

SB

91

HFIN

FILE

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - FIRST SESSION



BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 3/22/93
Referred: L&C, FIN

Sponsor(s): SENATORS LEMAN, Ellis, Pearce, Luncan, Zharoff, Lincoln, Little, Donley, Salo
Representative Brize

*AMTD
FIN*

A BILL

FOR AN ACT ENTITLED

1 "An Act prohibiting unfair discrimination against direct-entry midwives who
2 perform services within the scope of their certification; providing for coverage of
3 midwife services under Medicaid; reordering the priority of optional services
4 provided by the state under Medicaid; and providing for an effective date."

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

6 * Section 1. AS 21.36.090(d) is amended to read:

7 (d) Except to the extent necessary to comply with AS 21.42.365, a person may
8 not practice or permit unfair discrimination against a person who provides a service
9 covered under a group disability policy that extends coverage on an expense incurred
10 basis, or under a group service or indemnity type contract issued by a nonprofit
11 corporation, if the service is within the scope of the provider's occupational license.
12 In this subsection, "provider" means a state licensed physician, dentist, osteopath,
13 optometrist, chiropractor, nurse midwife, advanced nurse practitioner, naturopath,
14 physical therapist, occupational therapist, psychologist, psychological associate, [OR]

1 licensed clinical social worker, or certified direct-entry midwife.

2 * Sec. 2. AS 47.07.030(b) is amended to read:

3 (b) In addition to the mandatory services specified in (a) of this section, the
4 department may offer only the following optional services: case management and
5 nutrition services for pregnant women; personal care services in a recipient's home;
6 emergency hospital services; long-term care noninstitutional services; medical supplies
7 and equipment; advanced nurse practitioner services; clinic services; rehabilitative
8 services for substance abusers and emotionally disturbed or chronically mentally ill
9 adults; targeted case management services for substance abusers, chronically mentally
10 ill adults, and severely emotionally disturbed persons under the age of 21; inpatient
11 psychiatric facility services for individuals age 65 or older and individuals under age
12 21; psychologists' services; clinical social workers' services; midwife services;
13 prescribed drugs; physical therapy; occupational therapy; chiropractic services,
14 low-dose mammography screening, as defined in AS 21.42.375(e); treatment of speech,
15 hearing, and language disorders; adult dental services; prosthetic devices and
16 eyeglasses; optometrists' services; intermediate care facility services, including
17 intermediate care facility services for the mentally retarded; skilled nursing facility
18 services for individuals under age 21; and reasonable transportation to and from the
19 point of medical care.

20 * Sec. 3. AS 47.07.035 is amended to read:

21 Sec. 47.07.035. PRIORITY OF MEDICAL ASSISTANCE. If the department
22 finds that the cost of medical assistance for all persons eligible under this chapter will
23 exceed the amount allocated in the state budget for that assistance for the fiscal year,
24 the department shall eliminate coverage for optional medical services and optionally
25 eligible groups of individuals in the following order:

- 26 (1) midwife services;
27 (2) clinical social workers' services;
28 (3) [(2)] psychologists' services;
29 (4) [(3)] chiropractic services;
30 (5) [(4)] advanced nurse practitioner services;
31 (6) [(5)] adult dental services;

- 1 (7) [(6)] emergency hospital services;
- 2 (8) [(7)] treatment of speech, hearing, and language disorders;
- 3 (9) [(8)] optometrists' services and eyeglasses;
- 4 (10) [(9)] occupational therapy;
- 5 (11) [(10)] mammography screening;
- 6 (12) [(11)] prosthetic devices;
- 7 (13) [(12)] medical supplies and equipment;
- 8 (14) [(13)] targeted case management services;
- 9 (15) [(14)] rehabilitative services for substance abusers and emotionally
10 disturbed or chronically mentally ill adults;
- 11 (16) [(15)] clinic services;
- 12 (17) [(16)] physical therapy;
- 13 (18) [(17)] personal care services in a recipient's home;
- 14 (19) [(18)] prescribed drugs;
- 15 (20) [(19)] long-term care noninstitutional services;
- 16 (21) [(20)] inpatient psychiatric facility services;
- 17 (22) [(21)] intermediate care facility services for the mentally retarded;
- 18 (23) [(22)] intermediate care facility services;
- 19 (24) [(23)] individuals under age 21 who are not eligible for benefits
20 under the federal aid to families with dependent children program because they are not
21 deprived of one or more of their natural or adoptive parents;
- 22 (25) [(24)] skilled nursing facility services for persons under age 21;
- 23 (26) [(25)] aged, blind, and disabled individuals who, because they do
24 not meet the income requirements, do not receive supplemental security income under
25 Title XVI of the Social Security Act, but who are eligible, or would be eligible if they
26 were not in a skilled nursing facility or intermediate care facility, to receive an
27 optional state supplementary payment;
- 28 (27) [(26)] individuals in a hospital, skilled nursing facility, or
29 intermediate care facility whose income while in the facility does not exceed 300
30 percent of the supplemental security income benefit rate under Title XVI of the Social
31 Security Act, but who, because of income, are not eligible for the optional state

