

HB

281

<TARGET><BILL>HB 281</BILL><SUBJECT>HB
281</SUBJECT><COMM>HHSS28</COMM></TARGET>



Alaska State Legislature

Representative Lynn Gattis

Representative.Lynn.Gattis@akleg.gov

HB 281 Sponsor Statement

House Bill 281, "An Act relating to prescription of drugs by a physician without a physical examination."

Much of our contemporary life is conducted online or over the phone. In this age of prevalent communications technology it should not be necessary to drive to the doctor's office and have a physical consultation for many common ailments.

Under HB 281 patients will be able to obtain over-the-phone or online consultations where physicians can diagnose an ailment and, if necessary, provide a prescription. This practice is called telemedicine. Telemedicine based medical care would be delivered by fully trained and qualified primary care physicians residing in Alaska. Some benefits of telemedicine are:

- Convenience for the patient.
- Affordability (\$40 average consultation fee vs. over \$1000 for the ER).
- Rapid access.
- Higher productivity from a healthy workforce.
- Primary care access for business and leisure travelers when they are away from their home state.

These practices can favorably impact access to care for individuals living in both rural and urban settings. With 20% of our population living in rural areas it is imperative that access to routine medical care be as quick and economical as possible. Anyone needing medical care would be a candidate for this system but imagine the benefits for a working mother with a sick kid, a rural homesteader, or an employee who cannot take time off of work. HB281 will revolutionize how we access our primary care providers and I ask for your support in this bill.

Session Contact:

State Capitol Room 420
Juneau, AK 99801
Phone: 907-465-4833
Toll Free: 800-782-4833
Fax: 907-465-4586

Interim Contact

600 E. Railroad Avenue
Wasilla, AK 99654
Phone: 907-841-4347

District 9 – Greater Wasilla

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: HB 281
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB281-DCCED-CBPL-02-06-2014
Title: PRESCRIPTION WITHOUT PHYSICAL
EXAMINATION
Sponsor: GATTIS
Requester: House Health and Social Services

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By: <u>Don Habeger, Director</u>	Phone: <u>(907)465-2536</u>
Division: <u>Corporations, Business and Professional Licensing</u>	Date: <u>02/07/2014 10:20 AM</u>
Approved By: <u>Jeanne Mungle, Director</u>	Date: <u>02/07/14</u>
Agency: <u>Administrative Services</u>	

FISCAL NOTE ANALYSIS

**STATE OF ALASKA
2014 LEGISLATIVE SESSION**

BILL NO. HB281

Analysis

HB 281 adds a new section into AS 08.04 so that the State Medical Board may not impose disciplinary sanctions on a physician for prescribing medication that is not a controlled substance without conducting a physical examination. The prescribing physician would have to be located in the state and under certain conditions records may have to be sent to a primary care provider.

The Division of Corporations, Business, and Professional Licensing does not anticipate fiscal impact from this legislation.



LEGISLATIVE RESEARCH SERVICES

Alaska State Legislature
Division of Legal and Research Services
State Capitol, Juneau, AK 99801

(907) 465-3991 phone
(907) 465-3908 fax
research@legis.state.ak.us

Research Brief

TO: Representative Lynn Gattis
FROM: Roger Withington, Legislative Analyst
DATE: January 31, 2014
RE: Urban and Rural Population of Alaska, 2010 Census
LRS Report 14.193

You asked for information on the population of Alaska. Specifically, you asked for the population of Alaska as determined by the 2010 Census, delineated by urban and rural populations.

According to Demographer David Howell, the Alaska Department of Labor and Workforce Development (DOLWD) currently classifies areas of the state as either rural or urban at the census area or borough level.¹ The Department defines as urban the Municipality of Anchorage and the Matanuska-Susitna, Fairbanks North Star, Kenai Peninsula, and Juneau boroughs. All other boroughs or census areas are classified as rural. Using figures from the 2010 Census, we constructed Table 1 which provides, for each borough or census area in the state, the population and the percent of the total state population the area represents. As you can see from Table 1, urban areas contain approximately 80 percent of the state's population. We also include a map which illustrates the boundaries of the borough and census areas in the state

¹ Mr. Howell can be contacted at 907-465-5970.

