

Introduced: 1/16/76  
Referred: Health, Education &  
Social Services and Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 CS HOUSE BILL NO. 596

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to local health services."

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

8 \* Section 1. AS 18.05.040(a)(4), 18.10.010 -- 18.10.050, and 18.10-  
9 .260(b) are repealed.

10 \* Sec. 2. AS 18.10 is amended by adding new sections to read:

11 CHAPTER 10. LOCAL HEALTH SERVICES.

12 Sec. 18.10.011. PURPOSE. The purpose of this chapter is to  
13 promote and safeguard the health of the general public by orderly  
14 delegation of authority and responsibility for providing selected  
15 public health functions to local health districts.

16 Sec. 18.10.021. HEALTH DISTRICTS. (a) The health districts of  
17 the state, for purposes of administration of this chapter, are:

- 18 (1) municipalities unified under AS 29.68.240 -- 29.68.440;  
19 (2) organized boroughs which have acquired areawide health  
20 powers under AS 29.33.250 -- 29.33.290;  
21 (3) cities and local health service areas in an organized  
22 borough which has not acquired areawide health powers;  
23 (4) cities or local health service areas in the unorganized  
24 borough;  
25 (5) areas in the unorganized borough served by private  
26 health corporations as defined in sec. 131 of this chapter.

27 (b) A city in the unorganized borough may be included in a  
28 larger health district if its governing body, by a resolution adopted  
29 by a majority of the membership, consents to the inclusion of the city

1 in a local health service area or area served by a private health  
2 corporation and files the resolution with the commissioner.

3 (c) Nothing in this chapter prohibits combining two or more  
4 districts to be treated as a single district for the purposes of this  
5 chapter.

6 Sec. 18.10.031. LOCAL HEALTH SERVICE AREAS IN AN ORGANIZED  
7 BOROUGH. Standards for the organization and administration of local  
8 health service areas in a borough which has not acquired health powers  
9 shall be established by the department by regulation.

10 Sec. 18.10.041. LOCAL HEALTH SERVICE AREAS IN THE UNORGANIZED  
11 BOROUGH. To provide local health services, the department shall  
12 divide the unorganized borough into local health service areas by  
13 using the boundaries of the regional educational service areas created  
14 under AS 14.08.031. However, the department may combine two or more  
15 regional educational service areas to assure that the minimum popula-  
16 tion served in each local health service area will be at least 7,500.  
17 A city excluded from a regional educational service area may be  
18 included in a local health service area established by the department  
19 only upon the adoption of a resolution by its council as provided in  
20 sec. 21(b) of this chapter.

21 Sec. 18.10.051. LOCAL HEALTH SERVICE AREA BOARDS OF THE UNORGA--  
22 NIZED BOROUGH. (a) Each local health service area of the unorganized  
23 borough shall have an elected local board of health broadly representa-  
24 tive of the population of the entire area served.

25 (b) The powers and duties of the boards shall be prescribed by  
26 regulations adopted under this chapter.

27 (c) Formation of the boards and terms of office of the members  
28 shall be as follows:

29 (1) the qualified voters in each local health service area

1 shall elect a local health service area board of seven members, of whom  
2 at least four are otherwise involved with health services only as  
3 consumers;

4 (2) local health service area board members shall be elected  
5 at large by the qualified voters of the area receiving health services;  
6 however, each seat on the health board shall be designated by letter  
7 or number, and a candidate for the board shall indicate the seat for  
8 which he is a candidate on his declaration of candidacy or other  
9 nomination document when he files for office;

10 (3) a vacancy on a local health service area board shall be  
11 filled as provided by AS 14.12.070 for school boards;

12 (4) the term of office of members elected to a local health  
13 service area board is three years;

14 (5) for the first health board elected in each area the  
15 term of office of each member shall be determined by lot with two  
16 members serving a one-year term, two members a two-year term, and  
17 three members a three-year term;

18 (6) nothing in this section prohibits the re-election of a  
19 board member.

20 Sec. 18.10.061. ELECTIONS. (a) In each local health service  
21 area in the unorganized borough, the lieutenant governor, not less  
22 than 60 nor more than 90 days after the establishment of the local  
23 health service area, shall provide for the election of a local health  
24 service area board.

25 (b) Except for the first election of local health service area  
26 board members under (a) of this section, elections shall be held  
27 annually on the first Tuesday of October. Elections shall be admini-  
28 stered by the director of elections in the office of the lieutenant  
29 governor. The lieutenant governor shall adopt regulations for the

1 conduct of elections of local health service area board members.

2 (c) The members of a local health service area are subject to  
3 recall as provided by AS 29.28.130 -- 29.28.250.

4 (d) The cost of each local health service area board election,  
5 or recall election under (c) of this section, shall be borne by the  
6 state.

7 Sec. 18.10.071. GRANTS. (a) The commissioner may make grants  
8 to health districts as defined in sec. 21(a) of this chapter to assist  
9 in meeting costs of providing comprehensive public health services  
10 under one or more plans of service as required in regulations adopted  
11 under this chapter.

12 (b) No grant may be made under this section to a health district  
13 unless an application is made on a fiscal year basis and has been  
14 submitted through the appropriate Health Systems Agency established  
15 under P. L. 93-641 and approved by the commissioner and unless

16 (1) the governing body of the health district has submitted  
17 to the commissioner a plan for the provision of comprehensive health  
18 services and has had the plan initially approved by him; or

19 (2) in those instances where a plan of services has been  
20 initially approved, the commissioner upon his annual review of the  
21 plan, determines that it, and the activities undertaken under it,  
22 continue to meet requirements established for such plans.