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supplementary payment;

(28) [(27)] individuals under age 21 under supervision of the department [,] for whom maintenance is being paid in whole or in part from public money and who are in foster homes or private child-care institutions.

* Sec. 4. AS 47.07.900 is amended by adding a new paragraph to read:

(18) "midwife services" means services within the practice of midwifery, as defined in AS 08.65.190, that are performed by a certified direct-entry midwife and miscellaneous fees, other than facility fees, for birth kits, oxygen, and other ancillary expenses necessary for a birth attended by a certified direct-entry midwife.

* Sec. 5. This Act takes effect July 1, 1993.

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Bill Version: SSSB 91
(S) Publish Date: 3-22-93

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act providing for coverage of midwife services under Medicaid BRU: Medical Assistance
 Sponsor: Leman Component: Medicaid Non-facility
 Requestor: _____ COMPONENT SERIAL NO. 00229

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
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	65.0	75.8	88.3	102.9	119.9	139.8
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	65.0	75.8	88.3	102.9	119.9	139.8

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE						
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts	32.5	37.9	44.2	51.4	59.9	69.9
1003 GF Match	32.5	37.9	44.1	51.5	60.0	69.9
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	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	65.0	75.8	88.3	102.9	119.9	139.8

POSITIONS:

FULL-TIME	0	0
PART-TIME	0	0
TEMPORARY	0	0

Changes in SSSB 91 (HSS)
 reflect NO FISCAL CHANGE from the original
 fiscal note. This fiscal note is appropriate.
3/22/93 kh
 date Comte Aide (initial)

Estimate of current year (FY93) impact: 0.0

ANALYSIS: (Attach a separate page if necessary)

This fiscal note is to be read in conjunction with notes for other components of the medical assistance programs. For this bill the components included are Medicaid Facility (00230), Medicaid Non-facility (00229) and Claims Processing (00243). Cost figures for hospitals, physicians, midwives, and claims processing are identified in the attachment.

Prepared by: Dave W. Williams, HPIII *DW Williams*
 Division: Medical Assistance
 Approved by Commissioner: Theodore A. Mala, MD, MPH *Jay Mala*
 Agency: Department of Health & Social Services

Phone: 465-5826
 Date: Mar. 18, 1993
 Date: 3-19-93

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Passage of SB 91 would provide another choice to expectant mothers who are dependent upon medical assistance for pregnancy care and childbirth assistance. At present, physician and hospital services are payable under medical assistance along with some pregnancy related nursing services. Payment of direct entry midwife services may have some downward effect on medical assistance program costs to the extent that expectant mothers choose to use midwife services instead of the more costly physician and hospital services.

There are now 10 licensed direct entry midwives in Alaska; a number which might grow to 25 over the next year. The estimated number of births that will be delivered by these professionals during FY94 is 250 of which an estimated 125 would be eligible for reimbursement under the medical assistance program. Of the 125 eligible for Medicaid an estimated 50%, or about 60 births, would be shifted from hospital and physician care to direct entry midwife care.

FY94 Costs:

Medicaid Facility

A survey completed last year of the uncomplicated Medicaid births shows that a course of prenatal care by current licensed providers, with a hospital birth, averages about \$5,000. Based on that survey and updated information the average cost for the hospital portion of services for a birth is calculated as \$3,000. The cost of Medicaid facility services would be reduced by \$180,000 for the 60 births shifted away from hospitals under this bill.

