Introduced: 3/26/90
Referred: HESS, L&C and Finance

BY THE HESS COMMITTEE BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 535

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing certain occupational licensing
7 boards to establish peer review committees."

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

9 * Section 1. AS 08.02.020 is amended to read:

10 Sec. 08.02.020. LIMITATION OF LIABILITY FOR MEMBERS OF LICENSING
11 BOARDS AND PEER REVIEW COMMITTEES. A person is not liable for damages
12 or other relief in an action by reason of the person's performance of
13 a duty, function, or activity as a member of a licensing board or peer
14 review committee established <u>under this title</u> [TO REVIEW A LICENSING
15 MATTER], or by reason of a recommendation or action of the board or
16 peer review committee when the person acts in the reasonable belief
17 that the action or recommendation is warranted by facts known to the
18 person or to the board or peer review committee after reasonable
19 efforts to ascertain the facts upon which the action or recommendation
20 is made.

21 * Sec. 2. AS 08.02 is amended by adding new sections to read:

22 Sec. 08.02.030. PEER REVIEW COMMITTEES FOR HEALTH CARE LICENS-
23 EES. (a) A health care licensing board may establish a peer review
24 committee to advise the board or persons who apply under AS 08.02.040
25 on the appropriateness of treatment given by health care licensees and
26 the reasonableness of compensation requested or paid for treatment
27 services.

28 (b) A board may establish a committee as a subcommittee of the
29 board or may contract with an organization of health care providers in

1 this state regulated by the board to provide peer review services
2 under this section.
3 (c) A committee under contract with a board shall contain from
4 three to seven members elected from the general membership of the
5 predominant state professional association. The board shall by
6 regulation set the number of members and prescribe the method of
7 election. Members shall be licensed by the board and shall have been
8 in practice in the state for five years before their election.
9 Membership on the committee should reasonably reflect specialty groups
10 licensed by the board, when possible. The board shall designate a
11 chair of the committee each time a peer review is requested.
12 (d) The members of a committee receive no compensation for their
13 services, but are entitled to per diem and travel expenses authorized
14 for boards and commissions under AS 39.20.180.
15 (e) A person who performs an independent medical examination or
16 evaluation and who is not a member of a committee shall meet the
17 qualifications for membership on the committee.
18 (f) A committee may collect data from health care licensees to
19 enable it to evaluate the appropriateness and cost of treatment.
20 (g) A committee member may not review a case that involves the
21 member, a relative of the member, or a health care licensee who has a
22 substantial financial relationship with the member.
23 Sec. 08.02.040. REQUESTS FOR PEER REVIEW. (a) A health care
24 licensee, a patient of a health care licensee, an entity that issues
25 life, health, or disability policies in the state, a state agency, or
26 a person who self-insures employees in the state with respect to
27 employee health care benefits may request the services of a peer
28 review committee when there is a dispute as to the appropriateness or
29 cost of health care services provided to a patient by a health care

1 licensee.

2 (b) A request under this section shall be made to the appropri-
3 ate board, shall include the information required by the board, and
4 shall be accompanied by payment of a fee established by the department
5 under AS 08.01.065. The board shall refer the request to the commit-
6 tee, if one has been established.

7 Sec. 08.02.050. PEER REVIEW PROCEDURES. (a) Upon receiving
8 from the board a proper request under AS 08.02.040, the committee
9 shall notify each party named in the request that a review has been
10 requested. The committee shall review the information provided by the
11 requester and any other affected party and shall request additional
12 information if needed. The committee may contract with a health care
13 licensee for an independent medical examination.

14 (b) The committee may conduct a hearing on the request or may
15 restrict its review to an examination of materials supplied by the
16 parties.

17 (c) A person requesting a review is responsible for providing
18 all pertinent information to the committee.

19 (d) Within 45 days after receiving all pertinent information,
20 each committee member shall submit written findings to the other
21 committee members. Within 15 days after receiving all members' find-
22 ings, or, if findings are not received from all members, after the end
23 of the 45-day period, the chair shall submit to the committee members,
24 to the board, and to the parties involved, a report that reflects the
25 views of the majority of the committee members.

26 (e) Reports of a committee and findings of a committee's members
27 are not subject to public inspection under AS 09.25.110 - 09.25.125.
28 The individual findings of a committee's members may only be disclosed
29 to other committee members and, upon request, to members of the board.

1 (f) In a review under this section, the committee may determine
2 whether the treatment or advice rendered was appropriate and consis-
3 tent with the records submitted, and whether the fee requested or paid
4 was reasonable when compared to charges made for the same or similar
5 services by other health care licensees. The committee shall limit
6 its review to the specific questions asked by the party requesting the
7 review.
8 (g) After a review is completed, the committee may return all or
9 a portion of the materials requested for review to the persons who
10 provided them.
11 (h) In the event that new information becomes available that may
12 significantly affect the outcome of a review, a request for reconsid-
13 eration may be filed with the committee not later than 30 calendar
14 days from the date of issuance of the report required under (d) of
15 this section. The committee shall consider only new information
16 relating to the review.
17 (i) Allegations that members of a committee engaged in miscon-
18 duct shall be referred directly to the appropriate board.
19 Sec. 08.02.060. EFFECT OF PEER REVIEW. The final report of a
20 committee is advisory to the board and to the persons involved in the
21 review. If the board initiates a disciplinary action based on the
22 results of a peer review conducted under AS 08.02.050, the board must
23 comply with its procedures for imposing disciplinary sanctions, in-
24 cluding a hearing when required.
25 Sec. 08.02.070. RECORDS FOR PEER REVIEW COMMITTEE. (a) A
26 health care licensee who treats patients for compensation shall coop-
27 erate with a committee by providing, upon the request of the commit-
28 tee, records and other information to enable the committee
29 (1) to conduct a review of the appropriateness or cost of

1 health care rendered by the licensee; and

2 (2) to compile a base of data against which the actions of

3 other licensees may be compared.

4 (b) A licensee who refuses or fails to cooperate with a commit-

5 tee as set out in (a) of this section may be subject to discipline by

6 a board.

7 (c) Records and other information submitted to a committee under

8 (a) of this section are not subject to public inspection under AS 09.-

9 25.110 - 09.25.125 and may be used only by members of the committee

10 for the purposes set out in (a) of this section. The report of a

11 committee under AS 08.02.050(d) may not identify in any way a licensee

12 other than the licensee who is the subject of the review. A health

13 care licensee submitting records and other information to the commit-

14 tee under (a)(2) of this section shall delete material that could

15 identify the patient treated.

16 Sec. 08.02.080. REPORT ON PEER REVIEW COMMITTEE ACTIVITIES. No

17 later than January 31 of each year, a committee shall submit to the

18 board that established it an annual report summarizing the committee's

19 activities during the preceding calendar year. The board shall make

20 this report available to the public. The report may not disclose

21 information that would allow identification of a patient who was

22 involved in a review.

23 Sec. 08.02.090. DEFINITIONS. In AS 08.02.030 - 08.02.090

24 (1) "board" means a health care licensing board;

25 (2) "committee" means a peer review committee established

26 under AS 08.02.030;

27 (3) "health care licensee" means a person licensed by a

28 health care licensing board;

29 (4) "health care licensing board" means the Board of

1 Chiropractic Examiners established under AS 08.20, the Board of Dental
2 Examiners established under AS 08.36, the State Medical Board estab-
3 lished under AS 08.64, the Board of Examiners in Optometry established
4 under AS 08.72, the Board of Psychologist and Psychological Associate
5 Examiners established under AS 08.86, and, with respect to naturopaths
6 licensed under AS 08.45, the Department of Commerce and Economic
7 Development;
8 (5) "independent medical examination or evaluation" means
9 an examination or evaluation of a patient or of the records of treat-
10 ment of a patient for the purpose of rendering an opinion to the peer
11 review committee, done by a disinterested health care licensee;
12 (6) "predominant state professional association" means the
13 professional association that represents the greatest number of health
14 care licensees in the state regulated by a board, as determined by
15 that board.