

**HB**

**404**

SFIN

FILE

# SENATE FINANCE COMMITTEE REPORT

SFC 4/26/96

DATE: 3/22/96

DATE TURNED INTO OFFICE: 4/26/96

The Finance Committee considered CS FOR HOUSE BILL NO. 404(STA)

Relating to the Board of Chiropractic Examiners.

and recommends:

be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

attached amendment(s)

adopt Letter of Intent by \_\_\_\_\_ Committee

further referral to the \_\_\_\_\_ Committee

**Senate Bill:**

- same title
- new title
- House Bill:**
- same title
- technical change
- new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Carol E. Zhanoff</i>	✓	<i>Steve Preece</i>	✓		
<i>Bert Ward</i>	✓	<i>Edell E. Kelly</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair: <i>Rick Halford</i>	✓	Co-Chair:			

**NEW FISCAL NOTE(S):**

Department                      Date      Zero      Fiscal


**PREVIOUS FISCAL NOTE(S):\***

Department                      Date      Zero      Fiscal

Commerce & Ec. Dev.	2/5/96		26.8

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

# FISCAL NOTE

REPORTED OUT OF

SEC 2- 4/26/96

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Bill Version: CSHB 404(STA)

(H) Publish Date: 2/7/96

Revision Date: \_\_\_\_\_  
 Title: An Act extending the termination date of the  
Board of Chiropractic Examiners;....  
 Sponsor: House Labor & Commerce  
 Requestor: House Labor & Commerce

Department: Commerce and Economic Development  
 BRU: Occupational Licensing  
 Component: Operations  
 COMPONENT SERIAL NO. 1844

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	18.2	18.2	18.2	18.2	18.2	18.2
TRAVEL	6.7	6.7	6.7	6.7	6.7	6.7
CONTRACTUAL	1.8	1.8	1.8	1.8	1.8	1.8
SUPPLIES	0.1	0.1	0.1	0.1	0.1	0.1
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES	56.5	8.6	56.5	8.6	56.5	8.6
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1091 Designated PR	26.8	26.8	26.8	26.8	26.8	26.8
<b>TOTAL</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>	<b>26.8</b>

Estimate of any current year (FY 96) cost: \$ 32.7

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

CSHB 404(STA) extends the Board of Chiropractic Examiners to June 30, 2002. The costs identified above are included in the FY 97 operating budget and therefore, new funds are not required. Costs shown represent only Direct expenses of the board based on FY 95 activity. Administrative Indirect expenses are also assessed annually per capita by the number of current licensees. FY 95 program costs (direct and administrative indirect) totalled \$32.7. Fees were adjusted in October 1994 to cover full costs of the program over a two-year period and will be reviewed again prior to the December 31, 1996 renewal.

Prepared by: Jennifer Strickler, Administrative Officer  
 Division: Occupational Licensing  
 Approved by Commissioner: William L. Hensley  
 Agency: Commerce and Economic Development

Phone: 465-2144  
 Date: February 5, 1996  
 Date: 2-5-96

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**COMMITTEE COPY**

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# House Labor & Commerce Committee

State Capitol  
Juneau, Alaska 99801-1182  
907-465-4954

APR 24 1996

TO: Senator Rick Halford  
Co-Chair  
Senate Finance Commerce

Senator Steve Frank  
Co-Chair  
Senate Finance Committee

FROM: Representative Pete Kott  
Chair

DATE: March 24, 1996

RE: CS HB 404 (STA); Request for Committee Action

I respectfully request that CS HB 404 (STA) be scheduled for a hearing before the Senate Finance Committee. It extends the Board of Chiropractic Examiners to June 30, 2002 and amends licensure requirements to eliminate licensure by credential. I attach hereto the following:

- (1) Copy of bill;
- (2) Sponsor Statement;
- (3) Sectional
- (4) Fiscal Note;
- (5) Backup.

Thank you in advance for your kind assistance in this matter. Should you have any questions, please do not hesitate to contact me.

# House Labor & Commerce Committee

State Capitol  
Juneau, Alaska 99801-1182  
907-465-4954

## SPONSOR STATEMENT CS HB 404 (STA)

The Board of Chiropractic Examiners currently has a sunset date of June 30, 1996. CS HB 404 (STA) establishes a new sunset date of June 30, 2002. It also repeals statutory provisions which permit licensure by credential.