Medicaid Non-facility

Non-facility costs would increase under the bill by the cost of the 125 birthing services provided by direct entry midwives, the cost of any birthing facilities involved, and be reduced by the alternative cost of physician fees for prenatal, delivery, and post-partum care. Direct entry midwife services are costed at an average of \$1,480 per birth (80 percent of the \$1,850 average general public rate). Physician costs are estimated at \$2,000 per birth for pre-natal, delivery, and post-partum.

Midwife services	$\$1,480 \times 125 = \$185,000$
Physician fees	$\$2,000 \times 60 = (120,000)$
Net Medicaid Non-facility	\$ 65,000

Claims Processing

Based on current experience, the addition of a new provider category and services to the Medicaid Management Information System (MMIS, claims payment system) will require \$30,000. Another \$1,500 cost is required for development of a provider manual. These first year costs for changes to the system receive a 75% federal match and require 25% state general funds.

Additional contractual costs will be incurred for processing the claims submitted by nurse midwives. The cost is shown as \$6.23 per claim. This fiscal note assumes that the midwives will submit 2 to 3 claims per month more than would be done by physicians and the submissions would cover 5 months. For the 125 births the cost for claims processing would be approximately \$9,700.

NOTES:

The Alaska Midwife's Association reports a range of fees for service of \$1,400 to \$2,300 with a statewide, non-weighted average fee of \$1,850.

Current statistics from the Bureau of Vital Statistics indicate that approximately 42% of births are to persons meeting eligibility guidelines for Medicaid services. Reports from the Alaska Midwife's Association indicate a much higher percentage of Medicaid eligibility of 70% to 80%.

This fiscal note assumes 50% eligibility for those using the services.

FY 95 and subsequent year's claims are adjusted for growth at 11% and medical inflation at 5%.

Net fiscal impact of all Division of Medical Assistance fiscal notes for SSSB91 is as follows:

Totals	FY94	FY95	FY96	FY97	FY98	FY99
Medicaid Facility	(180.0)	(209.8)	(244.5)	(285.0)	(332.1)	(387.1)
Med. Non-facility	65.0	75.8	88.3	102.9	119.9	139.8
Claims	41.2	11.3	13.2	15.4	17.9	20.9
NET	(73.8)	(122.7)	(143.0)	(166.7)	(194.3)	(226.5)

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FISCAL NOTE

Bill Version: SSSB 91

STATE OF ALASKA
1993 LEGISLATIVE SESSION

(S) Publish Date: 3-22-93

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act providing for coverage of midwife services under Medicaid BRU: Medical Assistance Administration
 Sponsor: Leman Component: Claims Processing
 Requestor: _____ COMPONENT SERIAL NO. 00243

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
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	41.2	11.3	13.2	15.4	17.9	20.9
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	41.2	11.3	13.2	15.4	17.9	20.9

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

1002 Federal Receipts	28.5	5.6	6.6	7.7	9.0	10.5
1003 GF Match	12.7	5.7	6.6	7.7	8.9	10.4
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	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	41.2	11.3	13.2	15.4	17.9	20.9

POSITIONS:

FULL-TIME	0	0	0
PART-TIME	0	0	0
TEMPORARY	0	0	0

Changes in SSSB 91 (HSS)
 reflect NO FISCAL CHANGE from the original
 fiscal note. This fiscal note is appropriate.
3/22/93 hh
 date Comptroller (initial)

Estimate of current year (FY93) impact: 0.0

ANALYSIS: (Attach a separate page if necessary)

This fiscal note is to be read in conjunction with notes for other components of the medical assistance programs. For this bill the components included are Medicaid Facility (00230), Medicaid Non-facility (00229) and Claims Processing (00243). The FY94 cost includes one-time costs for \$30,000 changes to the Medicaid Information System and \$1,500 for development of a provider manual. Costs continuing over fiscal years are for an FY94 claims processing cost estimated to include 2 to 3 claims per month for 5 months for each birth. The cost of each claim is estimated at the current \$6.23. Growth in utilization is estimated at 11% and inflation at 5% per year. Federal participation is shown at 75% for claims processing. Additional information and cost figures for hospitals, physicians, midwives, and claims processing are identified in the attached notes.

