

Introduced: 5/30/75
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 530

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to statewide coordination of health
7 services."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 18.07.010(a) is amended to read:

10 CHAPTER 07. STATEWIDE [COMPREHENSIVE] HEALTH
11 COORDINATING COUNCIL [PLANNING].

12 (a) The objective of the Statewide [COMPREHENSIVE] Health
13 Coordinating [ADVISORY] Council is the good health of the people of
14 the state. By means of its actions and recommendations, the council
15 seeks to improve the planning for, and delivery of, health care services
16 by:

- 17 (1) moderating health care costs;
18 (2) closing gaps in health care services;
19 (3) preventing fragmentation and overlap in health care
20 services;
21 (4) encouraging the growth of preventive health care;
22 (5) promoting better distribution and wiser use of resources;
23 (6) establishing accountability for health care; and
24 (7) ensuring that consumers of health care services have a
25 voice in health planning and decision making.

26 * Sec. 2. AS 18.07.020 is amended to read:

27 Sec. 18.07.020. STATEWIDE [COMPREHENSIVE] HEALTH COORDINATING
28 [ADVISORY] COUNCIL. There is created a Statewide [COMPREHENSIVE]
29 Health Coordinating [ADVISORY] Council whose membership reflects the

1 broad geographic, socio-economic, age, sex, ethnic, and professional
2 health elements in the state. The composition of the council's member-
3 ship and the term of office of its members shall comply with applicable
4 provisions of federal law.

5 * Sec. 3. AS 18.07.030 is repealed and re-enacted to read:

6 Sec. 18.07.030. MEMBERSHIP; TERM OF OFFICE. (a) The Statewide
7 Health Coordinating Council, created in accordance with sec. 1524 of
8 the federal Public Health Service Act, consists of members appointed
9 by the governor.

10 (b) No fewer than sixteen members shall be selected by the
11 governor from lists of at least five nominees submitted by each of the
12 health systems agencies within the state. Each such health systems
13 agency is entitled to at least two representatives on the council.
14 Each health systems agency shall have the same number of representatives
15 on the council. At least one-half of the health systems agency
16 representatives must be consumers and not providers of health care.

17 (c) In addition to those appointments made under (a) of this
18 section, the governor may appoint such council members as he deems
19 appropriate. The majority of the members appointed under this sub-
20 section must be consumers who are not also providers of health care,
21 and the number of persons so appointed may not exceed 40 per cent of
22 the total membership of the council.

23 (d) At least one-third of the providers of health care who are
24 members of the council shall be direct providers of health care as
25 defined in sec. 100(3)(A) of this chapter.

26 (e) All members serve for four-year staggered terms. Of the
27 initial appointees, the governor shall appoint one-fourth of the
28 council membership for one-year terms, one-fourth for two-year terms,
29 one-fourth for three-year terms and one-fourth for four-year terms.

1 In specifying the terms of the initial appointees, the governor shall
2 respect the various components of council membership as provided in
3 (b), (c), and (d) of this section.

4 (f) Vacancies shall be filled by the governor in the same manner
5 as the original appointments. A term of less than four years shall be
6 assigned when appointment to a full four-year term would impair the
7 system of staggering provided by (e) of this section.

8 * Sec. 4. AS 18.07.040(a) is repealed.

9 * Sec. 5. AS 18.07.060 is amended to read:

10 Sec. 18.07.060. MEETINGS. The council shall meet at times and
11 places determined by the chairman, but no less than once in each
12 calendar quarter of [TWICE] a year. The council shall prescribe its
13 own rules of procedure. However, a quorum is a majority of the
14 members of the council. Effective action requires the affirmative
15 vote of a majority of the members of the council present. No council
16 member may, with respect to the matter before the council, vote for or
17 on behalf of, or in any way exercise the vote of, another member of
18 the council. All business meetings of the council shall be open to
19 the public.

20 * Sec. 6. AS 18.07.080 is repealed and re-enacted to read:

21 Sec. 18.07.080. FUNCTIONS AND DUTIES OF COUNCIL. The council
22 shall

23 (1) annually review and coordinate the health systems plan
24 and the annual implementation plan of each health systems agency in
25 the state; the results of this review shall be reported to the Secretary
26 of Health, Education and Welfare;

27 (2) at least annually, prepare a state health plan based on
28 the individual health systems plans; such health systems plans may be
29 reviewed as necessary to deal more effectively with statewide health

1 needs as viewed by the council; the council shall also consider the
2 preliminary state health plan submitted by the State Health Planning
3 and Development Agency; the council shall conduct public hearings on
4 the state health plan, providing at least 30 days notice in a minimum
5 of two newspapers of general circulation in the state; ample opportunity
6 for written comment shall be provided by the council;

7 (3) review annually the budget of each health systems
8 agency and submit comment to the secretary;

9 (4) review applications submitted by health systems agencies
10 for grants under secs. 1516 and 1640 of the National Health Planning
11 and Resources Development Act of 1974 (P.L. 93-641) and submit comments
12 to the secretary;

13 (5) advise the State Health Planning and Development Agency
14 generally on the performance of its functions, including certifying
15 the state's medical facilities plan as consistent with the overall
16 state health plan;

17 (6) annually review and approve or disapprove any state
18 plan and any application submitted to the secretary as a condition to
19 the receipt of any funds under allotments made to the states under the
20 National Health Planning and Resources Development Act of 1974, the
21 Community Mental Health Centers Act, or the Comprehensive Alcohol
22 Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of
23 1970; the council shall complete such a review within 60 days after
24 receipt of any state plan or application or any revision of a plan or
25 application;

26 (7) perform other functions and duties that are necessary
27 to comply with applicable state and federal health programs.