Legislative Audit, in a report dated September 6, 1995, states: "In our opinion, the Board of Chiropractic Examiners should be reestablished." The auditors also recommend that statutory authorization for licensure by credential be eliminated or amended. I therefore commend this bill to you and urge your support.

# House Labor & Commerce Committee

State Capitol  
Juneau, Alaska 99801-1182  
907-465-4954

## SECTIONAL ANALYSIS CS HB 404 (STA)

**Section 1:** Extends the Board of Chiropractic Examiners to June 30, 2002.

**Section 2:** Repeals statutory authorization for licensure by credential.

**Section 3:** Gives the bill an immediate effective date.

# ALASKA STATE LEGISLATURE

## LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



September 6, 1995

P. O. Box 113300  
Juneau, AK 99811-3300  
(907) 465-3830  
FAX (907) 465-2347

Members of the Legislative Budget  
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

### A SPECIAL REPORT ON THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT BOARD OF CHIROPRACTIC EXAMINERS

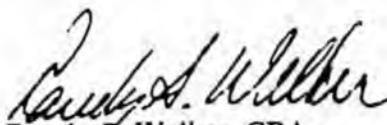
September 6, 1995

Audit Control Number  
08-1434-95

This audit was conducted under the requirements of AS 44.66.050 and the authority of AS 24.20.271(1). In the report, we assess the operations and performance of the Board of Chiropractic Examiners utilizing the criteria set out in AS 44.66.050(c). The criteria relates to assessing the demonstrated public need for a given board, commission, agency, or program subject to the sunset review process. Currently under AS 08.03.010(c)(8), the Board of Chiropractic Examiners is scheduled for termination on June 30, 1996. The board would be allowed one year in which to conclude its affairs.

In our opinion, the Board of Chiropractic Examiners should be reestablished. The regulation and licensing of qualified professionals is necessary to protect the public's health, safety, and welfare. We recommend that the legislature extend the Board of Chiropractic Examiners until June 30, 2000.

The audit was conducted in accordance with generally accepted government auditing standards. Fieldwork procedures utilized in the course of developing the findings and discussion presented in this report are discussed in the Objectives, Scope, and Methodology section of this report.

  
Randy S. Welker, CPA  
Legislative Auditor

# TABLE OF CONTENTS

	<u>Page</u>
Objectives, Scope, and Methodology .....	1
Organization and Function .....	3
Report Conclusions .....	5
Findings and Recommendations .....	7
Analysis of Public Need .....	11

## OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with the intent of Titles 24 and 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Chiropractic Examiners. As required by AS 44.66.050(a), the legislative committee of reference shall consider this report during the legislative oversight process to determine whether the board should be reestablished. Currently, AS 08.03.010(c)(8) states that the board will terminate on June 30, 1996, and will have one year from that date to conclude its affairs.

### Objectives

Our specific audit objectives were:

1. To determine if the termination date of the board should be extended.
2. To determine if the board is operating in the interest of the public. In assessing the operations and performance of the board, we utilized the criteria set out in AS 44.66.050(c). Criteria set out in this statute relates to the determination of a demonstrated public need for the board.

### Scope and Methodology

We reviewed the board activities and licensing functions for the years FY 92 through FY 95. The major areas of our review were licensing, examination, investigations, and board proceedings. We reviewed and evaluated the following:

1. Applicable statutes and regulations.
2. Tests of files and documentation of licensees.
3. Interviews with Division of Occupational Licensing staff.
4. Minutes of board meetings and division correspondence files.
5. Attorney general's opinions applicable to professional boards.

Board of Chiropractic Examiners  
(As of August 1, 1995)

William F. Risch, D.C. Chair

Patricia Conners-Allen, D.C.

Trevor Ireland, D.C.

LeRoy D. Nordstrom, D.C.

(Vacant), Public Member

As discussed in Recommendation No. 2, since January of 1995 the public member seat on the board has been vacant.

## ORGANIZATION AND FUNCTION

The Board of Chiropractic Examiners was established under the provisions of Title 8, Chapter 20 of Alaska Statutes. The board consists of five members appointed by the governor and subject to legislative confirmation. Four members must be chiropractors and one member must be appointed from the general public. Board members serve staggered terms of four years.

The board regulates the practice of chiropractic. The board sets the minimum standards to practice in Alaska by:

1. Examining and issuing licenses to qualified applicants.
2. Establishing, amending, or eliminating regulations controlling the standards of professional chiropractic practice.
3. Revoking, annulling, or suspending licenses in accordance with the Administrative Procedures Act when an individual has violated chiropractic statutes or regulations.