Table 1: Population of Alaska by Borough or Census Area, 2010

Area	Borough or Census Area	Population	Percent of State Total
Urban Areas	Anchorage, Municipality of	291,826	41.1%
	Matanuska-Susitna Borough	88,995	12.5%
	Fairbanks North Star Borough	97,581	13.7%
	Kenai Peninsula Borough	55,400	7.8%
	Juneau City and Borough	31,275	4.4%
	Urban Total	565,077	79.6%
Rural Areas	Aleutians East Borough	3,141	0.4%
	Aleutians West Census Area	5,561	0.8%
	Bethel Census Area	17,013	2.4%
	Bristol Bay Borough	997	0.1%
	Denali Borough	1,826	0.3%
	Dillingham Census Area	4,847	0.7%
	Haines Borough	2,508	0.4%
	Hoonah-Angoon Census Area	2,150	0.3%
	Ketchikan Gateway Borough	13,477	1.9%
	Kodiak Island Borough	13,592	1.9%
	Lake and Peninsula Borough	1,631	0.2%
	Nome Census Area	9,492	1.3%
	North Slope Borough	9,430	1.3%
	Northwest Arctic Borough	7,523	1.1%
	Petersburg Census Area	3,815	0.5%
	Prince of Wales-Hyder Census Area	5,559	0.8%
	Sitka City and Borough	8,881	1.3%
	Skagway, Municipality of	968	0.1%
	Southeast Fairbanks Census Area	7,029	1.0%
	Valdez-Cordova Census Area	9,636	1.4%
	Wade Hampton Census Area	7,459	1.1%
	Wrangell City and Borough	2,369	0.3%
Yakutat City and Borough	662	0.1%	
Yukon-Koyukuk Census Area	5,588	0.8%	
Rural Total	145,154	20.4%	
State Total		710,231	100.0%
Notes: Classifications are from David Howell, Demographer, Alaska Department of Labor and Workforce Development, 907-465-5970. Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, http://labor.alaska.gov/research/census/ .			

We hope this is helpful. If you have questions or need additional information, please let us know.



The Honorable Lynn Gattis
Alaska State Legislature
120 4th Street, State Capitol, Room 3
Juneau, Alaska 99801

February 10, 2014

Dear Representative Gattis,

On behalf of Teladoc, I am contacting you to voice our support for pending House Bill No. 281 regarding the practice of telemedicine. The Bill would allow all physicians and podiatrists licensed by the State Medical Board, to practice telemedicine in the state under certain circumstances.

As background, health care costs are rising across the nation. Alaska, specifically, represents a challenge to control health care costs given the long distances its citizens must travel for treatment and regulatory barriers to entry. All these features have exacerbated the growing shortage of primary care physicians and access to primary care physician medical services in the State of Alaska.

Telemedicine is an essential component that allows companies and health plans to offer its employees and members an affordable, accessible and high-quality health care option. It is an important solution to driving down health care costs and providing primary care access when resources are scarce.

For many health care patients, leaving work to see a physician and losing hours at work can be an extreme burden from an economic standpoint. Because of that, they wait until after hours to seek care, when their primary care physician is often not available. This frequently forces these patients to visit emergency rooms, driving the cost of care up even higher. A telemedicine option, like Teladoc, allows patients to receive safe, quality care when they need it, and without the burden and cost of being examined in person beforehand. When factoring in time off from work and the cost of other options, we have been able to save employers, health plans and consumers more than \$200 per consultation (based on national averages).

However, the current regulatory requirement for a prior in person physical examination of patients by physicians conducting telemedicine prevents wider

adoption of telemedicine. HB 281 will address and ease those licensing issues and allow our company to offer health care delivery options and patients the right to access quality care. In other states, such as California, telemedicine services are widely able to provide care unencumbered, allowing employers, state employees and health plans the ability to lower costs, remain competitive and offer a well-rounded benefits package.

Passing HB 281 would help improve access to quality care in Alaska while reducing health care costs and provide patients with the right to choose an option that fits their individual needs. Please help move this Bill forward so we can continue to offer this effective and beneficial service to our client's members.