23 (c) In making his determination the commissioner shall consider  
24 the relationship of the health district plan to the annual implemen-  
25 tation plan of the appropriate Health Systems Agency established under  
26 P.L. 93-641.

27 (d) An application for a grant under this section shall be sub-  
28 mitted in the form and shall contain the information the commissioner  
29 may require by regulation.

1 (e) In each fiscal year the department shall, in accordance with  
2 the plan of service provided and approved, and under regulations  
3 (including an allotment formula) adopted for the purpose, allot the  
4 sum appropriated for such service among the health districts estab-  
5 lished under this chapter. The formula shall take into consideration  
6 the following factors:

7 (1) 30 per cent shall be distributed on the basis of the  
8 population of the area to be served;

9 (2) 35 per cent shall be distributed on the basis of  
10 program need taking into consideration such factors as the number of  
11 live births, pre-school and school children and the number of establish-  
12 ments or institutions requiring sanitary inspections;

13 (3) 15 per cent shall be added to each grant for admini-  
14 strative costs;

15 (4) 10 per cent of the allocation shall be reserved for  
16 adjustments of grant or contract bases provided by sec. 91 of this  
17 chapter;

18 (5) 10 per cent shall be distributed on the basis of local  
19 tax effort.

20 (f) The minimum health district share is 10 per cent of the  
21 requested state grant. Health district matching funds must be local  
22 money which is not derived from state or federal sources. Maintenance  
23 of effort must be at not less than the level of support provided by  
24 the local governments within the health district before July 1, 1975.

25 Sec. 18.10.081. CONTRACTS. (a) The commissioner may enter into  
26 contracts with the health districts described in sec. 21(a)(4) of this  
27 chapter for the provision of specific health services:

28 (1) in the case of a city located in the unorganized borough,  
29 if the city has a population of 2,000 persons or more; and

1 (2) the commissioner determines that the health services  
2 cannot be provided more efficiently through a local health service  
3 area which is contiguous to the city.

4 (b) The commissioner may enter into contracts with the health  
5 districts described in sec. 21(a)(5) of this chapter for the provision  
6 of specific health services if the private health corporation meets  
7 all of the following requirements:

8 (1) it is broadly representative of the population of the  
9 area served;

10 (2) its representation is endorsed by the governing bodies  
11 of the cities within the area it serves; and

12 (3) it serves equally all state residents presenting them-  
13 selves for assistance or services.

14 (c) Financial support provided under contract with health  
15 districts in accordance with this section shall be paid in the amounts  
16 and under the criteria set out in sec. 71(d) and (e) of this chapter  
17 and application is made in accordance with regulations adopted under  
18 sec. 71(c).

19 Sec. 18.10.091. ADJUSTMENTS OF GRANT OR CONTRACT BASE. (a) The  
20 allocation determined by the formula prescribed by sec. 71(d) of this  
21 chapter shall reflect cost-of-services differentials. The area cost-  
22 of-service differential shall be determined annually in the manner  
23 provided in AS 39.27.030; however, the area cost-of-service differential  
24 to be applied may not be an amount less than the base allocation.

25 (b) As used in (a) of this section, "election district" means an  
26 election district designated by the governor's proclamation of reappor-  
27 tionment and redistricting of December 7, 1961, and retained for the  
28 House of Representatives by the proclamation of the governor issued  
29 September 3, 1965.

1 (c) Allocations calculated under sec. 71(d) of this chapter  
2 shall be further increased by 10 per cent if:

3 (1) in the unorganized borough the largest community within  
4 the health district, or area served by a private health corporation,  
5 is not connected to Anchorage, Fairbanks, Juneau, or Ketchikan by  
6 road, railroad, or ferry; or

7 (2) in the unorganized borough, more than one-half of the  
8 population of the health district lives outside of the largest city in  
9 the area served.

10 Sec. 18.10.101. EXPENDITURE OF FUNDS. Funds received by a  
11 health district under this chapter shall be spent only for the purposes  
12 described in the plan of service which has been approved by the  
13 commissioner.

14 Sec. 18.10.111. PRORATION. If amounts appropriated by the  
15 legislature are insufficient to meet the cost of grants calculated  
16 under this chapter, the funds that are available shall be allocated  
17 pro rata among eligible health districts.

18 Sec. 18.10.121. REGULATIONS. (a) The commissioner shall adopt  
19 regulations necessary to implement this chapter.

20 (b) Regulations shall cover, but need not be limited to

21 (1) formation of local health service areas in an organized  
22 borough which has not acquired health powers;

23 (2) the powers and duties of the boards of local health  
24 service areas in the unorganized borough;

25 (3) requirements for the development of a plan of service  
26 by the health district;

27 (4) minimal standards of service;

28 (5) procedures for the application, revision and approval  
29 of grants to or contracts with health districts which include a de-

1 tailed allocation formula;

2 (6) health district program evaluation;

3 (7) qualifications of professional health personnel.

4 Sec. 18.10.131. DEFINITIONS. In this chapter

5 (1) "commissioner" means the commissioner of the Department  
6 of Health and Social Services;

7 (2) "department" means the Department of Health and Social  
8 Services;

9 (3) "private health corporation" means a non-governmental  
10 organization incorporated under the laws of Alaska and which delivers  
11 health services to a particular area of the state; it includes but is  
12 not limited to the health instrumentalities of the Alaska Native  
13 regional corporations established under the Alaska Native Claims  
14 Settlement Act (P. L. 92-203).