By statute an applicant may be licensed by passing the examination given by the board or by credentials. For credentials, an applicant must provide proof of licensure in another jurisdiction with requirements that are essentially equivalent to Alaska's. Both types of applicants must meet specified educational requirements, and pass all parts of an examination administered by the National Board of Chiropractic Examiners.

### Division of Occupational Licensing

The Division of Occupational Licensing (OccLic), Department of Commerce and Economic Development provides administrative and investigative assistance to the Board of Chiropractic Examiners. This assistance is funded by licensing and application fees as appropriated by the legislature. Administrative assistance includes budgetary services and functions such as: collection of fees, maintaining files, receiving and issuing application forms, and publishing notice of examinations and meetings. On its own initiative, or in response to a complaint, OccLic may conduct an investigation if it appears a person has engaged in or is about to engage in a practice over which OccLic has authority. OccLic can issue an order that a person stop the practice, bring an action on Superior Court to enjoin the act, examine the books and records of an individual, and issue subpoenas for the attendance of witnesses and records.

## REPORT CONCLUSIONS

In our opinion, the Board of Chiropractic Examiners should be reestablished. The regulation and licensing of qualified professionals is necessary to protect the public's health, safety, and welfare. The board provides this service by establishing minimum educational and experience requirements that provide reasonable assurance that persons licensed are qualified to practice. Also, assurance that those licensed act in a competent manner is provided by active investigation of complaints and revocation or suspension of licenses when appropriate.

The Board of Chiropractic Examiners has consistently been found to satisfy a public purpose and has demonstrated its ability to conduct business satisfactorily. Deficiencies found have been relatively minor, and are further discussed in the Findings and Recommendations section of this report.

Alaska Statute 08.03.010(c)(8), requires that the Board of Chiropractic Examiners be terminated on June 30, 1996. Under AS 08.03.020 the board has a one-year period to administratively conclude its affairs. Based upon our review of the board's performance, it is recommended that the next termination date for sunset review should be June 30, 2000.

Our recommendation for a four year extension is linked to the suggested legislative action set out in Recommendation No. 1. In the recommendation, we suggest the legislature clarify statutory language which allows for licensure by credential. As reflected by subsequent discussion, we make this recommendation despite concerns that such action may appear to lead to more restrictive entry into the chiropractic profession.

Our concerns were alleviated by our review of examination results which indicated that the current board's policy of denying licenses by credential did not result in unduly restricted entry into the profession. If the legislature adopts our recommendations related to credential provisions in statute, we believe the board should be limited to only a four year renewal period. By limiting the renewal period, a more timely review of examination practices would automatically be triggered. Such a review will allow our agency to address concerns that licenses continued to be issued in a fair and reasonable manner, even after current practice has been codified in statute.

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**LICENSURE AS A CHIROPRACTOR IN ALASKA REQUIRES  
APPLICANTS TO PASS BOTH A NATIONAL AND  
STATE EXAMINATION**

The Board of Chiropractic Examiners requires applicants for licensure to successfully complete both national and state examinations. The national examination is made up of three parts. Additionally, the state board requires that applicants also pass a physiotherapy examination. Both of these national examinations are administered through the auspices of the National Board of Chiropractic Examiners.

Some applicants, licensed in other jurisdictions, fail to meet the State's *essentially equivalent* standard because they were licensed without having to pass part three of the national examination and/or the physiotherapy examination. State regulation provides that an applicant can substitute an examination from another state for part three or the physiotherapy section if the applicant can demonstrate that the test is equivalent. As discussed in Recommendation No. 1, to date the board has yet to recognize any other state's examination as being equivalent.

**The state examination includes written, oral, and practical components**

The state examination involves a written test of Alaska Statutes related to the ethical and legal requirements involved with the practice of chiropractic in the State. Additionally, the examination also involves a written test on the administration, safety procedures, analysis, and interpretation of x-rays. As might be expected, applicants licensed in other jurisdictions have not met these criteria, and accordingly, even if they meet all the requirements of the other phases, they cannot achieve the State's *essentially equivalent* standard. The written examination also covers clinical practice and evaluates the applicant's competency in this area.