Prepared by: Dave W. Williams, HPIII *DW Williams*
 Division: Medical Assistance

Phone: 465-5826
 Date: Mar. 18, 1993

Approved by Commissioner: Theodore A. Mala, MD, MPH *Theodore A. Mala*
 Agency: Department of Health & Social Services

Date: 3-19-93

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Passage of SB 91 would provide another choice to expectant mothers who are dependent upon medical assistance for pregnancy care and childbirth assistance. At present, physician and hospital services are payable under medical assistance along with some pregnancy related nursing services. Payment of direct entry midwife services may have some downward effect on medical assistance program costs to the extent that expectant mothers choose to use midwife services instead of the more costly physician and hospital services.

There are now 10 licensed direct entry midwives in Alaska; a number which might grow to 25 over the next year. The estimated number of births that will be delivered by these professionals during FY94 is 250 of which an estimated 125 would be eligible for reimbursement under the medical assistance program. Of the 125 eligible for Medicaid an estimated 50%, or about 60 births, would be shifted from hospital and physician care to direct entry midwife care.

FY94 Costs:

Medicaid Facility

A survey completed last year of the uncomplicated Medicaid births shows that a course of prenatal care by current licensed providers, with a hospital birth, averages about \$5,000. Based on that survey and updated information the average cost for the hospital portion of services for a birth is calculated as \$3,000. The cost of Medicaid facility services would be reduced by \$180,000 for the 60 births shifted away from hospitals under this bill.

Medicaid Non-facility

Non-facility costs would increase under the bill by the cost of the 125 birthing services provided by direct entry midwives, the cost of any birthing facilities involved, and be reduced by the alternative cost of physician fees for prenatal, delivery, and post-partum care. Direct entry midwife services are costed at an average of \$1,480 per birth (80 percent of the \$1,850 average general public rate). Physician costs are estimated at \$2,000 per birth for pre-natal, delivery, and post-partum.

Midwife services	$\$1,480 \times 125 = \$185,000$
Physician fees	$\underline{\$2,000 \times 60 = (120,000)}$
Net Medicaid Non-facility	\$ 65,000

Claims Processing

Based on current experience, the addition of a new provider category and services to the Medicaid Management Information System (MMIS, claims payment system) will require \$30,000. Another \$1,500 cost is required for development of a provider manual. These first year costs for changes to the system receive a 75% federal match and require 25% state general funds.

Additional contractual costs will be incurred for processing the claims submitted by nurse midwives. The cost is shown as \$6.23 per claim. This fiscal note assumes that the midwives will submit 2 to 3 claims per month more than would be done by physicians and the submissions would cover 5 months. For the 125 births the cost for claims processing would be approximately \$9,700.

NOTES:

The Alaska Midwife's Association reports a range of fees for service of \$1,400 to \$2,300 with a statewide, non-weighted average fee of \$1,850.

Current statistics from the Bureau of Vital Statistics indicate that approximately 42% of births are to persons meeting eligibility guidelines for Medicaid services. Reports from the Alaska Midwife's Association indicate a much higher percentage of Medicaid eligibility of 70% to 80%.

This fiscal note assumes 50% eligibility for those using the services.

FY 95 and subsequent year's claims are adjusted for growth at 11% and medical inflation at 5%.

Net fiscal impact of all Division of Medical Assistance fiscal notes for SSSB91 is as follows:

Totals	FY94	FY95	FY96	FY97	FY98	FY99
Medicaid Facility	(180.0)	(209.8)	(244.5)	(285.0)	(332.1)	(387.1)
Med. Non-facility	65.0	75.8	88.3	102.9	119.9	139.8
Claims	41.2	11.3	13.2	15.4	17.9	20.9
NET	(73.8)	(122.7)	(143.0)	(166.7)	(194.3)	(226.5)

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FISCAL NOTE

No. 1

STATE OF ALASKA
1993 LEGISLATIVE SESSION

B Bill Version: SSSB 91

(S) Publish Date: 3-22-93

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act providing for coverage of midwife services under Medicaid BRU: Medical Assistance
 Sponsor: Leman Component: Medicaid Facility
 Requestor: _____ COMPONENT SERIAL NO. 00230

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
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	(180.0)	(209.8)	(244.5)	(285.0)	(332.1)	(387.1)
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	(180.0)	(209.8)	(244.5)	(285.0)	(332.1)	(387.1)

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE						
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FUNDING:

(Thousands of Dollars)

FUNDING	FY94	FY95	FY96	FY97	FY98	FY99
1002 Federal Receipts	(90.0)	(104.9)	(122.2)	(142.5)	(166.0)	(193.5)
1003 GF Match	(90.0)	(104.9)	(122.3)	(142.5)	(166.1)	(193.6)
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	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	(180.0)	(209.8)	(244.5)	(285.0)	(332.1)	(387.1)

POSITIONS:

POSITIONS	FY94	FY95	FY96	FY97	FY98	FY99
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY93) impact: 0.0

Changes in SSSB 91 (1255)
 reflect NO FISCAL CHANGE from the original
 fiscal note. This fiscal note is appropriate.
3/22/93 hdt
 date Comte Aide (initial)

ANALYSIS: (Attach a separate page if necessary)

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Prepared by: Dave W. Williams, HPIII *DW* *K.W. Bruch*
 Division: Medical Assistance

Phone: 465-5826
 Date: Mar. 18, 1993

Approved by Commissioner: Theodore A. Mala, MD, MPH
 Agency: Department of Health & Social Services

Date: 3-19-93

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4 Costs:

Medicaid Facility

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Medicaid Non-facility

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Midwife services	\$1,480 X 125 = \$185,000
Physician fees	<u>\$2,000 X 60 = (120,000)</u>
Net Medicaid Non-facility	\$ 65,000

Claims Processing

Based on current experience, the addition of a new provider category and services to the Medicaid Management Information System (MMIS, claims payment system) will require \$30,000. Another \$1,500 cost is required for development of a provider manual. These first year costs for changes to the system receive a 75% federal match and require 25% state general funds.

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NOTES:

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Current statistics from the Bureau of Vital Statistics indicate that approximately 42% of births are to persons meeting eligibility guidelines for Medicaid services. Reports from the Alaska Midwife's Association indicate a much higher percentage of medicaid eligibility of 70% to 80%.

This fiscal note assumes 50% eligibility for those using the services.

FY 95 and subsequent year's claims are adjusted for growth at 11% and medical inflation at 5%.

Net fiscal impact of all Division of Medical Assistance fiscal notes for SSSB91 is as follows:

Totals	FY94	FY95	FY96	FY97	FY98	FY99
Medicaid Facility	(180.0)	(209.8)	(244.5)	(285.0)	(332.1)	(337.1)
Med. Non-facility	65.0	75.8	88.3	102.9	119.9	139.8
Claims	41.2	11.3	13.2	15.4	17.9	20.9
NET	(73.8)	(122.7)	(143.0)	(166.7)	(194.3)	(226.5)

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SB 91

SENATE BILL NO. 91 by Senator Leman, entitled:

"An Act providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date."

was read the first time and referred to the Health, Education and Social Services, Labor and Commerce and Finance Committees.

February 10, 1993

SENATE JOURNAL

p. 323

SB 91

Senator Ellis moved and asked unanimous consent that he be shown as a cosponsor on SENATE BILL NO. 91 "An Act providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date." Without objection, it was so ordered.

February 26, 1993

SENATE JOURNAL

p. 503

SB 91

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91 by Senators Leman, Ellis, entitled:

"An Act providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date."

was read the first time and referred to the Health, Education and Social Services, Labor and Commerce and Finance Committees.

March 22, 1993

SENATE JOURNAL

p. 896

SB 91

The Health, Education and Social Services Committee considered SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91 "An Act providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date" and recommended it be replaced with

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91(HES), entitled:

"An Act prohibiting unfair discrimination against direct-entry midwives who perform services within the scope of their certification; providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date."

Signing no recommendation: Senator Rieger, Chair, Senator Sharp. Signing do pass: Senators Duncan, Ellis, Salo, Leman, Miller.

Fiscal notes for SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91 and the Committee Substitute published today from Department of Health, Education and Social Services (3).

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91 was referred to the Labor and Commerce Committee.

March 31, 1993

SENATE JOURNAL

p. 1001

SB 91

The Labor and Commerce Committee considered SPONSOR SUBSTITUTE FOR SENATE BILL

NO. 91 "An Act providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date" and recommended the Health, Education and Social Services Committee Substitute offered on page 896 be adopted. Signing do pass: Senator Kelly, Chair, Senators Sharp, Salo, Lincoln, Rieger.

