

H B

3 4 5

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Alaska Health Care Claims Act

Agency Affected: Commerce & Economic Dev.
BRU: Occupational Licensing

Sponsor: Rules Committee
Requestor: Governor

Components: Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 89 | FY 90 | FY 91 | FY 92 | FY 93 | FY 94 |
|------------------------|-------|--------------|--------------|--------------|--------------|--------------|
| PERSONAL SERVICES | | 374.7 | 374.7 | 374.7 | 374.7 | 374.7 |
| TRAVEL | | 155.5 | 155.5 | 155.5 | 155.5 | 155.5 |
| CONTRACTUAL | | 196.8 | 196.8 | 196.8 | 196.8 | 196.8 |
| SUPPLIES | | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| EQUIPMENT | | 51.0 | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | | 798.0 | 747.0 | 747.0 | 747.0 | 747.0 |

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|---------|--|---|---|---|---|---|
| REVENUE | | 0 | 0 | 0 | 0 | 0 |
|---------|--|---|---|---|---|---|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|--|--------------|--------------|--------------|--------------|--------------|
| GENERAL FUND | | 798.0 | 747.0 | 747.0 | 747.0 | 747.0 |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | | 798.0 | 747.0 | 747.0 | 747.0 | 747.0 |

POSITIONS:

| | | | | | | |
|-----------|--|---|---|---|---|---|
| FULL-TIME | | 8 | 8 | 8 | 8 | 8 |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

ANALYSIS : (Attach a separate page if necessary)

The bill creates an Alaska Health Care Claims Board consisting of 5 members to adjudicate claims against health care providers, for compensation resulting from injury and/or death of an individual. Costs associated with the new board and support staff are explained on the attached pages.

Prepared by: Jennifer Strickler, Administrative Officer Phone: 465-2144
Division: Occupational Licensing Date: May 2, 1989

Approved by Commissioner: Larry Merculieff Date: 5/2/89
Agency: Commerce and Economic Development

Distribution (by preparer):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

PERSONAL SERVICES

| | |
|---|--------------|
| 1 - Executive Director, Range 24A | \$ 73.4 |
| 1 - Administrative Officer I, Range 17A | 48.3 |
| 1 - Investigator III, Range 18A | 51.0 |
| 1 - Hearing Examiner, Range 24A | 73.4 |
| 1 - Legal Secretary I, Range 10 | 32.3 |
| 1 - Regulations Specialist I, Range 13 | 37.7 |
| 2 - Clerk-Typist III, Range 8A (29.3 x 2) | 58.6 |
| SUB-TOTAL for PS | \$ 374.7 |

TRAVEL

One meeting per month (12 per year), 4 days each. Meetings are based on 4 to be held in Anchorage, 4 in Juneau and 4 in Fairbanks; with a board composition of 2 Anchorage members, 2 Juneau members, and 1 Fairbanks member.

ANCHORAGE MEETING:

Board Members:

1) Anchorage Members -

Transportation 0 0.0

Compensation/Per Diem:

| | | |
|---|------------|---------|
| \$400 per person x 4 days = \$1600 x 4 mtgs | 6,400 | |
| \$ 80 per person x 4 days = \$ 320 x 4 mtgs | 1280 | |
| | 7680 x 2 = | \$ 15.4 |

2) Juneau Members -

Transportation
\$356 r/t x 2 members = \$722 x 4 mtgs. 2.9

Compensation/Per Diem:

| | | |
|---|------------|---------|
| \$400 per person x 4 days = \$1600 x 4 mtgs | 6,400 | |
| \$ 80 per person x 4 days = \$ 320 x 4 mtgs | 1280 | |
| | 7680 x 2 = | \$ 15.4 |

3) Fairbanks Member -

Transportation
\$232 x 4 mtgs. .9

Compensation/Per Diem:

| | | |
|---|-------|--------|
| \$400 per person x 4 days = \$1600 x 4 mtgs | 6,400 | |
| \$ 80 per person x 4 days = \$ 320 x 4 mtgs | 1280 | |
| | 7680 | \$ 7.7 |

Total of 4 ANCHORAGE Mtgs \$ 42.3

JUNEAU MEETING:

Board members

1) Anchorage Members -

Transportation

\$366 r/t x 2 members = \$732 x 4 mtgs 2.9

Compensation/Per Diem:

\$400 per person x 4 days = \$1600 x 4 mtgs 6,400
\$ 80 per person x 4 days = \$ 320 x 4 mtgs 1280
7680 x 2 = \$ 15.4

2) Juneau Members -

Transportation

0 0.0

Compensation/Per Diem:

\$400 per person x 4 days = \$1600 x 4 mtgs 6,400
\$ 80 per person x 4 days = \$ 320 x 4 mtgs 1280
7680 x 2 = \$ 15.4