Thank you for your support in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jason Gorevic".

Jason Gorevic
Chief Executive Officer
Teladoc

Teladoc

Senator Fred Dyson
Alaska State Legislature
Alaska State Senate
Capitol Room 121
Juneau, Alaska 99801

March 26, 2013

Dear Senator Dyson,

On behalf of Teladoc, I am contacting you to voice our support for pending **Senate Bill No. 80** regarding the practice of telemedicine. The Bill would allow all physicians and podiatrists licensed by the State Medical Board, to practice telemedicine in the state under certain circumstances.

As background, health care costs are rising across the nation. Alaska, specifically, represents a challenge to control health care costs given the long distances its citizens must travel for treatment and regulatory barriers to entry. All these features have exacerbated the growing shortage of primary care physicians and access to primary care physician medical services in the State of Alaska..

Telemedicine is an essential component that allows companies and health plans to offer its employees and members an affordable, accessible and high-quality health care option. It is an important solution to driving down health care costs and providing primary care access when resources are scarce.

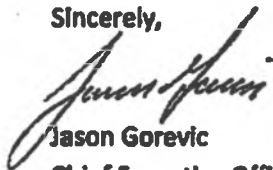
For many health care patients, leaving work to see a physician and losing hours at work can be an extreme burden from an economic standpoint. Because of that, they wait until after hours to seek care, when their primary care physician is often not available. This frequently forces these patients to visit emergency rooms, driving the cost of care up even higher. A telemedicine option, like Teladoc, allows patients to receive safe, quality care when they need it, and without the burden and cost of being examined in person beforehand. When factoring in time off from work and the cost of other options, we have been able to save employers, health plans and consumers more than \$200 per consultation (based on national averages).

However, the current regulatory requirement for a prior in person physical examination of patients by physicians conducting telemedicine prevents wider adoption of telemedicine. SB 80 will address and ease those licensing issues and allow our company to offer health care delivery options and patients the right to access quality care. In other states, such as California, telemedicine services are widely able to provide care unencumbered, allowing employers, state employees and health plans the ability to lower costs, remain competitive and offer a well-rounded benefits package.

Passing SB 80 Bill would help improve access to quality care in Alaska while reducing health care costs and provide patients with the right to choose an option that fits their individual needs. Please help move this Bill forward so we can continue to offer this effective and beneficial service to our clients members.

Thank you for your support in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Gorevic", written in a cursive style.

**Jason Gorevic
Chief Executive Officer
Teladoc**

from American Telemedicine Assoc.

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What is Telemedicine?

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Formally defined, telemedicine is the use of medical information exchanged from one site to another via electronic communications to improve a patient's clinical health status. Telemedicine includes a growing variety of applications and services using two-way video, email, smart phones, wireless tools and other forms of telecommunications technology.

Starting out over forty years ago with demonstrations of hospitals extending care to patients in remote areas, the use of telemedicine has spread rapidly and is now becoming integrated into the ongoing operations of hospitals, specialty departments, home health agencies, private physician offices as well as consumer's homes and workplaces.

Telemedicine is not a separate medical specialty. Products and services related to telemedicine are often part of a larger investment by health care institutions in either information technology or the delivery of clinical care. Even in the reimbursement fee structure, there is usually no distinction made between services provided on site and those provided through telemedicine and often no separate coding required for billing of remote services. ATA has historically considered telemedicine and telehealth to be interchangeable terms, encompassing a wide definition of remote healthcare. Patient consultations via video conferencing, transmission of still images, e-health including patient portals, remote monitoring of vital signs, continuing medical education, consumer-focused wireless applications and nursing call centers, among other applications, are all considered part of telemedicine and telehealth.

While the term telehealth is sometimes used to refer to a broader definition of remote healthcare that does not always involve clinical services, ATA uses the terms in the same way one would refer to medicine or health in the common vernacular. Telemedicine is closely allied with the term health information technology (HIT). However, HIT more commonly refers to electronic medical records and related information systems while telemedicine refers to the actual delivery of remote clinical services using technology.