28 * Sec. 7. AS 18.07.090 is amended to read:

29 Sec. 18.07.090. STATE HEALTH PLANNING AND DEVELOPMENT AGENCY.

1 (a) The Department of Health and Social Services is the state agency
2 responsible for the administration of state [COMPREHENSIVE] health
3 planning and development functions under sec. 1521 [314(a)] of the
4 Public Health Service Act (P.L. 89-749) as amended.

5 (b) The office of [COMPREHENSIVE] health planning and development
6 in the department is responsible for carrying out the [COMPREHENSIVE
7 HEALTH PLANNING] functions [UNDER (a) OF THIS SECTION] set out in sec.
8 95 of this chapter. This office shall provide professional staff for
9 the Statewide Health Coordinating Council [COUNCIL].

10 (c) The department shall adopt [PROMULGATE] regulations under
11 the Administrative Procedure Act (AS 44.62) governing the scope and
12 functions of the office of [COMPREHENSIVE] health planning and develop-
13 ment.

14 * Sec. 8. AS 18.07 is amended by adding a new section to read:

15 Sec. 18.07.095. FUNCTIONS AND DUTIES OF STATE AGENCY. (a) The
16 office of health planning and development shall

17 (1) conduct health planning activities for the state and
18 implement those parts of the State Health Plan relating to state
19 government;

20 (2) at least annually prepare, review and revise as neces-
21 sary, a preliminary State Health Plan composed of health systems plans
22 submitted by the health systems agencies within the state; this pre-
23 liminary State Health Plan shall be submitted to the Statewide Health
24 Coordinating Council for approval or disapproval;

25 (3) develop a state medical facilities plan and assist the
26 Statewide Health Coordinating Council in reviewing the plan and in
27 performing other functions related to it;

28 (4) serve as the designated planning agency of the state
29 for the purposes of sec. 1122 of the Social Security Act;

1 (5) administer the state certificate-of-need program as it
2 applies to new institutional health services;

3 (6) review, at least every five years, all state institu-
4 tional health services and make public the findings regarding the
5 appropriateness of those services; this review shall take the recom-
6 mendations submitted by health systems agencies into consideration and
7 be completed within one year of submission of the recommendations by a
8 health systems agency.

9 (b) Any function described in (a) of this section may be performed
10 by another state agency if requested by the governor and the request
11 is approved by the Secretary of Health, Education and Welfare.

12 (c) If the State agency makes a decision in carrying out the
13 functions described in (a) of this section, which is not consistent
14 with the recommendations of a health systems agency, the state agency
15 shall submit to the appropriate health systems agency a detailed
16 statement of the reasons for the inconsistency.

17 * Sec. 9. AS 18.07.100 is repealed and re-enacted to read:

18 Sec. 18.07.100. DEFINITIONS. In this chapter

19 (1) "annual implementation plan" means the objectives given
20 priority by a health systems agency to achieve the goals of its health
21 systems plan;

22 (2) "council" means the Statewide Health Coordinating
23 Council;

24 (3) "consumer of health care services" means a person who
25 is not a provider of health care services as defined in (8) of this
26 section;

27 (4) "department" means the Department of Health and Social
28 Services;

29 (5) "health systems agency" means an entity organized and

1 operated in accordance with sec. 1512(b) of the Public Health Service
2 Act, engaging in health planning and development functions within a
3 specified health service area of the state designated by the secretary;

4 (6) "health systems plans" mean the detailed statement of
5 goals set forth by a health systems agency;

6 (7) "office" means the office of health planning and develop-
7 ment in the Department of Health and Social Services;

8 (8) "provider of health care services" means

9 (A) a person including a physician, dentist, nurse,
10 podiatrist, or physician assistant, who is a direct provider of
11 health care in that his primary current activity is the provision
12 of health care to individuals or the administration of facilities
13 or institutions, including hospitals, long-term care facilities,
14 outpatient facilities and health maintenance organizations in
15 which that care is provided;

16 (B) a person who is an indirect provider of health
17 care in that

18 (i) he holds a fiduciary position or interest in
19 an entity engaged in the provision of health care, the pro-
20 duction of drugs or medical supplies or in health research
21 or instruction;

22 (ii) he receives either directly or through his
23 spouse, more than one-tenth of his gross annual income from
24 any one or combination of the following: fees or other com-
25 pensation for research into or instruction in the provision
26 of health care; entities engaged in the provision of health
27 care or in such research or instruction; producing or sup-
28 plying drugs or other medical supplies for use in the pro-
29 vision of, research into, or instruction in the provision of

1 health care; or entities engaged in producing drugs or other
2 medical supplies;

3 (iii) he is engaged in issuing policies or con-
4 tracts of individual or group health insurance or hospital
5 or medical service benefits;

6 (iv) he is a member of the immediate family of an
7 individual described in (i), (ii), or (iii) of this sub-
8 paragraph;

9 (9) "institutional health services" means the health services
10 provided through health care facilities and health maintenance organi-
11 zations as those facilities and organizations are defined in the regu-
12 lations authorized by sec. 1122 of the Social Security Act and includes
13 the entities through which such services are provided;

14 (10) "medical facility" means a hospital, public health
15 center, outpatient medical facility, rehabilitation facility, facility
16 for long-term care, or other facility that may be designated by the
17 Secretary of Health, Education and Welfare for the provision of health
18 care for ambulatory patients;

19 (11) "secretary" means the Secretary of the U.S. Department
20 of Health, Education and Welfare;

21 (12) "state agency" means the Department of Health and
22 Social Services, as specified in sec. 90 of this chapter.
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