The state examination also includes a demonstration of an applicant's ability to properly apply chiropractic techniques using one of a number of different methods. In addition to demonstrating what is termed manipulative technique, the applicant must also demonstrate their competency in the area of physiotherapy, physical diagnostic skills, and interpretation of x-rays. Even though an individual, licensed in another state, may have passed a similar practical examination as a condition of licensure, the board still requires the applicant to pass this phase. Unlike the national examination phase, the applicant does not receive "credit" for successful completion of any one segment of the state examination. Rather, all applicants regardless of any previous license status, must demonstrate their practical technical proficiency to the satisfaction of the board.

After successfully completing all phases of the licensing examination the applicant is required to sit for a formal interview with the board and respond to typically routine questions regarding their background and experience. The interview process is generally a routine formality for the applicant.

## FINDINGS AND RECOMMENDATIONS

### Recommendation No. 1

The legislature should consider amending state law related to what the statutes term as "licensure by credentials" for chiropractors.

Alaska Statute (AS 08.20.140) provides for a process by which applicants may be licensed as chiropractors without taking the state examination. The statute provides that the Board of Chiropractic Examiners may issue a license if an applicant can satisfactorily demonstrate they were licensed in another jurisdiction that imposed requirements *essentially equivalent* to the State's current licensing standards.<sup>1</sup>

For the past four years reviewed, no applicant has received a license without taking the state examination. In practice, the board essentially deals with all applicants the same way, regardless whether or not the individual may have been licensed as a chiropractor in another jurisdiction. The board scrutinizes each applicant's training, experience, and examination credentials in making its licensing determination. The board gives credit to examination testing, training, and experience that may have been obtained in another jurisdiction by an individual practicing as a licensed chiropractor. However, the board has historically held that no applicants, licensed in other jurisdictions, meet the *essentially equivalent* requirements.

The board seems to have made this determination by considering licensing requirements, in their entirety. To be licensed as a chiropractor in Alaska, an applicant, after documenting they meet the necessary qualifying education and experience requirements must then successfully complete both the national and state examinations. These examination requirements, as described in the inset on the opposite page, are applied to all applicants, and invariably result in everyone needing to successfully complete at least one examination.

The multiplicity, and to some degree the uniqueness, of examination requirements for licensure in the State has rendered the licensure by credential statute meaningless. The statute serves to falsely suggest that an applicant could obtain licensure in Alaska based solely on their licensure in another jurisdiction, as long as the other jurisdiction had *essentially equivalent* standards. However, because of the extensive and state-specific nature

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<sup>1</sup> Specifically, AS 08.20.140 provides

*The board may issue a license without examination to an applicant presenting satisfactory proof of possession of a license or certification of registration in good standing in a state or territory of the United States, or a foreign country, if the requirements for registration at the date of the applicant's license were essentially equivalent to those in this chapter. [emphasis added]*

Alaska's requirements, as a practical matter no other jurisdiction's requirements can meet the equivalency standard.

We would typically look in askance on such practices and requirements that seem to be unduly rigorous. Such extensive requirements can serve as an unfair barrier to entry into the profession — protecting the professional interests of current licensees at the expense of the public interest. We are given further pause by the apparent intent of the legislature that licensure be available to applicants from other jurisdictions. This intent can be reasonably inferred from AS 08.20.140 which provides for a process whereby licenses could be obtained without examination. We have been traditionally skeptical about board actions and functions that seemingly have the effect of eviscerating original statutory intent.

However, from our review of this board's licensing activities, we determined that the board has not been acting to unduly or unfairly restrict licensure. Over the past four years the board has issued more than 40 licenses, and the rate of success for applicants is almost 93 percent. In cases where an individual did not pass the jurisprudence section of the state examination, the board allowed applicants to retake the examination upon arrangement with the board's licensing examiner. In our view, these statistics suggest that the board has not been overly restrictive in its application of licensing requirements.

As discussed in the inset on page six, the State requires applicants that may be licensed in another jurisdiction to demonstrate their practical proficiency, even though they may have done so in an essentially equivalent process as a condition of original licensure. We believe it is reasonable for the board to satisfy itself that prospective practitioners can adequately and appropriately perform the day-to-day practical requirements of their profession.

Accordingly, we recommend the legislature consider either amending or repealing AS 08.20.140. By doing so, the legislature could more clearly set out the actual requirements and expectations involved in the licensing of chiropractors. Repeal would eliminate the expectation and possible confusion on the part of applicants who may be licensed by other jurisdictions regarding what they must do to be licensed in Alaska.

A preferable remedy may be for the legislature to codify more specifically in statute the requirements for licensure. Such a statutory amendment could state that any applicant must successfully complete certain relevant national examinations; the necessary state examinations; and, a practical demonstration and examination in front of board members. By codifying current practice in statute, the legislature could provide both clear notice of licensing requirements and standards, while also guarding against possible abuses by future boards.