3) Fairbanks Member -

Transportation

\$436 x 4 mtgs. 1.7

Compensation/Per Diem:

\$400 per person x 4 days = \$1600 x 4 mtgs 6,400
\$ 80 per person x 4 days = \$ 320 x 4 mtgs 1280
7680 \$ 7.7

Staff

- Executive Director
- Investigator III
- Hearing Examiner
- Legal Secretary I
- Regulations Specialist I

Transportation

\$366 r/t x 5 = \$1830 x 4 mtgs 7.3

Per Diem

\$80 x 4 days = \$320 x 4 mtgs = \$1280 x 5 staff 6.4

Total of 4 JUNEAU Mtgs \$ 56.8

FAIRBANKS MEETING

No. 1
HB 345
4 of 5

• Board members

1) Anchorage Members -

Transportation

\$232 r/t x 2 members = \$464 x 4 mtgs 1.9

Compensation/Per Diem:

\$400 per person x 4 days = \$1600 x 4 mtgs 6,400

\$ 90 per person x 4 days = \$ 360 x 4 mtgs 1,440

7840 x 2 = \$ 15.7

2) Juneau Members -

Transportation

\$436 r/t x 2 members = \$872 x 4 mtgs 3.5

Compensation/Per Diem:

\$400 per person x 4 days = \$1600 x 4 mtgs 6,400

\$ 90 per person x 4 days = \$ 360 x 4 mtgs 1,440

7840 x 2 = \$ 15.7

3) Fairbanks Member -

Transportation

0 0.0

Compensation/Per Diem:

\$400 per person x 4 days = \$1600 x 4 mtgs 6,400

\$ 90 per person x 4 days = \$ 360 x 4 mtgs 1,440

7840 \$ 7.8

Staff

- Executive Director
- Investigator III
- Hearing Examiner
- Legal Secretary I
- Regulations Specialist I

Transportation

\$232 r/t x 5 = \$1160 x 4 mtgs 4.6

Per Diem

\$90 x 4 days = \$360 x 4 mtgs = \$1440 x 5 staff 7.2

Total of 4 FBX Mtgs \$ 56.4

SUB-TOTAL for TRAVEL

\$ 155.5

CONTRACTUAL SERVICES

| | | |
|---|-------|-----------------|
| Postage, printing, communications, and other standard operating costs | | \$19.0 |
| Legal costs: | | |
| AG Services (2 AG's at \$63.9 per person) | 127.8 | |
| Court Reporters (transcription services) | 50.0 | |
| | 177.8 | 177.8 |
| SUB-TOTAL for CS | | \$ 196.8 |

SUPPLIES

| | | |
|--|--|----------------|
| Standard operating supplies for staff | | \$ 10.0 |
| Litigation supplies (tapes, paper, etc.) | | 10.0 |
| SUB-TOTAL for SUPPLIES | | \$ 20.0 |

EQUIPMENT

| | | |
|-------------------------------------|--|----------------|
| Standard Office equipment for staff | | 46.0 |
| Postage equipment | | 2.0 |
| Litigation equipment (recording) | | 3.0 |
| SUB-TOTAL for EQUIPMENT | | \$ 51.0 |

| | | |
|--|--|-----------------|
| PROGRAM TOTAL FOR THE ALASKA HEALTH CARE CLAIMS BOARD | | \$ 798.0 |
|--|--|-----------------|

(1) FINDINGS & Purpose? - Why ARE we DOING this?

(2) Due process / Right to TRIAL?

IF There is no stated PUBLIC Purpose
~~THE~~ how CAN we justify "exclusive
Remedy?"

How CAN we justify A filing
fee to exercise your right?

(3) A DETERMINATION of FAULT HAS to
be MADE because INJURY HAS to
result from errors or omissions
of PROVIDER.

So WHAT is being "solved" by
this BILL?

(4) PROVIDER WILL ALWAYS DENY FAULT
SO BOARD WILL HAVE to MAKE
DETERMINATION in nearly every CASE.

(over)

MEMORANDUM

State of Alaska

Department of Law

TO: Sheri Kochman
Legislative Liaison
Office of the Governor

DATE: 7 September 1989

FILE NO:

TEL NO: 276-3550

SUBJECT: SB 354
Medical malpractice

FROM: Kristin S. Knudsen *KSK*
Assistant Attorney General
Special Litigation - Anchorage

I apologize for not getting these figures to you sooner.

I used hypothetical medical accidents of various types with projected permanent results. These results I reduced to rated impairments of the whole man using the AMA Guides to the Evaluation of Permanent Impairment (currently used by the Workers' Compensation Board). The percentage of impairment is multiplied by the upper limits of \$1,000,000; \$500,000; and \$250,000.

