA violation suggesting an inability to maintain required confidentiality.

[4:57:12 PM](#)

SENATOR CLAMAN asked whether most physician assistants have a DEA license.

[4:57:35 PM](#)

MS. HICKEL replied yes, and identified concern in Ms. Smith's testimony with her injecting medication without having a DEA license.

[4:58:05 PM](#)

DONALD GENE HUDSON, DO, representing self, Anchorage, Alaska, testified in support of the appointment of Ms. Smith to the State Medical Board. He stated that over his many years in medicine, he has seen both good and poor providers. After reviewing Ms. Smith's charts quarterly, discussing cases with her, and working with her for two years, he explained that her practice does not require a DEA or narcotics license, only a state license. He meets Ms. Smith every other week to discuss patient care.

[5:00:50 PM](#)

CHAIR DUNBAR asked where Dr. Hudson was from.

DR. HUDSON replied Anchorage.

[5:01:04 PM](#)

SENATOR TOBIN asked how many PAs he collaborates with.

MR. HUDSON replied that he currently collaborates with five. He said two PAs are part time and he said is an alternate for a PA on Hilcorp.

[5:02:20 PM](#)

SENATOR TOBIN asked whether he invoiced the PAs for the collaborating agreement.

[5:02:29 PM](#)

DR. HUDSON answered no except, one clinic pays when he shows up.

[5:02:49 PM](#)

CHAIR DUNBAR closed public testimony on the appointment of MS. Smith to the State Medical Board.

[5:03:13 PM](#)

SENATOR CLAMAN asked Ms. Smith whether she has worked in the emergency room during her practice history.

[5:03:28 PM](#)

MS. SMITH replied that she has not worked in an emergency room but has trained with emergency medicine.

[5:03:39 PM](#)

SENATOR CLAMAN asked whether she has worked in a medical family practice clinic.

MS. SMITH answered that she is currently working in family medicine within functional medicine.

[5:03:55 PM](#)

SENATOR CLAMAN asked whether there is a medical doctor that provides supervision in the clinic where Ms. Smith works.

MS. SMITH replied that the medical doctor is Dr. Hudson. She said he isn't in the clinic daily but is available by phone day or night.

[5:04:26 PM](#)

CHAIR DUNBAR asked whether there were any further questions.

[5:04:31 PM](#)

SENATOR TOBIN asked if Ms. Smith has worked in a federally qualified health clinic.

[5:04:46 PM](#)

MS. SMITH replied no.

[5:04:53 PM](#)

SENATOR TOBIN asked whether Ms. Smith was familiar with federally qualified health clinics, as 67 percent of PAs work in those type of facilities.

[5:05:13 PM](#)

MS. SMITH asked for the question to be repeated.

CHAIR TOBIN repeated the question.

[5:05:31 PM](#)

MS. SMITH replied that she is not familiar with the specific operations of a federally qualified health clinic but noted that all PAs follow the same regulations and statutes.

[5:05:58 PM](#)

SENATOR HUGHES said that in Ms. Smith's opening remarks she referenced quality. She asked how the quality of care in Alaska compares to the East Coast.

[5:06:26 PM](#)

MS. SMITH replied that medical care on the East Coast is among the best in the nation, while Alaska's quality does not match that level. She was disappointed upon moving to Alaska, expecting higher standards due to the state's close ties with Washington and hardworking population. Her concerns were based not only on patient reports but also on national trends and statistics, such as the 2023 Commonwealth Fund rankings, where Alaska placed 39th overall and last in prevention and treatment. Alarmed by these findings, she volunteered for the medical board to help improve patient care in Alaska.

[5:09:27 PM](#)

SENATOR HUGHES asked whether Ms. Smith attributes Alaska's lower-quality scores to the providers and, if so, how she plans to improve provider quality through her role on the board.

[5:09:57 PM](#)

MS. SMITH answered that improving provider quality starts with ensuring that only qualified individuals receive licensure, noting she never received a phone call about potential issues on her own application despite guidance that she should have. She said research shows providers with academic or clinical probation may have higher risk of complications. She emphasized monitoring current licensed physicians and PAs to ensure they follow regulations, prevent patient harm, and fairly address complaints, noting the limited availability of medical malpractice attorneys in Alaska.

[5:12:17 PM](#)

CHAIR DUNBAR stated that in accordance with AS 39.05.080, the Senate Health and Social Services Standing Committee reviewed

the following and recommends the appointment be forwarded to a joint session for consideration:

State Medical Board
Samantha Smith - Anchorage

He reminded members that signing the report(s) regarding appointments to boards and commissions in no way reflects individual members' approval or disapproval of the appointees; the nominations are merely forwarded to the full legislature for confirmation or rejection.

[5:12:54 PM](#)

There being no further business to come before the committee, Chair Dunbar adjourned the Senate Health and Social Services Standing Committee meeting at 5:12 p.m.