Recommendation No. 2

The Office of the Governor should arrange for appointments to the public member seat on the Board of Chiropractic Examiners to be made in a more timely manner.

Alaska Statute 08.20.020 provides that one member of the general public be appointed to serve on the Board of Chiropractic Examiners. The public member sits with four licensed chiropractors on the State's regulatory and oversight board.

The public member board seat has been vacant since January of 1995. It was also vacant from March of 1991 to July of 1992, and from January of 1994 through March of 1994. Of the fifty-one months from March of 1991 to June of 1995, the seat was vacant approximately twenty-five months. In that time, the board held five meetings without the benefit of the presence of the required board member.

This lack of public representation on the board defeats the intent behind the board membership statutory requirement. It fosters the possibility that the board will be more insular and self-serving in its actions and makes the board less accountable to the public at large.

As of the date of this report no new public member has been appointed. We recommend that if at all possible, the seat be filled before the next scheduled meeting.

(Intentionally left blank)

## ANALYSIS OF PUBLIC NEED

### Limited Analysis

The following analysis of the board activities relates to the public need factors defined in the sunset law, AS 44.66.050. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

#### *The extent to which the board, commission, or program has operated in the public interest.*

The board has served the public by examining and licensing qualified applicants, and by proposing changes to statutes and regulations in order to enhance the quality of chiropractic care in Alaska.

The board has enforced the laws for issuing licenses in a uniform and consistent manner. It has held regular meetings and examinations throughout the audit period in accordance with statutory requirements.

The board was instrumental in the passage of legislation permitting the establishment of a peer review committee to review complaints concerning the reasonableness or appropriateness of care provided, fee charges, or the costs of services rendered by licensees.

#### *The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters.*

The board has served the public by examining and licensing qualified applicants and by proposing changes in regulation that are necessary to enforce state statutes and enhance the quality of chiropractic care in Alaska.

Appointments to the public member board seat were not made in a timely manner. This seat has been vacant since January 1995. It was also vacant from March 1991 through July 1992 (16 months), and it was vacant from January 1994 through March 1994. For further discussion, see Recommendation No. 2.

Alaska Statute 08.20.140 states that licensure by credential may be extended to applicants who present proof of current licensure in other states, and who have met requirements essentially the same as those which exist in Alaska. The board has held that no tests equivalent to the state exam, or equivalent to part three of the national written exam exist. Therefore, as a practical matter, all applicants are required to take these tests to be licensed in Alaska. For further discussion, see Recommendation No. 1.

*The extent to which the board, commission, or agency has recommended statutory changes that are generally of benefit to the public interest.*

The board was instrumental in the passage of legislation establishing a peer review committee to review complaints concerning the reasonableness or appropriateness of care provided, fees charged, or the costs of services rendered by licensees.

The board supports implementation of Locum Tenens statutes and regulation of chiropractic technicians. Adoption of a Locum Tenens measure would provide easier access to licensed chiropractors from other states to practice in Alaska on a temporary basis. This would permit professionals from other states to practice, perhaps in a substitute capacity for a licensed chiropractor within the State.

The board also supports inclusion of chiropractors in the Impaired Physician's Act as found in AS 08.01.050(d). This statute allows occupational licensing to contract with public or private agencies to provide assistance and treatment to persons licensed by the board, who abuse alcohol, drugs, or other substances. Currently, professionals not covered under this act are monitored by personnel in the investigative unit of the Division of Occupational Licensing. Contracting with agencies specializing in the treatment of alcohol and drug abuse will afford those professionals a better chance for recovery and will ultimately result in more stable professional care offered to the public.

*The extent to which the board, commission, or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service that it has provided.*

All meetings and examinations were advertised in three Alaskan newspapers with adequate notice for interested individuals to attend or to make written comment.

Time was set aside to hear public testimony at all meetings.

*The extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.*

Public notices of proposed regulations are published in major newspapers. As noted above, meetings were adequately advertised, and time was set aside for public testimony.

*The efficiency with which public inquiries or complaints regarding the activities of the board, commission or agency filed with it, with the department to which a board or commission is administratively assigned, or to the Ombudsman have been processed or resolved.*

No complaints were filed with the Ombudsman regarding chiropractic licensees.