1. Amputation of big toe (e.g., improper wound care in diabetic patient leading to gangrene): 5% impairment. \$50,000, \$25,000, and \$12,500 respectively.
2. Burning or numb sensation on bottom of foot following nerve damage in back surgery: 3% impairment. \$30,000, \$15,000, and \$7,500 respectively.
3. Unilateral loss, e.g. by severance, of the optic nerve (one eye): 24% impairment. \$240,000, \$120,000 and \$60,000 respectively.
4. Persistent proteinuria requiring regular medical checks as a result of inadequate monitoring of serum creatinine following surgery: 15% impairment. \$120,000, \$60,000 and \$30,000.

Please call if you need further information of this type.

KSK:

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL NUMBER: _____
PUBLISHED DATE: _____

FISCAL NOTE

REQUEST:

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Agency Affected: Commerce & Economic Dev.
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| TRAVEL | | 155.5 | 155.5 | 155.5 | 155.5 | 155.5 |
| CONTRACTUAL | | 196.8 | 196.8 | 196.8 | 196.8 | 196.8 |
| SUPPLIES | | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| EQUIPMENT | | 31.0 | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | | 798.0 | 747.0 | 747.0 | 747.0 | 747.0 |
| CAPITAL | | | | | | |
| REVENUE | | 0 | 0 | 0 | 0 | 0 |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|--|--------------|--------------|--------------|--------------|--------------|
| GENERAL FUND | | 798.0 | 747.0 | 747.0 | 747.0 | 747.0 |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | | 798.0 | 747.0 | 747.0 | 747.0 | 747.0 |

POSITIONS:

| | | | | | | |
|-----------|--|---|---|---|---|---|
| FULL-TIME | | 8 | 8 | 8 | 8 | 8 |
| PART-TIME | | | | | | |
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ANALYSIS : (Attach a separate page if necessary)

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Prepared by: Jennifer Strickler, Administrative Officer
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Phone: 465-2144
Date: May 2, 1989

Approved by Commissioner: Larry Merculieff
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Date: 5/2/89

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- Legislative Sponsor
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PERSONAL SERVICES

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TRAVEL

One meeting per month (12 per year), 4 days each. Meetings are based on 4 to be held in Anchorage, 4 in Juneau and 4 in Fairbanks, with a board composition of 2 Anchorage members, 2 Juneau members, and 1 Fairbanks member.

ANCHORAGE MEETING:

Board Members:

1) Anchorage Members -

| | | |
|---|------------|---------|
| Transportation | 0 | 0.0 |
| Compensation/Per Diem: | | |
| \$400 per person x 4 days = \$1600 x 4 mtgs | 6,400 | |
| \$ 80 per person x 4 days = \$ 320 x 4 mtgs | 1280 | |
| | 7680 x 2 = | \$ 15.4 |

2) Juneau Members -

| | | |
|---|------------|---------|
| Transportation | | |
| \$366 r/t x 2 members = \$722 x 4 mtgs. | | 2.9 |
| Compensation/Per Diem: | | |
| \$400 per person x 4 days = \$1600 x 4 mtgs | 6,400 | |
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| Transportation | | |
| \$232 x 4 mtgs. | | .9 |
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| | |
|---------------------------|---------|
| Total of 4 ANCHORAGE Mtgs | \$ 42.3 |
|---------------------------|---------|

JUNEAU MEETING:

Board members

1) Anchorage Members -

Transportation

| | |
|--|-----|
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Compensation/Per Diem:

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| \$436 x 4 mtgs. | 1.7 |
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Staff

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- Hearing Examiner
- Legal Secretary I
- Regulations Specialist I

Transportation

| | |
|---------------------------------|-----|
| \$366 r/t x 5 = \$1830 x 4 mtgs | 7.3 |
|---------------------------------|-----|

Per Diem

| | |
|---|-----|
| \$80 x 4 days = \$320 x 4 mtgs = \$1280 x 5 staff | 6.4 |
|---|-----|

| | |
|------------------------|---------|
| Total of 4 JUNEAU Mtgs | \$ 56.8 |
|------------------------|---------|

FAIRBANKS MEETING

No. 1
HB 343
4 of 5

Board members

1) Anchorage Members -

Transportation

\$232 r/t x 2 members = \$464 x 4 mtgs 1.9

Compensation/Per Diem:

\$400 per person x 4 days = \$1600 x 4 mtgs 6,400

\$ 90 per person x 4 days = \$ 360 x 4 mtgs 1,440

7840 x 2 = \$ 15.7

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Staff

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Transportation

\$232 r/t x 5 = \$1160 x 4 mtgs 4.6

Per Diem

\$90 x 4 days = \$360 x 4 mtgs = \$1440 x 5 staff 7.2

Total of 4 FBX Mtgs \$ 56.4

SUB-TOTAL for TRAVEL

\$ 155.6

CONTRACTUAL SERVICES

Postage, printing, communications, and other standard operating costs \$19.0

Legal costs:

| | | |
|---|-------|-------|
| AG Services (2 AG's at \$63.9 per person) | 127.8 | |
| Court Reporters (transcription services) | 50.0 | |
| | 177.8 | 177.8 |

SUB-TOTAL for CS \$ 196.8

SUPPLIES

| | |
|--|---------|
| Standard operating supplies for staff | \$ 10.0 |
| Litigation supplies (tapes, paper, etc.) | 10.0 |

SUB-TOTAL for SUPPLIES \$ 20.0

EQUIPMENT

| | |
|-------------------------------------|------|
| Standard Office equipment for staff | 46.0 |
| Postage equipment | 2.0 |
| Litigation equipment (recording) | 3.0 |

SUB-TOTAL for EQUIPMENT \$ 51.0

PROGRAM TOTAL FOR THE ALASKA HEALTH CARE CLAIMS BOARD \$ 798.0



Representative Dave Donley, Chair

House Labor & Commerce Committee

DATE: November 30, 1989

PLACE: Fifth Floor Conf. Rm.
Anchorage LIO

SUBJECT OF MEETING:
Continuation of Medical Liability Insurance
Legislation and Issues
Proposed Legislation - Medical Malpractice Liability Insurance
HB 286 - Workplace Safety Violations
Proposed Wage and Hour Legislation

| NAME | REPRESENTING | BUSINESS/PERSONAL MAILING ADDRESS | ZIP | (H) PHONE | (W) PHONE | DO YOU WANT TO TESTIFY? | WHAT SUBJECT/ WHICH BILL? |
|-----------------|---------------------------|------------------------------------|-------|-----------|-----------|--------------------------------------|---------------------------|
| Debra C. Gravo | AATL and AAT | PO Box 102323 Anchorage AK | 99515 | | 259-4040 | Y <input checked="" type="radio"/> N | |
| Rick Union | ASMA | Box 020868 JULIAN ST | 99802 | | | Y <input checked="" type="radio"/> N | |
| Mary Pierce | MICHA | 4000 Old Seward Hwy Suite 803 | 99503 | | | Y <input checked="" type="radio"/> N | |
| Pam Ventron | State Medical Board | 3601 C St # 722 Anch | 99503 | | 561-2878 | Y <input checked="" type="radio"/> N | |
| Kristin Knudsen | Ally Greer's A G O Office | 1031 W. 4th Ave #200 | 99501 | | | Y <input checked="" type="radio"/> N | |
| | | | | | | Y N | |
| | | | | | | Y N | |
| | | | | | | Y N | |
| | | | | | | Y N | |
| | | | | | | Y N | |
| | | | | | | Y N | |

9:45



Representative Dave Donley, Chair House Labor & Commerce Committee

DATE: November 30, 1989

PLACE: Fifth Floor Conf. Rm.
Anchorage LIO

SUBJECT OF MEETING:
Continuation of Medical Liability Insurance
Legislation and Issues
Proposed Legislation - Medical Malpractice Liability Insurance
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Proposed Wage and Hour Legislation

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|-----------------|----------------------------|------------------------------------|-------|-----------|-----------|--------------------------------------|---------------------------|
| Debra C. Gravo | AATL and AAT | PO Box 102323 Anchorage AK | 99515 | | 259-4040 | Y <input checked="" type="radio"/> N | |
| Rick Union | ASMA | Box 020868 Juneau AK | 99802 | | | Y <input checked="" type="radio"/> N | |
| Mary Pierce | MIOA | 4000 Old Seward Hwy Suite 803 | 99503 | | | Y <input checked="" type="radio"/> N | |
| Pam Ventron | State Medical Board | 3601 C St # 722 Anch | 99503 | | 561-2878 | Y <input checked="" type="radio"/> N | |
| Kristin Knudsen | Ally Greys A G O Office | 1031 W. 4th Ave # 200 | 99501 | | | Y <input checked="" type="radio"/> N | 9:45 AM |
| Shari Kochman | Governor | P.O. Box A Juneau 99811 | 99811 | 586-8031 | 465-3500 | <input checked="" type="radio"/> Y N | HR 345 |
| Nancy Horn | Johnathan ^{MD} | 602 N Pine | 99508 | 274-130 | 274-1301 | Y <input checked="" type="radio"/> N | |
| Erika Mahoney | Dr. W.K. Asso. | 608 No. Pine | 99508 | 274-9492 | | Y <input checked="" type="radio"/> N | 10:45 |
| | | | | | | Y N | |
| | | | | | | Y N | |
| | | | | | | Y N | |