

SCR

46

# STATE OF ALASKA THE LEGISLATURE

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Mary Van Nimwegen

SCR 46

H. HESS	3/24/90
H. HESS	3/30/90
H. HESS	4/1/90

# HOUSE COMMITTEE REPORT

(7)

Date Referred: March 12, 1990

FURTHER REFERRALS:

FINANCE

Date of Committee Action: 4/4/90

The HESS Committee considered:

SCR 46 AM

SENATE CONC. RES. NO. 46 AM HEALTH CARE COST CONTAINMENT TASK FORCE

Relating to the Health Care Cost Containment Task Force.

[ ] be replaced with HCS SCR 46 (HESS) [X] the same title  
 [ ] have attached amendment(s) [ ] a new title

[X] do pass  
 [ ] do not pass  
 [ ] no recommendation  
 [ ] individual recommendations  
 [ ] additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of intent

ATTACHES NEW FISCAL NOTE(S):

[ ] fiscal impact  
 [ ] zero fiscal note  
 [ ] zero with analysis

APPROVES PREVIOUS:

[X] fiscal note(s) published:  
2/28/90 JAA  
 [ ] zero fiscal notes(s) published:

SIGNING DO PASS:

J. Ellis  
Cheri Davis  
Greg J. ...  
Mark Boyer  
Ed ...  
...

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

J. Ellis  
 Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Affected Agency: Legislative Affairs Agency  
 Title: Relating to the Health BRU: Legislative Council  
Care Cost Containment Task Force.  
 Sponsor: Senate Rules Components: Council & Subcommittees  
 Requestor: Senate Finance

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY91	FY92	FY93	FY94	FY95	FY96
Personal Services	*52.2	0	0	0	0	0
Travel	*20.0	0	0	0	0	0
Contractual	*60.0	0	0	0	0	0
Supplies	0.0	0	0	0	0	0
Equipment	0.0	0	0	0	0	0
Land & Structures						
Grants, Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>*132.2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CAPITAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>REVENUE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

FUNDING: (THOUSANDS OF DOLLARS)

General Fund	*132.2	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>TOTAL</b>	<b>*132.2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

POSITIONS:

Full-Time	0	0	0	0	0	0
Part-Time	1	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

\*FY 91 funding for the Health Care Cost Containment Task Force is being requested in the Legislative Affairs Agency budget under the Council & Subcommittees component.

Funding will support the Task Force from July 1, 1990 to February 15, 1991. A part time staff position is required to support the Task Force comprised of Legislators, Executive Branch members and Public Employee Union representatives.

Travel and contractual funds are requested to support the Task Force.

Prepared By: Pamela Stoops, Director *Pamela Stoops* Phone: 465-3850  
 Division: Administrative Services Date: 2/26/90

Approved By: Warren Endicott, Executive Director *Warren Endicott*  
 Agency: Legislative Affairs Agency Date: 2/26/90

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REQUESTOR  
OFFICE OF MANAGEMENT & BUDGET  
AGENCY (IES)

Kodiak  
Juneau

WELCOME

This is the first of several House HESS meetings to address the issues of access and cost of health care in Alaska.

It is my desire to continue to support the work the Health Care Cost Containment Task Force in their efforts to reduce the costs of health care for state employees. Senate Concurrent Resolution 46 (SCR 46) which is before the committee today will continue the work of the task force.

A greater issue that this Committee has been grappling with for several years is finding the means to provide access to health care for all Alaskans.

During the hearings today and in Juneau next Friday and Saturday we will divide this topic into two areas: 1) what are the options to consider in achieving universal health care in Alaska?, and 2) what is the best decision making structure and process to promote a program for universal health care in Alaska?

In relation to the first question (options) we will be considering today HB 533, by Rep. Finkelstein, which would allow for a person to voluntarily devote their permanent fund dividend to buy health care coverage.

In relation to the second question (structure and strategy) we will consider today HB 581, by this Committee, which will establish a Governor's appointed task force to work for 18 months to develop a Universal Health Care Program for Alaska. The Universal Health Care Task Force would also develop a strategy to implement the Program.

Next week, national experts, provided by the National Conference of State Legislatures (NCSL), will be in Juneau to help the Committee address these issues.

Today's hearing will be free form. Anyone testifying may address any or all of the bills before the Committee, or may talk generally about the costs of and access to health care in Alaska.

**HEALTH EDUCATION AND SOCIAL SERVICES COMMITTEE**

ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES

P.O. BOX V, JUNEAU 99811  
(907) 463-3159



**HEARINGS REGARDING  
UNIVERSAL HEALTH CARE FOR ALASKANS**

Saturday, March 24, 3:30-5:30, Held at Anchorage LIO,  
Teleconferenced to Juneau

\*HB 581: Universal Health Care Task Force

\*HB 533: Health Insurance in Lieu of PFD

SCR 46: Health Care Cost Containment Task Force

Friday, March 30, 8:30 a.m., Capitol rm. 106

National Conference of State Legislatures (NCSL)  
Presentation: Health Care for All Alaskans

HB 581: Universal Health Care Task Force

HB 533: Health Insurance in Lieu of PFD

SCR 46: Health Care Cost Containment Task Force

HB 47: Catastrophic Illness Insurance

SB 315: Long Term Care Disability Insurance

Saturday, March 31, 9:30-11:30, Butrovich Room

NCSL Presentation: The Best Options for Providing  
Universal Health Care in Alaska

HB 47: Catastrophic Illness Insurance

HB 533: Health Insurance in Lieu of PFD

SB 315: Long Term Care Disability Insurance

Saturday, March 31, 1:30-3:30, Butrovich Room

NCSL Presentation: The Strategy and Structure Used by  
Other States to Address Universal Health Care

HB 581: Universal Health Care Task Force

SCR 46: Health Care Cost Containment Task Force

6-1955J  
Ford  
4/3/90

Original sponsor(s): Rules Committee by Request of the Health Care Cost Containment Task Force

1 IN THE SENATE BY THE HESS COMMITTEE

2 HOUSE CS FOR SENATE CONCURRENT RESOLUTION NO. 46 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 Relating to the Health Care Cost Con-  
6 tainment Task Force.

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

8 WHEREAS the First Session of the Sixteenth Alaska State Legislature  
9 resolved to determine ways to contain or reduce the increasing cost of  
10 group health insurance to the state and its political subdivisions; and

11 WHEREAS the Health Care Cost Containment Task Force established for  
12 this purpose in 1989 by Legislative Resolve No. 8 has made substantial  
13 progress in achieving savings and health care cost reductions; and

14 WHEREAS these efforts have resulted in

15 (1) \$4,000,000 of refunds to the state for fiscal year 1989;

16 (2) implementation of cost containment measures in the state's  
17 health plans that will reduce cost increases by \$4,500,000 in fiscal year  
18 1990 and \$7,000,000 in the years ahead;

19 (3) reduction in the amount of the health insurance premium for  
20 the state's active employees from \$431.72 to \$385.00 per month per employee  
21 that is guaranteed until February 1, 1991; and

22 (4) a \$9 reduction in the amount of the health insurance premium  
23 for the state's retirees, to \$244 per retiree, that is also guaranteed  
24 until February 1, 1991, and resulting in a saving to the state's pension  
25 funds of \$1,200,000; and

26 WHEREAS the task force is investigating other measures that have  
27 potential for long-term control of medical and health care cost inflation,  
28 principally through insurance pooling, self-insurance options, health care  
29 purchasing groups, and provider payment schedules; and

1 WHEREAS pending federal and state legislation could substantially  
2 shift additional health costs to the state; and

3 WHEREAS there is evidence that the unpaid portion of the cost of  
4 health care for state residents who are uninsured is included in the cost  
5 of health insurance for employees in both the private sector and govern-  
6 ment; and

7 WHEREAS the Health Care Cost Containment Task Force is scheduled to  
8 terminate January 31, 1990;

9 BE IT RESOLVED by the Alaska State Legislature that the Health Care  
10 Cost Containment Task Force established in 1989 by Legislative Resolve  
11 No. 8 shall continue the work described in its January 31, 1990, report to  
12 the legislature; and be it

13 FURTHER RESOLVED that the Health Care Cost Containment Task Force also  
14 examine the number of state residents without health insurance or the  
15 benefit of government health care programs, the cost of providing health  
16 care for state residents who are uninsured, and the effects of the cost  
17 shifting from uninsured residents' health care to insured private and  
18 government employers, medicare and workers' compensation programs, and  
19 recommend solutions regarding the problem of health care for the uninsured,  
20 including recommended solutions to the Universal Health Care Task Force, if  
21 it is created by the Sixteenth Alaska State Legislature; and be it

22 FURTHER RESOLVED that the Health Care Cost Containment Task Force  
23 terminates on February 15, 1991; and be it

24 FURTHER RESOLVED that the Health Care Cost Containment Task Force  
25 shall submit a final report of its findings, recommendations, and proposed  
26 legislation to the governor and the legislature by February 15, 1991.  
27  
28  
29