Overall, the investigation of complaints against licensees received by the Division of Occupational Licensing is effective. While timeliness is a concern, given the circumstances surrounding the cases that have remained open for an extended period, progress is not unreasonably slow. Complaints are prioritized logically and handled accordingly.

During the period under audit, nineteen investigative cases were opened. Six of these cases involved allegations of fraud or misrepresentation. Three cases involved allegations of negligence, and two involved practice beyond the scope of ones license. One case was a sexual misconduct case and one dealt with violation of professional ethics. Two cases involved unlicensed practice, one involved criminal action, and the final three were license application problems. We reviewed a sample of nine cases. Additionally, we noted all cases that required board decision. All hearing officer's decisions were upheld by the board.

The licensing board appears to be willing to take effective licensing enforcement action, and to operate in a fair and objective manner.

*The extent to which the board or commissions that regulate entry into an occupation or profession has presented qualified applicants to serve the public.*

Overall, the application process for chiropractic licensure appears reasonable and appropriate. The licensing process is neither unduly restrictive nor too lax. Qualified applicants are readily licensed.

Adequate continuing education is required to maintain licensure. Continuing education credits are adequately monitored by the Division of Occupational Licensing to promote a high level of quality performance to the public.

*The extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.*

No complaints regarding the Division of Occupational Licensing were received by the Ombudsman. We did not find any evidence that the board was not complying with state personnel practices, including affirmative action in qualifying applicants. In no instances has the board denied an applicant a license based on personal attributes.

*The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.*

As discussed in Recommendation No. 2, the significant portion of time the public member board seat was vacant represents a lack of public representation on the board.

The board's position that no test is equivalent to the state exam or to part three of the national exam causes AS 08.20.140 to be misleading. As discussed in Recommendation No. 1, the statute should be clarified to avoid confusion as to what are the board requirements for licensure by credentials.

November 30, 1995

Mr. Randy S. Welker  
Legislative Auditor  
Budget and Audit Committee  
Division of Legislative Audit  
P.O. Box 113300  
Juneau, AK 99811

Dear Mr. Welker:

Reference the Board of Chiropractic Examiners Preliminary Audit Report. Thank you for this opportunity to comment.

**Recommendation No. 1:**

The Legislature should consider clarifying state law related to what the statutes term as "licensure by credentials" for chiropractors.

As the board has not issued a license by credentials in more than four years, we concur that license by credentials provision in AS 08.20 is misleading to applicants. The board has been unable to determine equivalency of other jurisdiction exams and, therefore, all applicants have been required to sit for the entire Alaska examination.

**Recommendation No. 2:**

The Office of the Governor should arrange for appointments to the public member seat on the Board of Chiropractic Examiners to be made in a timely manner.

My department is not involved with board appointments; this recommendation will be passed along to the Governor's office for comment as applicable.

**Analysis of Public Need:**

We agree with your analysis of the need for licensing this profession. In our opinion, the board has performed its responsibilities in the best interest of the public.

**Examinations:**

With regards to page 6, relating to the exam categories, we would like

to clarify that under paragraph four, it is correct that the board previously gave a practical exam section which specifically covered physiotherapy and interpretation of x-ray; however, that portion of the exam was discontinued some time ago (approximately 1992). Current exam categories administered during the August 1995 exam were as follows:

<u>Exam</u>	<u>Passing Score</u>
X-ray Written Exam Section	75%
Jurisprudence Written Exam Section	75%
Oral Exam (six questions--applicant specific)	Pass/Fail
Manipulation Techniques (Applicant chooses one of three options)	75%

Sincerely,

William L. Hensley  
Commissioner

WLH/BG/yd730.ol  
103195a

cc: Catherine Reardon, Director  
bcc: Barbara Gabier, Program Coordinator

**SENATE COMMITTEE REPORT**  
**First Committee of Referral**

DATE: 2/19/96

FURTHER: Finance

3/20/96

DATE TURNED INTO OFFICE: ~~3/17/96~~

The Labor & Commerce Committee considered CS FOR HOUSE BILL NO. 404(STA)  
 Relating to the Board of Chiropractic Examiners.

*FN*

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical title
  - new: SCR# \_\_\_\_\_

SIGNING DO. PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Mike Miller</i>	<input checked="" type="checkbox"/>				
<i>John Ferguson</i>	<input checked="" type="checkbox"/>				
CHAIR: <i>Tom Kelly</i>	<input checked="" type="checkbox"/>	CHAIR:			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
<i>DCEID</i>	<i>2/5/96</i>		<i>565</i>

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill