

Sunset

Bills

1992 LEGISLATIVE SESSION

Revision Date: 04/27/92 Department Affected: Commerce & Economic Development
 Title: An Act extending the Real Estate Commission BRU: Occupational Licensing
 Component: Administration
 Sponsor: House Rules/Governor
 Requestor: Senate Labor & Commerce COMPONENT SERIAL NO.

0	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

Funding for the Real Estate Commission is included in the department's FY 93 operating budget request and, therefore, new funds are not required. Estimated costs for the Real Estate Commission are explained on the attached page.

Prepared By: Jennifer Strickler Phone: 465-2144
 Division: Occupational Licensing Date: 04/27/92

Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE ANALYSIS - HB 160

The Division of Occupational Licensing, Department of Commerce & Economic Development, is funded primarily by program receipts generated from licensing fees. All licensing programs share in the responsibility of covering administrative costs which are based on the number of current program licensees divided by the total number of current division licensees plus, the direct program costs.

REAL ESTATE COMMISSION

Average Annual Cost: \$ 300.5

Average Annual Revenue: \$ 316.9

HB 160: "An Act extending the Real Estate Commission in the Department of Commerce and Economic Development; and providing for an effective date."

The Real Estate Commission is responsible for the regulation and licensing of the real estate profession in the state. Under AS 08.03.010(c)(21), the Real Estate Commission terminated on June 30, 1991. HB 160 will extend the termination date of the Commission to June 30, 1995.

The statutory authority in Section 1 of the bill requires a correction to reflect the appropriate subsection for the Real Estate Commission which should read: AS 08.03.010(c)(21).

There are approximately 3,339 licensees regulated by the Real Estate Commission in Alaska. The department concurs with the findings documented in the performance audit conducted by the Division of Legislative Audit; in particular, that the Commission is necessary to protect the public from the potential for substantial economic loss resulting from unqualified, incompetent, or dishonest practitioners.

The department strongly supports continuation of the Real Estate Commission and requests favorable support in passage of HB 160.



Glenn A. Olds, Commissioner

Date: 4.29.92

1992 LEGISLATIVE SESSION

Revision Date: 04/27/92 Department Affected: Commerce & Economic Development
 Title: An Act extending the State Medical Board... BRU: Occupational Licensing
 Component: Administration
 Sponsor: House Rules/Governor
 Requestor: Senate Labor & Commerce COMPONENT SERIAL NO.

0	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

Funding for the State Medical Board is included in the department's FY 93 operating budget request and, therefore, new funds are not required. Estimated costs for the State Medical Board are explained on the attached page.

Prepared By: Jennifer Strickler Phone: 465-2144
 Division: Occupational Licensing Date: 04/27/92
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: 4.29.92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE ANALYSIS - HB 161

The Division of Occupational Licensing, Department of Commerce & Economic Development, is funded primarily by program receipts generated from licensing fees. All licensing programs share in the responsibility of covering administrative costs which are based on the number of current program licensees divided by the total number of current division licensees plus, the direct program costs.

STATE MEDICAL BOARD

Average Annual Cost: \$ 264.3

Average Annual Revenue: \$ 307.4

HB 161: "An Act extending the State Medical Board in the Department of Commerce and Economic Development; and providing for an effective date."

The State Medical Board is responsible for the regulation and licensing of the medical profession in the state. Under AS 08.03.010(c)(14), the State Medical Board terminated on June 30, 1991. HB 161 will extend the termination date of the board to June 30, 1995. The statutory authority in Section 1 of the bill requires a correction to reflect the appropriate subsection for the State Medical Board which should read: AS 08.03.010(c)(14).

There are approximately 1,561 practitioners licensed by the State Medical Board in Alaska. The department concurs with the findings documented in the performance audit conducted by the Division of Legislative Audit; in particular, that the board is necessary to protect the public's health, safety, and welfare, therefore, the board should be reestablished.

The department strongly supports continuation of the State Medical Board and requests favorable support in passage of HB 161.



Glenn A. Olds, Commissioner

Date: 4.29.92

**DEPARTMENT OF COMMERCE &
ECONOMIC DEVELOPMENT**

DIVISION OF OCCUPATIONAL LICENSING

*7TH FLOOR FRONTIER BLDG.
3601 C STREET, SUITE 722
ANCHORAGE, ALASKA 99503
PHONE: (907) 561-2878*

December 23, 1991

Senator Drue Pearce, Chair
Senate Labor and Commerce Committee
P. O. Box V
Juneau, Alaska 99811

Dear Senator Pearce:

Thank you for your letter of November 4, 1991, requesting input from the State Medical Board regarding dissolution, reorganization or the combining of professional regulatory boards.

The sunset review of the medical board has been a topic of discussion in recent board meetings. These discussions have also included the topics of reorganization and the possibility of combining the medical board with other professional regulatory boards. After receiving your letter, a renewed discussion of this topic was added to the agenda for the meeting which was held on December 5 - 6, 1991, in Anchorage. Due to unexpected demands for the board to deal with several lengthy license probation matters, the board was forced to reschedule a number of very important items, including a renewed discussion of the sunset review and related issues.

A further discussion of the sunset legislation has been rescheduled for the next regular medical board meeting on March 5, 1992. However, as input from the board was requested by January 1, 1992, I am responding now based on prior discussions of the board. Therefore, the following summarizes the medical board's decisions, concerns and recommendations regarding the future of the board.

DECISION

The board believes there is a definite need for the State Medical Board to continue to function, and that it should continue to function as an independent board.

Need for a State Medical Board

There is a need for the state to ensure that the practice of medicine protects the public health and safety, including:

- Ensuring that only qualified persons be licensed to practice medicine;
- Ensuring the continued competence of persons licensed to practice medicine;
- Ensuring procedures used in the practice of medicine protect the public health and safety;
- Investigating and imposing appropriate disciplinary sanctions on persons who violate state statutes and regulations governing the practice of medicine;
- Ensuring that persons licensed to practice medicine who abuse addictive substances are identified, confronted, evaluated and treated in a manner consistent with protection of the public.

Need for continuing the State Medical Board as an independent board

There is a need for the state to continue utilizing the comprehensive and cost-effective structure of the already combined medical board, including:

1. Since its inception in 1949, the State Medical Board has been through a number of major reorganizations. Recent reorganizations include the addition of public members to the board (1976), the addition of physician assistants to the jurisdiction of the board in 1980, and the addition of board staff (which are self-supported through increased licensing fees) in 1987.
2.
 - a. The purpose of the medical board is to protect the public health and safety through regulation of the medical profession. To carry out this purpose, the board: 1) scrutinizes applications and issues licenses and permits to physicians qualified to practice medicine in Alaska, in addition to podiatrists, physician assistants and mobile intensive care paramedics; 2) investigates, through the Division of Occupational Licensing, complaints received about practitioners under its jurisdiction; 3) conducts disciplinary action against those who violate the medical practice act.
 - b. Board members volunteer untold hours to reviewing license applications and supporting documentation. Though the executive secretary and licensing examiner are knowledgeable in this area, there are some questions which can only be answered with physician expertise.
 - c. One of the most important aspects of serving as a medical board member is that board members serve as expert advisors to the Division's investigator. The alternative to utilizing board member expertise free of charge would be to hire a medical consultant to serve in this capacity. Not only would this increase the cost but it would narrow the objectivity to that of one person rather than having a different board member advising on each case.
 - d. Finally, board member input is vital when assessing the appropriate disciplinary action against those who violate the medical practice act. Physician board members have the medical knowledge and public members contribute consumer perspective, unique to those outside the health care industry, to ensure a fair and effective sanction.
3. The board's five physician members and two consumer members have the necessary medical expertise and the public objectivity to do the job most effectively. These seven members contribute their time and expertise due to their interest and commitment, they are not compensated financially in any way. Out of town board members only receive per diem and are reimbursed for direct travel expenses to attend board meetings. There is no other financial compensation. In addition, the physician community recognized the need for the board to obtain the services of a full-time executive secretary and the full-time services of an investigator dedicated to the medical board. Legislation was passed in 1987 and a surcharge was assessed on licensed physicians to raise the funds for these new positions. Since that time, renewal fees have been adjusted accordingly to fund these positions. The executive secretary maintains the day-to-day operation of the medical board and is responsible for a vast multitude of duties. The investigator has become quite knowledgeable in the intricacies of investigating medical complaints.
4. At this time, the board cannot see any financial advantage to consolidation with other boards. Increased case load would no doubt require meetings of a consolidated board more frequently and of longer duration than the quarterly one-to-two day meetings of the medical board. This would limit the pool of physicians who would be willing to "donate" the necessary hours/days to serve. Board members would need considerably more education as they seek to become fluent in a broader range of licensing areas. Professional services on a paid, contract basis would be necessary to provide the medical expertise required for application, investigation and litigation matters.

5. Though there are certainly some issues in common to all the health care regulatory boards, the medical board encounters some unique concerns and has some unique advantages:
- a. Unlike some other professions, the medical profession already has standardized, nationally recognized examinations for physicians. In addition, beginning in 1992, the profession will begin the transition to having one universal exam for all physicians, including foreign trained physicians. Other professions are still struggling with regional and/or state examinations not recognized in all jurisdictions. Consequently, the medical board spends significantly less time on examinations and their validity than the other boards do.
 - b. The medical boards of the United States have a highly sophisticated disciplinary data bank to which each state contributes. This enables Alaska to uncover potentially problematic applicants and investigate these concerns prior to licensure. The executive secretary is also a vital link in the scrutinizing of these outlier applications and obtaining pertinent data to enable the board to make an informed decision on a given applicant with a questionable history. Most other professions have no such resource and therefore spend their time differently when scrutinizing applications.
 - c. Investigative activity relative to the medical board is one of the busiest areas within the Division of Occupational Licensing. The costs of investigating and litigating of these cases, and conducting hearings when necessary, would not be reduced by a consolidated board.
 - d. At the current fee level the medical board is meeting its funding requirements and is self-supporting. Though the services the board provides could, to some degree, be contracted out, the valuable expertise contributed by medical board members far exceeds the potential cost of contracting for these services.

RECOMMENDATIONS

The board concurs with the recommendation of the Legislative Budget and Audit Committee, which submitted its report regarding the sunset review of the medical board on October 15, 1990. The committee found that the board was "conducted in a professional, competent and efficient manner," and recommended that the medical board be continued until June 20, 1999.

The board recommends that the current consolidated medical board, which already combines the licensing and regulating of four different groups of medical professionals (physicians, podiatrists, physician assistants and mobile intensive care paramedics), is an effective board organization which should be continued in its current form.

The board recommends that the current fee structure continue as it meets the funding requirements of the many and varied functions of the board and is self-supporting.

SUMMARY

The State Medical Board sees that there is a great need for the state to ensure the practice of medicine protects the public health and safety by continuing the current strong and cost-effective board organization. The board very much appreciates the opportunity to provide this information to the Senate Labor and Commerce Committee and will schedule a further discussion of these issues for the next regular board meeting.

In the meantime, I urge you to call me (563-8141) or Pam Ventgen, Executive Secretary for the medical board (561-2878) if we can further clarify or provide additional information to the committee.

Sincerely,



Michael H. Newman, M.D.
Chairman
State Medical Board

cc: Ann Boudreaux, Director, Division of Occupational Licensing
Ray Schalow, Executive Director, Alaska State Medical Association
Members, State Medical Board

1209M

1992 LEGISLATIVE SESSION

Revision Date: 04/27/92 Department Affected: Commerce & Economic Development
 Title: Extending the Board of Psychologist and Psychological Associate Examiners... BRU: Occupational Licensing
 Component: Administration
 Sponsor: House Rules/Governor
 Requestor: Senate Labor & Commerce COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

Funding for the Board of Psychologist and Psychological Associate Examiners is included in the department's FY 93 operating budget request, and therefore, new funds are not required to extend the board or implement the amendment in Sec. 2 of the bill. Estimated costs for the board are explained on the attached page.

Prepared By: Jennifer Strickler Phone: 465-2144
 Division: Occupational Licensing Date: 04/27/92
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: _____

Distribution: (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE ANALYSIS - CSHB 163(HES)

The Division of Occupational Licensing, Department of Commerce & Economic Development, is funded primarily by program receipts generated from licensing fees. All licensing programs share in the responsibility of covering administrative costs which are based on the number of current program licensees divided by the total number of current division licensees plus, the direct program costs.

BOARD OF PSYCHOLOGIST & PSYCHOLOGICAL ASSOCIATE EXAMINERS

Average Annual Cost: \$ 41.0

Average Annual Revenue: \$ 14.1

The Division of Occupational Licensing is currently working on a regulation project that will adjust licensing fees so that revenue will cover or come close to reflecting the entire costs of administering the program.

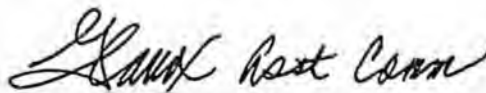
CSHB 163(HES): "An Act extending the Board of Psychologist and Psychological Associate Examiners in the Department of Commerce and Economic Development; increasing the amount of graduate course work directly related to a specialized area of psychology necessary to qualify for examination as a psychological associate; and providing for an effective date."

The Board of Psychologist and Psychological Associate Examiners is responsible for the regulation and licensing of the psychology profession in the state. Under AS 08.03.010(c)(20), the Board of Psychologist and Psychological Associate Examiners terminated on June 30, 1991. CSHB 163(HES) will extend the termination date of the board to June 30, 1995, and increase the amount of graduate course work hours directly related to a specialized area of psychology to qualify for examination as a psychological associate.

The statutory authority in Section 1 of the bill requires a correction to reflect the appropriate subsection for the Board of Psychologist and Psychological Associate Examiners which should read: AS 08.03.010(c)(20).

There are approximately 172 licensees regulated by the board in Alaska. The department concurs with the findings documented in the performance audit conducted by the Division of Legislative Audit; in particular, that the board is necessary to protect the public's health, safety, and welfare, therefore, the board should be reestablished.

The department strongly supports continuation of the Board of Psychologist and Psychological Associate Examiners and requests favorable support in passage of CSHB 163(HES).



Glenn A. Olds, Commissioner

Date: 4.29.92

by the House Health, Education and Social Services Committee

**Letter of Intent
for
CS HB 163 (HES)**

It is the intent of the House Health, Education and Social Services Committee that occupational licensing fees established pursuant to AS 08.01.065 shall reflect the actual costs to the department for which the fee is charged, except when to do so would create an unreasonable burden upon licensees. The committee requests the Board of Psychologist and Psychological Associate Examiners to work with the department in re-evaluating its current licensing fee schedule. The committee further requests the department to issue a report on fee schedules, with notation as to those fees which have been changed, to the legislature by the first day of the second session of the Seventeenth Legislature.

Adopted by the House 5/9/91

1992 LEGISLATIVE SESSION

Revision Date: 04/27/92 Department Affected: Commerce & Economic Development
 Title: An Act extending the Board of Dental BRU: Occupational Licensing
 Examiners.... Component: Administration
 Sponsor: House Rules/Governor
 Requestor: Senate Labor & Commerce COMPONENT SERIAL NO.

0	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

Funding for the Board of Dental Examiners is included in the department's FY 93 operating budget request, and therefore, new funds are not required. Estimated costs for the board are explained on the attached page.

Prepared By: Jennifer Strickler Phone: 465-2144
 Division: Occupational Licensing Date: 04/27/92
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: 4.29.92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE ANALYSIS - CSHB 164(HES)

The Division of Occupational Licensing, Department of Commerce & Economic Development, is funded primarily by program receipts generated from licensing fees. All licensing programs share in the responsibility of covering administrative costs which are based on the number of current program licensees divided by the total number of current division licensees plus, the direct program costs.

BOARD OF DENTAL EXAMINERS

Average Annual Cost: \$ 111.6

Average Annual Revenue: \$ 94.9

The Division of Occupational Licensing is currently working on a regulation project that will adjust licensing fees so that revenue will cover or come close to reflecting the entire costs of administering the program.

CSHB 164(HES): "An Act extending the Board of Dental Examiners in the Department of Commerce and Economic Development; and providing for an effective date."

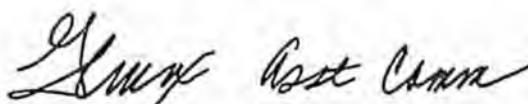
The Board of Dental Examiners is responsible for the regulation and licensing of the dental profession in the state. Under AS 08.03.010(c)(9), the Board of Dental Examiners terminated on June 30, 1991. CSHB 164(HES) will extend the termination date of the board to June 30, 1993.

The statutory authority in Section 1 of the bill requires a correction to reflect the appropriate subsection for the Board of Dental Examiners which should read: AS 08.03.010(c)(9).

There are approximately 1,112 licensees regulated by the Board of Dental Examiners. The department concurs with the findings documented in the performance audit conducted by the Division of Legislative Audit; in particular, that the board is necessary to protect the public's health, safety, and welfare, therefore, the board should be reestablished.

In the past year, the Board of Dental Examiners have made major accomplishments toward providing for licensure by Credentials for dental applicants. To date, over 64 dentists have applied for and received dental licensure by credentials, and the number of dental applicants continues to increase.

Since the board has addressed the issue of credentialing, the department strongly supports continuation of the Board of Dental Examiners and recommends consideration be given to extend the board beyond the June 30, 1993 date in the bill.



Glenn A. Olds, Commissioner

Date: 4.29.92

by the House Health, Education and Social Services Committee

**Letter of Intent
for
CS HB 164 (HES)**

It is the intent of the House Health, Education and Social Services Committee that occupational licensing fees established pursuant to AS 08.01.065 shall reflect the actual costs to the department for which the fee is charged, except when to do so would create an unreasonable burden upon licensees. The committee requests the Board of Dental Examiners to work with the department in re-evaluating its current licensing fee schedule. The committee further requests the department to issue a report on fee schedules, with notation as to those fees which have been changed, to the legislature by the first day of the second session of the Seventeenth Legislature.

It is also the intent of the House Health, Education and Social Services Committee that in the next year the Board of Dental Examiners and the Division of Occupational Licensing develop new procedures for credentialling, including credentialling for dental specialists and report their recommendations to the House and Senate HESS Committees by the first day of the second session of the Seventeenth Alaska State Legislature.

Adopted by the House 5/17/91

1992 LEGISLATIVE SESSION

Revision Date: 04/27/92 Department Affected: Commerce & Economic Development
 Title: An Act extending the Board of Nursing... BRU: Occupational Licensing
 Component: Administration
 Sponsor: House Rules/Governor
 Requestor: Senate Labor & Commerce COMPONENT SERIAL NO.

0	3	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

Funding for the Board of Nursing is included in the department's FY 93 operating budget request and, therefore, new funds are not required. Estimated costs for the Board of Nursing are explained on the attached page.

Prepared By: Jennifer Strickler Phone: 465-2144
 Division: Occupational Licensing Date: 04/27/92
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: 4.29.92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE ANALYSIS - HB 165

The Division of Occupational Licensing, Department of Commerce & Economic Development, is funded primarily by program receipts generated from licensing fees. All licensing programs share in the responsibility of covering administrative costs which are based on the number of current program licensees divided by the total number of current division licensees plus, the direct program costs.

BOARD OF NURSING

Average Annual Cost: \$ 457.6

Average Annual Revenue: \$ 346.8

The Division of Occupational Licensing is currently working on a regulation project that will adjust licensing fees so that revenue will cover or come close to reflecting the entire costs of administering the program.

HB 165: "An Act extending the Board of Nursing in the Department of Commerce and Economic Development; and providing for an effective date."

The Board of Nursing is responsible for the regulation and licensing of the nursing profession in the state. Under AS 08.03.010(c)(15), the Board of Nursing terminated on June 30, 1991. HB 165 will extend the termination date of the board to June 30, 1995. The statutory authority in Section 1 of the bill requires a correction to reflect the appropriate subsection for the Board of Nursing which should read: AS 08.03.010(c)(15).

There are approximately 6,169 nurses licensed in Alaska. The department concurs with the findings documented in the performance audit conducted by the Division of Legislative Audit; in particular, that the board is necessary to protect the public's health, safety, and welfare, therefore, the board should be reestablished.

The department strongly supports continuation of the Board of Nursing and requests favorable support in passage of HB 165.

Glenn A. Olds Act Comm

Glenn A. Olds, Commissioner

Date: 4.29.92

STATE OF ALASKA

JAN 9 1992

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF OCCUPATIONAL LICENSING

7TH FLOOR FRONTIER BLDG.
3601 C STREET, SUITE 722
ANCHORAGE, ALASKA 99503
PHONE: (907) 561-2878

December 31, 1991

Senator Dru. Pearce, Chair
Senate Labo. and Commerce Committee
Room 101
P. O. Box V
Juneau, Alaska 99811-1182

Dear Senator Pearce,

The Alaska Board of Nursing discussed your letter regarding the Sunset Review Legislation and possible options for the Board's future existence at its November 19, 1991 meeting. The Board members support continuation of the Board as an independent Board within Occupational Licensing, not combined with any other regulatory Board. A Board of Nursing made up of registered nurses, practical nurses and consumers has the expertise to handle the variety of nursing issues which must be addressed. Resolution of issues rely on the nursing knowledge of the Board members combined with their concern for public safety which is shared by the consumers.

The Board expressed a number of concerns relating to termination of the Board of Nursing. These concerns relate to the Board's responsibilities for examination of nurses, licensure and discipline of nurses and as important, regulation of schools of nursing. A school of nursing must be Board approved in order for graduates of the program to be eligible for a license by exam in Alaska and a license by endorsement elsewhere in the United States. During the last two years, the Board approved the operation of Everett Community College Associate Degree Nursing Program offered in Ketchikan in order to educate Practical Nurses (LPNs) to become Registered Nurses (RNs) in that city. This program met a unique need in a rural community by allowing the hospital to lessen its nursing shortage by educating practical nurses who had proven work records and were residents of Ketchikan.

The contract Alaska enters into with the National Council State Boards of Nursing (NCSBN) for use of the national exam is with the Board of Nursing and requires a Registered Nurse

to be administratively responsible for the security of each exam administered in our State. This national exam is called the National Council Licensure Exam and one is offered for practical nursing and one for registered nursing, each exam being offered twice a year. The contract with NCSBN provides

Alaska the right to give the national nurse licensure exams and to counsel with other jurisdictions on matters related to regulation of nursing practice such as scope of practice, discipline and advanced practice issues. Should Alaska not have a Board of Nursing to regulate nursing practice, it is unlikely that we would continue to be allowed access to the national exam.

While the Board discussed several major issues regarding Board combination, a few are paramount. The first involves the Board's ability to respond to requests for interpretation of scope of practice situations. Many of these questions are handled by the Board's Executive Secretary, a position which requires a registered nurse license. Some, however, require full Board discussion and response. Since nursing science like other health professions has its own body of knowledge, it is inappropriate to ask non nurses to make these scope of practice determinations.

Additionally, there are concerns about shifting the focus from public safety to economics with turf issues arising especially with physicians and nurses in advanced practice. The Nursing Board has successfully regulated advanced nursing practice allowing improved access to care for many Alaskans who otherwise would not have primary health care, while at the same time protecting the public's health and welfare with regard to nursing care. This regulation includes monitoring of scope of practice including specific quality assurance mechanisms and allowing independent prescriptive authority. A joint board of health care professionals would likely be limited in representation of nurses and these issues would not receive the necessary attention needed to assure consumer protection.

A combined Board would require the involvement of at least "expert panels" to provide the expertise to advise the oversight Board on professional standards. This type of structure would increase costs of government regulations and would delay response on many of the important issues addressed by the Board. The Board now acts in a timely and effective manner. A good example of this is the Board's recent completion of a comprehensive guide addressing scope of practice of the practical nurse which was requested by the industry. A review of the enclosed most recent annual report details many of the Board's projects.

The nurse employers rely on the Board's judgment in matters related to discipline, monitoring of nurses in recovery from

chemical dependency and nursing scope of practice. They have learned that the Board plays an important and assistive role when they have a problem with a nurse whether it relates to something like not meeting standards of practice or to a chemically addicted nurse. The Nursing Board has many more years of experience managing the chemically addicted nurse than have other regulatory boards. Employers and nurses have been educated about the procedures for getting nurses into treatment and the Board's monitored aftercare program which protects the public yet allows nurses to safely go back to work. With one in five to one in seven nurses at risk for chemical dependency, the Board is gravely concerned that this program might be lost under a combined system of boards.

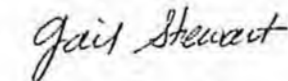
The members of the Board are in full agreement that under any circumstances an Executive Secretary position must be maintained. The purpose of this position is evident when one reviews the accomplishments of the Board. The Executive Secretary is essential to the prompt licensing of nurses especially as the nursing shortage continues to affect areas of our state. The Executive Secretary is also responsible for overseeing the licensing and regulation of approximately 5500 licensees. This includes communication with nurses and employers statewide particularly in rural Alaska where the incumbent staff member serves in a consultant role. The Executive Secretary is essential to the functioning of the Board's program for intervening with nurses who are addicted to controlled substances. The Board's goal of returning nurses to the work setting safely and within a reasonable time after the nurse is in recovery is accomplished using Memorandums of Agreement. This staff member provides assistance to the investigators as she is knowledgeable in nursing practice, procedures and issues.

Reports of discussions at the Task Force on Boards and Commissions indicated inaccurate financial information related to the Board's operations. While the Division is responsible for the budget, the Board continually remains aware of the financial picture. I would also like to point out that because of the biennial renewal cycle, revenue must be averaged over the two years. The Board asks for budgetary information annually in order to evaluate the fee structure and will be doing so again at it's next meeting. The Board members themselves show fiscal responsibility by meeting most often in Anchorage which is less expensive and by booking tickets in advance and using lowest available airfares. In November, 1991, the Board hosted a 50th Anniversary Celebration of the Board of Nursing which used no state funds but gained much good will and provided two days of valuable nursing continuing education.

The Board members consider it an honor to serve the state as members of the Nursing Board. They give countless hours of their volunteer time to the Board as they are not compensated except for travel and for per diem when outside of their home community. In addition to the actual meeting times, Board members often have assignments between meetings and they may meet with groups of nurses and/or consumers in their communities. Importantly, the Board members have remained non-partisan and view the professional issues from a consumer safety viewpoint which is something professional associations do not always do.

I hope this information will contribute to the continuation of the Board of Nursing. Should you have any questions, do not hesitate to contact me at my office at 257-1555 or my home at 345-3996 or contact Gail McGuill, Executive Secretary at the above address.

Sincerely,



Gail Stewart
Chairperson
Alaska Board of Nursing

1415n/ds

cc: Ann Boudreaux, Director
Occupational Licensing