Previous fiscal notes.

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91 was referred to the Finance Committee.

April 12, 1993

SENATE JOURNAL

p. 1303

SB 91

The Finance Committee considered SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91 "An Act providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date" and recommended the Health, Education and Social Services Committee Substitute offered on page 896 be adopted. Signing do pass: Senator Pearce, Cochair, Senators Kelly, Sharp. Signing no recommendation: Senator Jacko.

Previous fiscal notes.

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91 was referred to the Rules Committee.

April 15, 1993

SENATE JOURNAL

p. 1406

SB 91

The Rules Committee considered SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91 "An Act providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date." Signing to calendar: Senator Jacko, Chair, Senators Rieger, Halford. Signing no recommendation: Senator Little.

SENATE BILL NO. 91 is on today's calendar.

April 15, 1993

SENATE JOURNAL

p. 1408

SB 91

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91 "An Act providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date" was read the second time.

Senator Rieger moved and asked unanimous consent for the adoption of the Health, Education and Social Services Committee Substitute offered on page 896. Without objection, CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91(HES) "An Act prohibiting unfair discrimination against direct-entry midwives who perform services within the scope of their certification; providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date" was adopted.

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91(HES) was read the second time.

Senator Taylor moved and asked unanimous consent that CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91(HES) be considered engrossed, advanced to third reading and placed on final passage. Senator Adams objected.

The question being: "Shall CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91(HES) be advanced to third reading?" The roll was taken with the following result:

CS SSSB 91(HES)

Advance from Second to Third Reading?

YEAS: 11 NAYS: 9 EXCUSED: 0 ABSENT: 0

Yeas: Frank, Halford, Jacko, Kelly, Leman, Miller, Pearce, Phillips, Rieger, Sharp, Taylor

Nays: Adams, Donley, Duncan, Ellis, Karttula, Lincoln, Little, Salo, Zharoff

and so, CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 91(HES) failed to be advanced to third reading.



SENATOR LOREN LEMAN

Northwest Anchorage

3111 "C" Street Anchorage, AK 99503 561-7614 During Session: State Capitol Juneau, AK 99801 465-2095

April 19, 1993

TO: REPRESENTATIVE RON LARSON, Co-Chairman
House Finance Committee

FROM: SENATOR LOREN LEMAN
Sponsor

A handwritten signature in cursive script that reads "Loren Lemman".

RE: CSSSSB 91(HES): An Act prohibiting unfair discrimination against direct entry midwives who perform services within the scope of their certification; providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date.

Please schedule SB 91 at your earliest convenience. CSSSSB 91 (HES) passed the Senate April 16, 20-0. This bill allows certified direct-entry midwives to bill under Medicaid; makes midwives the first category of optional Medicaid providers to be dropped if funds are insufficient; and adds midwives to the list of health care providers which insurance companies may not discriminate against.

Allowing midwives to bill for birthing services under Medicaid is expected to save the state at least \$70,000 per year over current costs.

SENATOR LOREN LEMAN

Northwest Anchorage

3111 "C" Street Anchorage, AK 99503 561-7614 During Session: State Capitol Juneau, AK 99801 465-2095

CSSSSB 91(HES): An Act prohibiting unfair discrimination against direct entry midwives who perform services within the scope of their certification; providing for coverage of midwife services under Medicaid; reordering the priority of optional services provided by the state under Medicaid; and providing for an effective date.

SPONSOR STATEMENT

This legislation adds certified direct entry midwives to the optional services covered by Medicaid. At least 42% of the pregnant women in Alaska are eligible for Medicaid. This bill allows those women to use midwifery services instead of mandating that they use clinics or hospitals for birthing services. In expanding the options for using midwifery services for births, the state will stretch its Medicaid dollars.

The Department of Health and Social Services estimates that payment of direct entry midwife services may save the state money to the extent that pregnant women choose this option instead of the more costly physician and hospital services.

Cost is not the only issue. Care of the mother and newborn is of utmost concern. I am satisfied that the prenatal care, the nutrition information, the flexibility within midwifery and the postpartum care by midwives increases the good health of the baby and mother.

My grandmother was a midwife who safely delivered 54 babies in her time. For low-risk pregnancies, this option should be available.