

ALASKA LEGISLATURE

2143

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

294



Senate Majority News

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For Immediate Release: April 6, 2000

Contact: Senator Mike Miller, 465-4976

Senate Allows Year-Round Students to Receive Education Loans

(Juneau) The Alaska Senate unanimously passed legislation Thursday that makes financing a college education easier for Alaskan students. Senate Bill 275, sponsored by the Senate Health, Education and Social Services Committee, changes the definition of an academic year for the purpose of the Alaska Post Secondary Loan Program.

The Alaska Post Secondary Loan Program limits the student loans that an individual may take within an academic year. Under current statutes, an academic school year is defined as the period from September 1 of one year through August 31 of the following year. SB 275 would change the definition to "a minimum of 30 weeks of instructional time that begins between September 1 of one year and August 31 of the following year."

This change allows students who complete one year's worth of study and begin a second within a calendar year to be able to receive student loans for all of their studies. It also makes the state definition conform with the U.S. Department of Education definition of an academic year.

"An academic year that begins in the fall and ends in the spring worked well when the United States was primarily an agricultural society, when students needed to be free in the summer to work on a farm," said Senator Mike Miller, Chair of the Health, Education and Social Services Committee. "Most students no longer have that obligation, and some colleges and universities are re-designing their academic calendars to accommodate students who prefer to accelerate their academic progress, becoming wage-earners in the shortest time possible. SB 275 allows them to do this, without unfairly limiting their financial aid."

SB 275 moves to the House for consideration.

#

SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

March 20, 2000

1:33 p.m.

MEMBERS PRESENT

Senator Mike Miller, Chairman
Senator Gary Wilken
Senator Drue Pearce
Senator Kim Elton

MEMBERS ABSENT

Senator Pete Kelly, Vice-Chairman

COMMITTEE CALENDAR

SENATE BILL NO. 261

"An Act relating to needle stick and sharps injury protections and the use of safe needles by health care facilities and health care professionals; and providing for an effective date."

-MOVED CSSB 261(HES) OUT OF COMMITTEE

SENATE BILL NO. 275

"An Act relating to the school year for purposes of the postsecondary student loan program; and providing for an effective date."

-MOVED CSSB 275(HES) OUT OF COMMITTEE

PREVIOUS SENATE COMMITTEE ACTION

SB 261 - See HESS minutes dated 3/8/00.

SB 275 - No previous action to report.

WITNESS REGISTER

Ms. Wanda Katiszki
Alaska Nurses Association
237 E 3rd
Anchorage, AK 99501
POSITION STATEMENT: Supports SB 261

Ms. Donna Thompson
No Address Provided
POSITION STATEMENT: Supports SB 261

Mr. Cle Wade

the vaccination of health care workers was not covered in the title of the bill so Amendment 3 adds a short statement to the title and better defines the language.

SENATOR ELTON moved to adopt Amendment 3 which reads as follows.

A M E N D M E N T 3

OFFERED IN THE SENATE
TO: SB 261

BY SENATOR ELTON

Page 1, line 2, following " ; ":

Insert "relating to the vaccination of health care workers against diseases transmitted by blood borne pathogens;"

Page 3, line 24:

Delete "increase vaccinations"

Insert "encourage the vaccination of health care workers against diseases transmitted by blood borne pathogens"

There being no objection, CHAIRMAN MILLER announced Amendment 3 was adopted.

SENATOR ELTON moved SB 261 as amended with the attached and hopefully changing fiscal note. There being no objection, CSSB 261 (HES) moved from committee.

#

#SB 275

SB 275-POSTSECONDARY LOAN PROGRAM:SCHOOL YR

CHAIRMAN MILLER noted SB 275 was introduced by the Senate HESS Committee. The bill changes the definition of the school year to provide student loans for students attending schools that offer a two year degree within a 15 month time period. Charter College offers such a degree, and it is working on a four year degree program that a student could earn in 2 1/2 years. SB 275 changes the requirement that loans be granted only according to the traditional school year.

MR. MILT BYRD, President of Charter College and a member of the Alaska Commission on Postsecondary Education (ACPE), explained that the modification of the definition of a school year is consistent with the definition of the U.S. Department of Education. Historically, colleges and universities have offered two semesters of 15 weeks each or three quarters of ten weeks for a total of 30 weeks for the academic year. Language in the current statute

assumes that students will go to school for nine months of the year to achieve 30 weeks of instruction. One can put together a fast track program whereby the 30 week instructional year can be offered in about 7½ months. That permits a student to complete a four year degree in 30 months or 2½ years. Charter College uses that structure. Currently, it offers a two-year degree and plans to develop into a four year institution. Charter College is concerned that students will need to pay four years of tuition for the fast track program but will be unable to get four years of loans. The modification of the current statute will simply provide that a 30 week period of academic instruction constitutes a full year and provides for one full loan.

MR. BYRD said the House companion bill was slightly modified. The word "occurs" was changed to "begins" on page 1, line 6, to allow students who are on a fast track program to apply for two loans during the period from September 1 to August 31. That change was approved by the Alaska Commission on Postsecondary Education at its meeting last Thursday.

SENATOR ELTON asked, if the word "begin" is used, why the dates of September 1 and August 31 are necessary. He asked if the bill could say that a school year means an academic period that is a minimum of 30 weeks of instruction time.

MR. BYRD replied that would be fine from his point of view, but ACPE staff is concerned that the additional loan year be part of the record for reasons unrelated to this particular change.

MS. DIANE BARRANS, Executive Director of the Alaska Commission on Postsecondary Education, forwarded to the committee the endorsement taken by the ACPE the previous week. In regard to Senator Elton's question, she said the terms and conditions for each school year are set and disclosed within the Alaska Student Loan Corporation's official statement. In order to accurately track those terms and conditions from one year to the next, a time period is set that they will apply to - the reason the dates are needed in SB 275.

There being no further testimony on SB 275. CHAIRMAN MILLER moved to replace the word "occurs" with "begins" on page 1, line 6. There being no objection, the motion carried.

SENATOR WILKEN moved CSSB 275(HES) from committee with individual recommendations and its zero fiscal note. There being no objection, it was so ordered. CHAIRMAN MILLER noted the bill has no fiscal note.

MS. BARRANS told committee members the bill has no fiscal impact

but that she would provide a zero fiscal note for the next committee of referral.

There being no further business to come before the committee, CHAIRMAN MILLER adjourned the meeting at 2:20 p.m.

SB

276

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/3/00

FURTHER:

RECEIVED
3/28/00

DATE TURNED
IN TO OFFICE: 28 March 2000

Finance Committee considered

SENATE BILL NO. 276

"An Act requiring that health care insurers provide coverage for treatment of diabetes."

and recommends:

- be replaced with _____ CS SB 276 (FIN)
- adopt previous _____ CS _____
- attached amendment(s) Fortcoming
- adopt Letter of Intent by _____ CS
- 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>Al Adams</i>	<input checked="" type="checkbox"/>	<i>Kell & ...</i>			
<i>Pat Kelly</i>	<input checked="" type="checkbox"/>	<i>Lylee ...</i>			<input checked="" type="checkbox"/>
<i>Greg ...</i>	<input checked="" type="checkbox"/>				
<i>Andrew D. ...</i>	<input checked="" type="checkbox"/>				
Co-Chair: <i>Jeff ...</i>	<input checked="" type="checkbox"/>	Co-Chair:			
Co-Chair: <i>Sean ...</i>	<input checked="" type="checkbox"/>	Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

<i>Comm. & Econ. Dev</i>	3/2/00	<input checked="" type="checkbox"/>	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

No. 1

Bill Version: SB276

BILL N(S) Publish Date: 3/3/00

STATE OF ALASKA
2000 LEGISLATIVE SESSION

3/28/00

Revision Date/Time (Note if correction) _____ Dept. Affected Community & Economic Development
 Title An Act requiring that health care insurers provide BRU Insurance
coverage for treatment of diabetes Component Insurance
 Sponsor Senate HES
 Requester Senate L&C Component No. 354

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

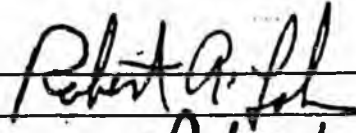
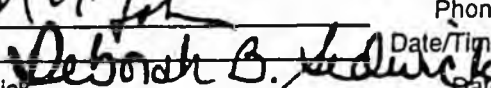
Estimate of any current year (FY2000) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact on this component.

Prepared by: Robert A. Lohr  Phone 269-7900
 Division Insurance Date/Time 3-2-00 11:53 AM
 Approved by Commissioner Deborah B. Sedwick  Date 3/2/00
 Agency Community & Economic Development

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SENATE FINANCE
COMMITTEE
Amendment Number: #4 1-LS1471A.3
Bill Number: SB 276 Ford
Sponsor: Torgerson Date: 3/27/00 3/25/00
Logged In By: Mindy

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: SB 276

1 Page 1, following line 14:

2 Insert a new subsection to read:

3 "(b) Coverage for the cost of diabetes outpatient self-management training or
4 education under (a) of this section is limited to \$1,500 for a covered person in a
5 year."

6 Reletter the following subsection accordingly.

7 Page 2, following line 5:

8 Insert a new bill section to read:

9 "* Sec. 2. AS 21.42.390(b) is repealed January 1, 2003."

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	SB 276	
Amendment	#4	
Motion		
<u>Motion by</u>	JP	
<u>Objection</u>		
<u>Objection by</u>	JG	
<u>Removed</u>		
<u>Second Objection by</u>		
<u>Committee Member</u>	<u>Vote</u>	
Senator Pete Kelly	Y	
Senator Lyda Green	N	
Senator Randy Phillips	Y	
Senator Dave Donley	N	
Senator Loren Leman	Y	
Senator Al Adams	Y	
Senator Gary Wilken	Y	
Co-Chair Sean Parnell	Y	
Co-Chair John Torgerson	Y	
<u>Tally</u>		
Yea	0	7
Nay	0	1
Absent	0	
<u>MOTION</u>	Adopted	

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: SB 276

- 1 Page 1, line 1, following "that":
- 2 Insert "certain"

- 3 Page 1, line 6, following "plan":
- 4 Insert "that includes coverage for pharmacy services"

- 5 Page 1, line 8:
- 6 Following "equipment,":
- 7 Insert "and"
- 8 Following "supplies":
- 9 Delete ",,"
- 10 Insert ". All health insurance plans must include coverage for"

- 11 Page 1, line 9:
- 12 Delete "recommended"
- 13 Insert "prescribed"

- 14 Page 1, line 12, following "of":
- 15 Insert "medical"

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number B276	
Amendment #3	
Motion	
Motion by SP	
Objection	
Objection by	
Removed	
Second Objection by	
<u>Committee Member</u>	<u>Vote</u>
Senator Gary Wilken	
Senator Pete Kelly	
Senator Lyda Green	
Senator Randy Phillips	
Senator Dave Donley	
Senator Loren Leman	
Senator Al Adams	
Co-Chair Sean Parnell	
Co-Chair John Torgerson	
<u>Tally</u>	
Yea	0
Nay	0
Absent	0
<u>MOTION</u> Adopted	

*Not
considered*

A M E N D M E N T

SENATE FINANCE
COMMITTEE
Amendment Number: #1
Bill Number: SB 276
Sponsor: Lorgersm Date: 3/20/00
Logged In By: Jamie

OFFERED IN THE SENATE

TO: SB 276

1 Page 1, line 1, following "Act":

2 Insert "relating to unfair discrimination under group health insurance; and"

3 Page 1, following line 3:

4 Insert a new bill section to read:

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

6 (d) Except to the extent necessary to comply with AS 21.42.365 and
7 AS 21.56, a person may not practice or permit unfair discrimination against a person
8 who provides a service covered under a group health insurance policy that extends
9 coverage on an expense incurred basis, or under a group service or indemnity type
10 contract issued by a nonprofit corporation, if the service is within the scope of the
11 provider's occupational license. In this subsection, "provider" means a state licensed
12 physician, physician assistant, dentist, osteopath, optometrist, chiropractor, nurse
13 midwife, advanced nurse practitioner, naturopath, physical therapist, occupational
14 therapist, marital and family therapist, psychologist, psychological associate, or
15 licensed clinical social worker, or certified direct-entry midwife."

16 Page 1, line 4:

17 Delete **"* Section 1."**

18 Insert **"* Sec. 2."**

*Not
considered*

SENATE FINANCE
COMMITTEE
Amendment Number: #2
Bill Number: SB 276
Sponsor: Tommy Date: 3/20/00
Logged In By: Jamie

By:

AMENDMENT

OFFERED IN THE SENATE

TO: SB 276

Page 1, Line 1, following "that":
Insert "certain"

Page 1, line 6, following "plan":
Insert: "that includes coverage for pharmacy services"

Page 1, line 8, following "supplies"
Delete ", "
Insert "."

Page 1, line 8, before "outpatient"
Insert "For all health insurance plans, such coverage shall include"

Page 1, line 8, following "and";
Insert "medical"

Page 1, line 9:
Delete "recommended"
Insert "prescribed"

Page 1, line 12, following "of";
Insert "medical"

Alaska State Legislature

Senator Mike Miller, Chairman
Senator Pete Kelly, Vice Chairman
Senator Drue Pearce
Senator Gary Wilken
Senator Kim Elton



State Capitol, Rm 119
Juneau, Alaska 99801-1182
(907) 465-3762

Senate Committee on Health, Education and Social Services

Sponsor Statement SB 276

"An Act requiring that health care insurers provide coverage for treatment of diabetes."

Senate Bill 276 would require that health insurers in Alaska provide coverage for diabetes equipment, supplies, training and education as deemed necessary by state licensed health care providers. To date, 37 states have enacted legislation providing similar diabetes coverage.

Over 30,000 Alaskans are affected by diabetes. Without education or proper treatment, diabetes can lead to kidney failure, amputation, nerve damage, blindness, associated suffering and resulting costs are often avoidable through patient education on proper nutrition, exercise, blood sugar monitoring and medication.

Education is the foundation of quality diabetes care. It is the process of providing the person with diabetes the knowledge and skills needed to perform self-care, prevent crisis and make important life style changes required to effectively avoid complications. Through proper education, the diabetic may assume his/her appropriate role as an active participant in the treatment plan.

A number of published studies by the American Diabetes Association show decreased in health care utilization for people with diabetes receiving appropriate education and access to supplies.

A Milliman study for the ADA estimates annual savings of \$917 per person with diabetes that translates into savings for the insurance industry as well. SB 276 promotes better health, and ultimately, lower health costs for the people of Alaska.

I urge your support of SB 276.

Senator Mike Miller
State Capitol
Juneau, Alaska 99801-1182

February 24, 2000

Dear Senator Miller:

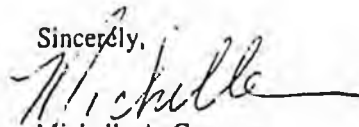
I am writing to Thank you for your support of diabetes insurance reform legislation in Alaska. This legislation, Senate Bill 276, will ensure that Alaskans have access to diabetes medicines, equipment and education. Diabetes insurance reform will promote improved health and lower health costs for the people of Alaska. This legislation needs your support.

Talking Points:

- **Diabetes is a serious disease affecting 30,000 Alaskans.** It is the leading cause of kidney failure, blindness, nerve damage and amputations. Diabetes is also a major risk factor for heart disease and stroke. These serious health complications can result in significant medical costs.
- **Diabetes is a disease that is largely self-managed.** In order to stay healthy, a person with diabetes must have access to supplies, such as test strips, meters and insulin. People with diabetes need training on how to use these supplies. Patient education is also essential to support the nutritional, exercise and lifestyle changes required for successful self-management of the disease.
- Studies show that **diabetes complications can be minimized and health care costs can be significantly reduced** when people with diabetes have access to supplies and patient education. Some insurance plans in our state do cover diabetes supplies and education, but Alaska does not currently require insurers to provide this coverage. Many people with diabetes have trouble obtaining reimbursement from their insurers and are unable to successfully self-manage their disease.

Thank you for considering my request for your support of this important legislation.
I look forward to your response.

Sincerely,



Michelle A. Cassano
Executive Director

Enclosures



Mission
to prevent and cure diabetes
and to improve the lives of all
people affected by diabetes.

Senator Mike Miller
119 North Cushman Street
Fairbanks, Alaska 99701

February 11, 2000

Dear Senator Miller:

Thank you for supporting diabetes insurance reform legislation in Alaska. This legislation, drafted today, will ensure that Alaskans have access to diabetes medicines, equipment and education. Legislation sponsored by Senate Health Education and Social Services committee will be a companion bill to HB 298, introduced by Representative Lisa Murkowski and co-sponsored by Representatives Phillips and Brice.

Diabetes is a serious disease affecting more than 36,000 Alaskans. It is the leading cause of kidney failure, blindness, nerve damage and amputations. Diabetes is a major risk factor for heart disease and stroke. In addition to these serious health complications, diabetes care results in significant medical costs.

Diabetes is a disease that is largely self-managed. In order to stay healthy, the patient must have access to supplies, such as test strips, meters and insulin. People with diabetes need training on how to use these supplies. Patient education is also essential to support the lifestyle changes required for successful self-management of the disease.

Diabetes complications can be minimized and health care costs can be significantly reduced with access to the proper supplies, equipment, and education. Some insurance plans in our state do cover diabetes supplies and education, but Alaska does not currently require insurers to provide this coverage. Many people with diabetes have trouble obtaining reimbursement from their insurers and are unable to manage their disease.

Diabetes insurance reform will promote improved health and will also lower health costs for people living with diabetes in Alaska. Please take time to review the material enclosed with this letter. It demonstrates why the new legislation will benefit Alaska and Alaskans. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Betsy Turner-Bogren".

Betsy Turner-Bogren
Fairbanks District Manager
American Diabetes Association

Enclosures

Common Issues Regarding Insurance Coverage For Diabetes

Responses from Steve Bieringer, Regional Advocacy Director, American Diabetes Association & David Holtzman, Director, Government Affairs, American Association of Diabetes Educators.

ISSUE: Mandating coverage of benefits will increase the cost of health insurance which may have the unintended consequence of increasing the number of uninsured as employers decrease their contributions or drop insurance.

RESPONSE: The insurance industry often raises these issues in general as an argument against mandates. I have not seen, and they have never produced, a study that shows Diabetes Insurance Reform will increase costs resulting in lost coverage for people. In fact numerous studies show that covering diabetes equipment, supplies and the education to learn to self-manage the disease will reduce costs. Short-term costs are reduced because of fewer hospitalizations, length of hospital stays and fewer emergency room visits. Lessening complications of diabetes such as blindness, end-stage renal disease, and microvascular disease reduces long-term costs. The industry opposes the diabetes mandate simply because they are afraid it will open the door to other mandates that may have a cost.

ISSUE: Small employers moving to self-funding to avoid state insurance laws; the majority of Alaskans are not impacted because their plans are not subject to state law.

RESPONSE: It is true that a federal law, ERISA, not state law, regulates the self-insured plans usually associated with large employers. It does not lessen the need for state insurance reform to help the 30% or so who are in state regulated plans. Of those covered by health plans not subject to state insurance laws, many already have the benefit of such coverage. The Medicare program provides coverage of monitors, strips and diabetes education. The Federal Employee Health Plan requires, with a few exceptions for some collective bargaining units, coverage for pumps, monitors, strips and education. Some, but not all, self-funded self-insuring plans provide coverage for strips and monitors although education is covered in limited cases. Finally, Alaska's Medicaid program covers monitors, strips and medical nutrition therapy for people with Type 1 or Type 2 diabetes

ISSUE: Mandated offers vs. mandated coverage

RESPONSE: While some insurers may offer this benefit and some employers may purchase it, serious gaps are left with mandatory offerings. Those gaps prevent and make it difficult for people with diabetes to receive the needed supplies, equipment, and education. Of the 37 states that require coverage and the three that have mandatory offering, only one does not include access or reimbursement to diabetes education. The experience of the mandatory offering states is not good. When coverage is provided only by way of a mandatory offering of a rider, the cost of coverage for the rider is borne exclusively by the people with diabetes participating in the coverage. In addition, the cost of the insurer's overhead is added to the costs of the rider pool. Experience shows that for many people with diabetes the cost of the rider is greater than the out of pocket expense they incurred prior to the rider.

The Case for Diabetes Insurance Reform in Alaska

Objective: Improved access to diabetes self-management education, equipment and supplies.

Results: Cost savings and better health for 30,000 Alaskans with diabetes.

WHAT WILL THIS LEGISLATION DO?

It will require that individual and group health insurance policies provide coverage for diabetes equipment and supplies and for diabetes education for self-management.

WHO WILL BENEFIT AND WHY IS IT NEEDED?

30,000 Alaskans have diabetes. Many have trouble obtaining the medically necessary equipment, supplies, and self-management education that providers prescribe.

Numerous studies show that access to the proper equipment, supplies and education results in improved health care at no additional cost, and often a cost savings.

HOW CAN THERE BE COST SAVINGS?

Short-term savings, as documented in states where this legislation is in place, are due to fewer hospitalizations, length of hospital stays, and emergency room visits, as the following studies show:

- 32% fewer hospitalizations and hospital days in Maine,
- 40-50% drop in hospitalization and 50% lower frequency of emergency room visits in Maryland,
- 63% reduction in emergency room visits for insulin using diabetics in Rhode Island.

Long-term savings, as documented in states where this legislation is in place, result from a reduction in expensive long-term complications as documented in the Diabetes Control and Complications Trial:

- Blindness reduced by 60%,
- Kidney disease reduced by 56%,
- Microvascular nerve disease reduced by 61%.

HOW MUCH WILL THE COST SAVINGS BE?

It is hard to say exactly but experience and studies show:

- In Maine, \$3 saved for every \$1 spent on diabetes self-management training, saving \$293 per participant,
- Estimated savings of \$2,319 per patient each year in a county hospital setting as reported in the New England Journal of Medicine,
- Estimated savings of \$437,500 per year for education involving 12,950 individuals with diabetes as reported in the Journal of the American Dietetic Association,
- Estimates savings of \$917 per patient in the most likely scenario of a study for the American Diabetes Association,
- Per person costs for Medicaid patients after diabetes education dropped from \$5,271 to 3,533.

IS THIS NEW, CUTTING EDGE LEGISLATION?

No. In fact, thirty-seven states have passed similar legislation. It has been signed by Republican and Democratic governors alike.

WILL INSURANCE PREMIUMS RISE?

Not according to a Wisconsin study undertaken after its law passed. New Mexico and Maine report no expected increases in administrative costs.

**DIABETES STATISTICS
 FOR
 Alaska**

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Total Number with Diabetes	36,698.00
Number Diagnosed with Diabetes	24,073.89
Number Undiagnosed with Diabetes	12,624.11
Number of Children with Diabetes	338.37
Number Aged 65 and Older with Diabetes	6,189.94
Number on New Cases of Diabetes	1,866.00
Number of Deaths each year caused by Diabetes	438.14
Number of Amputations each year caused by Diabetes	156.48
Number of new cases of Blindness each year caused by Diabetes	Between 28.17 and 56.33
Number on Dialysis or Receiving a Kidney Transplant	231.11
Annual Economic Cost of Diabetes	Indirect \$125,984,674.38 Direct \$103,078,369.94 Total \$229,063,044.32

[Click here to return to American Diabetes Month Operational Guide](#)



American Diabetes Association®

Testimony March 20, 2000
Senate Finance Committee

Michelle A. Cassano
Executive Director, Alaska Area
907-272-1424 mcassano@diabetes.org

The American Diabetes Association serving Alaska supports SB 276 "An Act requiring that health care insurers provide coverage for treatment of diabetes."

Alaska's population includes 30,000 people affected by diabetes.

Diabetes is a disease that is largely self-managed. To stay healthy a person with diabetes needs access to the proper supplies such as test strips, meters, insulin and other medications and devices. People with diabetes must also be educated on how to properly use these supplies in conjunction with diet and exercise to best manage diabetes.

SB 276 will insure that state regulated health plans cover diabetes supplies, equipment and the education needed to learn to self-manage the disease. The studies and statistics that follow you have heard repeatedly as they are proven facts. Diabetes is a life long disease that demands daily care and treatment....there are no days off from diabetes.

In regards to diabetes education, the costs vary per individual. The ADA feels there is no need for a cap on annual education costs. There is no evidence that education is being abused by people with diabetes, educators, hospitals or physicians. We are aware of no other outpatient healthcare benefit that is capped in state law.

In the past 3 years many Alaska communities have made a commitment to diabetes education, the need is very real. Healthcare professionals are making quality up-to-date diabetes education a priority. Diabetes education is not just books and pamphlets...it is quality one on one learning. Technology and new innovations in treatment (medications/testing supplies) is moving forward at an amazing pace, that is good news for people living with diabetes. Please allow education for the self-management of diabetes to be available to keep Alaskans healthy and productive.

The public sector of insurability Medicare and Medicaid readily accept the guidelines we are requesting.

Proper management of diabetes will improve a person's health and results in cost savings. The Diabetes Complications and Control Trials demonstrated that good blood glucose control reduces costly complications like:

- Blindness by 60%
- Kidney disease by 56%
- Microvascular nerve disease by 61%

Additional studies show reductions in hospitalization, length of hospital stays, and emergency room visits following participation in diabetes self-management education programs:

- The Maine Diabetes Control Project program resulted in 32% fewer hospitalizations and shorter hospital stays
- A Maryland program resulted in a 40-50% decreased risk of hospitalization and 50% lower frequency of emergency room visits
- Rhode Island found a 63% reduction in emergency room visits after participation in an education program.
- A study done for the American Diabetes Association estimates savings of \$917/patient/year as the most likely scenario
- A Wisconsin study showed no rise in premiums after that state's law was passed. New Mexico and Maine reported no expected premium increases as a result of the legislation.

Recent advances in the treatment of diabetes and a strong understanding of the importance of education for self-management of diabetes provide the opportunity for people to live healthier and more productive lives with diabetes and the chance to reduce both short-term and long-term costs.

A potential benefit to employers from better diabetes care is less time missed due to diabetes related illness and hospitalization, along with the improved productivity that comes when employees are healthy. More dramatic is the improvement in the quality of life for people with diabetes.

SB 276 is not radical or new legislation. To date 38 states have passed similar legislation. They include large and small, rural and urban states. As recently as last year 6 states as diverse as California and South Dakota enacted similar laws. Of the 38 states, half the legislation was signed by Republican and half by Democratic Governors. Similarly, legislatures of various political leanings have passed the legislation.

We urge you to support SB 276.

Chapter 29

Health Insurance and Diabetes

Maureen I. Harris, PhD, MPH

SUMMARY

Among all adults with diabetes, 92.0% have some form of health insurance, including 86.5% of those age 18-64 years and 98.8% of those age ≥ 65 years. However, about 640,000 people with diabetes do not have any form of health care coverage. Among diabetic individuals age 18-64 years, 10.3% are covered by Medicare, 69.3% by private health insurance, 5.5% through military benefits, and 14.1% through Medicaid or other public assistance programs. Among those age ≥ 65 years, 94.7% are covered by Medicare, 69.2% by private health insurance, 4.9% through military benefits, and 15.4% through Medicaid or other public assistance programs. Government-funded programs are responsible for health care coverage for 57.4% of adults with diabetes, including 26.4% of those age 18-64 years and 96.0% of those age ≥ 65 years. There is little difference by type of diabetes—insulin-dependent diabetes mellitus (IDDM) and non-insulin-dependent diabetes mellitus (NIDDM)—in the proportion of individuals covered by each health insurance mechanism. At age 18-64 years, males compared with females have

higher rates of coverage for each insurance type except Medicaid/other public programs; a higher proportion of blacks and Hispanics compared with all whites are covered by Medicare and Medicaid; and whites are more frequently covered by private health insurance. For all adults with diabetes, the proportion covered by Medicaid decreases with increasing family income and the proportion covered by private health insurance increases. Virtually all diabetic persons covered by Medicare or private health insurance have coverage for hospital care and physician/surgeon bills. Coverage for prescription medicines occurs for 62.9% of adults with diabetes. About 41% of persons with diabetes are covered by more than one health insurance mechanism, but 13.5% of those age 18-64 years and 1.2% of those age ≥ 65 years do not have any form of health care coverage. There are only small differences between people with diabetes and those without diabetes in the proportion covered and the types of health care coverage. The costs of private health insurance are also similar for people with and without diabetes.

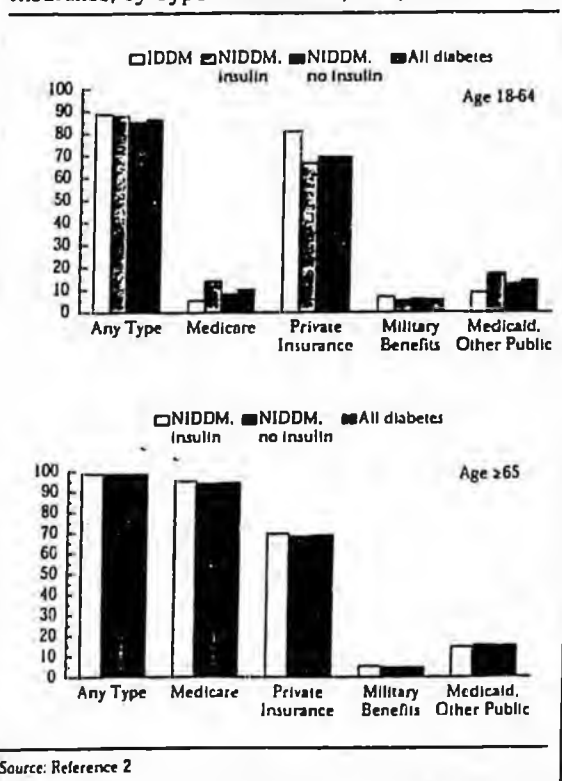
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SOURCES OF DATA ON HEALTH INSURANCE COVERAGE

Information on health insurance coverage for people with diabetes is contained in several surveys that included national probability samples of the U.S. population. The 1989 National Health Interview Survey (NHIS) is the major data source for this chapter. In this survey, detailed questionnaires on diabetes and health insurance were administered to representative samples of persons with and without diagnosed diabetes in the U.S. population age ≥ 18 years^{1,2}. Diabetic people were classified as having IDDM if they were diagnosed at age < 30 years, were currently taking insulin, had been taking insulin consistently since diagnosis of diabetes, and their percent desirable

weight was < 120 . All other subjects with diabetes were considered to have NIDDM. In the 1978 NHIS³, a questionnaire on health insurance was administered that was similar to that in the 1989 NHIS. In the 1977 National Medical Care Expenditure Survey (NMCES) and its Health Insurance/Employer Survey, data on health insurance were obtained from five rounds of household interviews and questionnaires to employers, unions, insurance companies, and other organizations identified as sources of private health insurance⁴. The 1987 National Medical Expenditure Survey (NMES) was a successor to the 1977 NMCES and was conducted in a similar fashion, but it oversampled American Indians and Alaska Natives and included a component for persons in nursing and personal care homes and facilities for the mentally retarded⁵. The 1991 National Ambulatory Medical Care Survey

Figure 29.3
Percent of Adults with Diabetes Who Have Health Insurance, by Type of Insurance, U.S., 1989

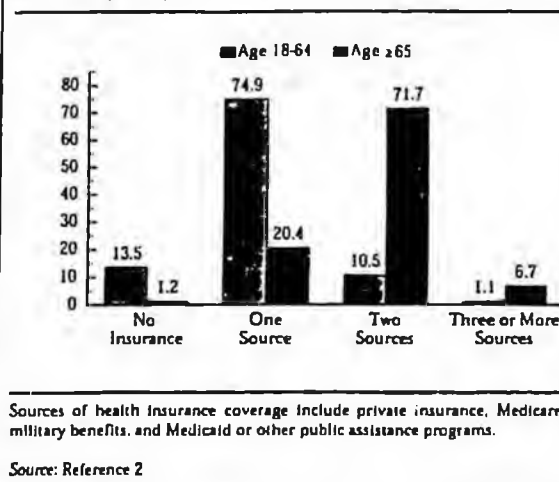


(Medicare, military coverage, Medicaid, and/or other public assistance programs), including 26.4% of those age 18-64 years and 96.0% of those age ≥65 years.

MULTIPLE HEALTH INSURANCE COVERAGE

People with diabetes frequently have multiple health insurance coverage; 41.4% are covered by more than one source. The proportion differs substantially by age (Figure 29.4). Among those age 18-64 years, 11.7% are covered by two or more health insurance mechanisms; among those age ≥65 years, 71.7% have two sources of health insurance and 6.7% have three or more sources. Most of the multiple coverage for diabetic people age ≥65 years is due to people having both Medicare and private insurance. For those age 18-64 years, multiple coverage comes from a variety of sources.

Figure 29.4
Multiple Health Insurance Coverage for Adults with Diabetes, U.S., 1989



DEMOGRAPHIC CHARACTERISTICS AND HEALTH INSURANCE COVERAGE

Table 29.1 shows the proportion of diabetic persons who have health insurance, by sex, race, and family income. At age 18-64 years and age ≥65 years, males compared with females have higher rates of insurance coverage for Medicare, private insurance, and military benefits. Females have higher rates for Medicaid and other public programs. A higher proportion of blacks and Hispanics compared with all whites are covered by Medicare and Medicaid at age 18-64 years; whites are more frequently covered by private health insurance at all ages. The proportions covered by Medicare and Medicaid decrease with increasing family income while the proportion covered by private health insurance increases.

In a study in San Antonio, TX, of Mexican Americans with NIDDM, 67% of those with lower socioeconomic status and 83% of those with higher socioeconomic status had health insurance⁸. Private health insurance was held by 33% of those with lower socioeconomic status and 73% of those with higher socioeconomic status. About 28% of the patients relied on county- or federally funded clinics as their primary source of medical care⁸.

TYPES OF PRIVATE HEALTH INSURANCE

Figure 29.5 shows the proportions of people with diabetes who are covered by private health insurance. These proportions are similar across all age groups (68%-72%). Figure 29.6 shows the types of private

CORRECTION

THE FOLLOWING DOCUMENT(S)
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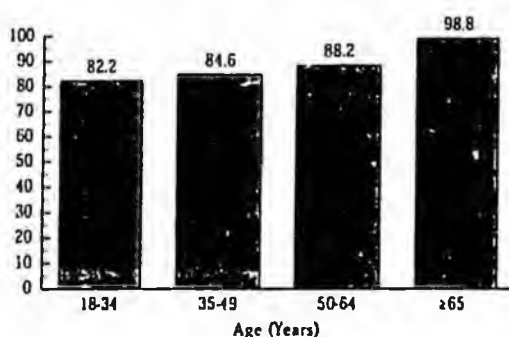
(NAMCS) collected data on ambulatory visits to office-based physicians in the United States⁶. In this survey, physicians or their office staffs completed a patient record form for a sample of visits. Questions about the sources of payment for the visit were included on this form.

PERCENTAGE OF PEOPLE WITH DIABETES WHO HAVE HEALTH INSURANCE

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Based on the 1989 NHIS, it is estimated that 92.0% of all adults with diabetes have some form of health insurance, including 86.5% of those age 18-64 years and 98.8% of those age ≥65 years (Figure 29.1). The proportion of persons with diabetes covered by health insurance is very similar by type of diabetes (IDDM, NIDDM) and insulin use (Figure 29.2). Among persons age 18-64 years, 88.8% with IDDM, 87.8% with insulin-treated NIDDM, and 85.1% with NIDDM not treated with insulin have some form of health insurance coverage. Among diabetic people age ≥65 years, the proportion with health insurance coverage is 98.9% for Insulin-treated NIDDM and 98.8% for NIDDM not treated with insulin.

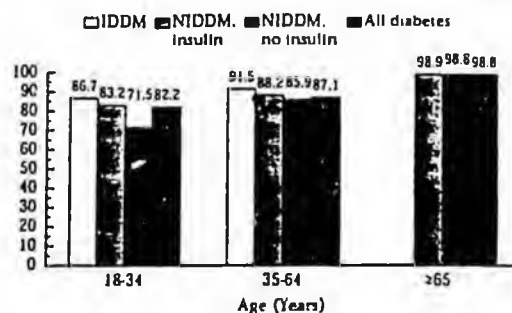
Figure 29.1
Percent of Adults with Diabetes Who Have Health Insurance, U.S., 1989



Sources of coverage include private insurance, Medicare, military benefits, and Medicaid or other public assistance programs.

Source: Reference 2

Figure 29.2
Percent of Adults with Diabetes Who Have Health Insurance, by Type of Diabetes, U.S., 1989



Sources of health insurance include private insurance, Medicare, military benefits, and Medicaid or other public assistance programs.

Source: Reference 2

NUMBER OF DIABETIC PERSONS WHO HAVE NO HEALTH INSURANCE

There were ~4.5 million people age 18-64 years and 3.2 million age ≥65 years with known diabetes in the United States in 1993⁷. Applying the rates of health insurance coverage (Figure 29.1) to this population, it is estimated that ~640,000 adults with diabetes do not have any health care coverage, including 600,000 people age 18-64 years and 40,000 people age ≥65 years².

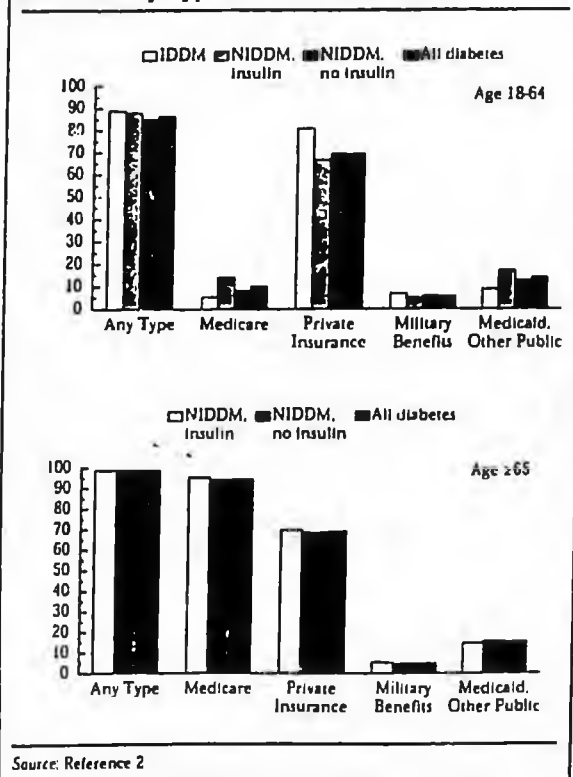
COVERAGE BY TYPE OF HEALTH INSURANCE

Figure 29.3 shows the percentage of diabetic people who are covered by each of the four major types of health insurance. Among those age 18-64 years, 10.3% are covered by Medicare, 69.3% by private health insurance, 5.5% through military benefits, and 14.1% through Medicaid or other public assistance programs. Among those age ≥65 years, 94.7% are covered by Medicare, 69.2% by private health insurance, 4.9% through military benefits, and 15.4% through Medicaid or other public assistance programs. There is little difference by type of diabetes in the proportion of diabetic individuals covered by each of these health insurance mechanisms.

COVERAGE BY GOVERNMENT PROGRAMS

Overall, 57.4% of people with diabetes are covered by government-financed health insurance programs.

Figure 29.3
Percent of Adults with Diabetes Who Have Health Insurance, by Type of Insurance, U.S., 1989

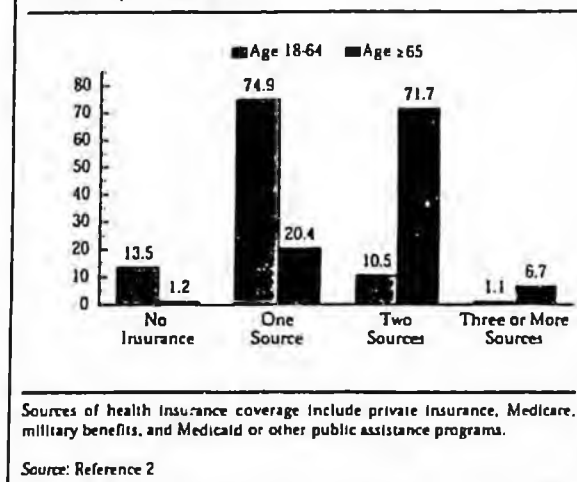


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Figure 29.4
Multiple Health Insurance Coverage for Adults with Diabetes, U.S., 1989



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Table 29.1 shows the proportion of diabetic persons who have health insurance, by sex, race, and family income. At age 18-64 years and age ≥65 years, males compared with females have higher rates of insurance coverage for Medicare, private insurance, and military benefits. Females have higher rates for Medicaid and other public programs. A higher proportion of blacks and Hispanics compared with all whites are covered by Medicare and Medicaid at age 18-64 years; whites are more frequently covered by private health insurance at all ages. The proportions covered by Medicare and Medicaid decrease with increasing family income while the proportion covered by private health insurance increases.

In a study in San Antonio, TX, of Mexican Americans with NIDDM, 67% of those with lower socioeconomic status and 83% of those with higher socioeconomic status had health insurance⁸. Private health insurance was held by 33% of those with lower socioeconomic status and 73% of those with higher socioeconomic status. About 28% of the patients relied on county- or federally funded clinics as their primary source of medical care⁸.

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Figure 29.5 shows the proportions of people with diabetes who are covered by private health insurance. These proportions are similar across all age groups (68%-72%). Figure 29.6 shows the types of private

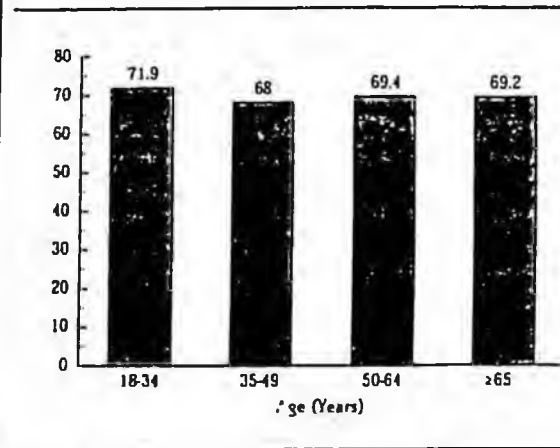
Table 29.1
Percent of Adults with Diabetes Who Have Health Insurance Coverage, U.S., 1989

Health insurance type and demographic characteristic	Age 18-64	Age ≥65	Age ≥18
Any health insurance			
All persons	86.5	98.8	92.0
Male	89.0	99.1	93.0
Female	84.4	98.6	91.2
White	87.1	99.2	92.7
Black	85.1	98.0	90.3
All other races	82.7	90.2	84.9
Mexican American	70.3	94.7	76.9
All other Hispanic	85.3	100.0	90.8
Family income <\$15,000	73.8	98.8	88.6
Family income \$15-29,999	90.7	99.1	94.2
Family income ≥\$30,000	95.3	98.8	96.0
Medicare			
All persons	10.3	94.7	47.9
Male	11.5	94.7	44.8
Female	9.3	94.6	50.1
White	9.1	95.4	49.0
Black	15.2	92.4	45.8
All other races	6.9	85.7	30.2
Mexican American	10.4	84.0	30.3
All other Hispanic	11.5	84.8	37.9
Family income <\$15,000	16.0	95.5	62.9
Family income \$15-29,999	11.9	96.1	46.3
Family income ≥\$30,000	4.9	89.7	22.2
Private health insurance			
All persons	69.3	69.2	69.2
Male	74.7	76.1	75.3
Female	64.7	65.0	64.8
White	74.3	75.8	75.0
Black	53.5	40.2	48.3
All other races	57.9	51.2	55.9
Mexican American	47.7	35.6	44.4
All other Hispanic	44.1	47.9	45.5
Family income <\$15,000	29.8	57.4	46.1
Family income \$15-29,999	78.5	84.5	80.9
Family income ≥\$30,000	92.7	84.5	91.1
Military benefits			
All persons	5.5	4.9	5.3
Male	8.9	11.3	9.8
Female	2.8	1.1	2.0
White	5.4	5.0	5.2
Black	6.6	3.7	5.4
All other races	2.4	11.3	5.1
Mexican American	2.5	4.6	3.0
All other Hispanic	7.0	0.0	4.5
Family income <\$15,000	5.4	3.5	4.3
Family income \$15-29,999	7.5	8.2	7.8
Family income ≥\$30,000	5.6	6.3	5.7
Medicaid or other public programs			
All persons	14.1	15.4	14.7
Male	8.2	9.9	8.9
Female	19.0	18.8	18.9
White	11.1	11.9	11.5
Black	22.4	30.1	25.5
All other races	28.4	31.9	29.4
Mexican American	20.2	38.7	25.2
All other Hispanic	32.1	32.4	32.2
Family income <\$15,000	36.8	22.9	28.6
Family income \$15-29,999	8.1	7.6	7.9
Family income ≥\$30,000	1.8	5.9	2.9

White and black includes persons of Hispanic ethnicity.

Source: 1989 National Health Interview Survey

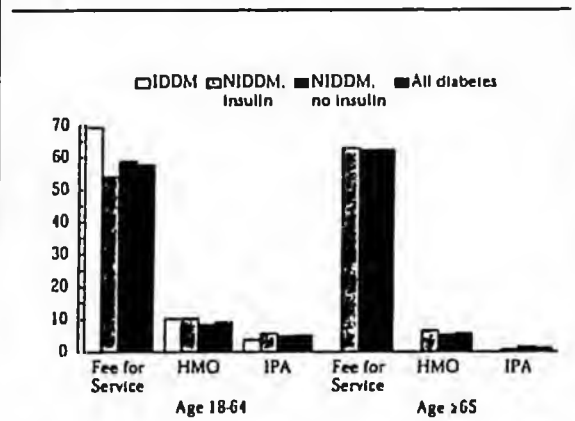
Figure 29.5
Percent of Adults with Diabetes Who Have Private Health Insurance, U.S., 1989



Source: Reference 2

health insurance carried by diabetic people according to age and type of diabetes. Among those age 18-64 years, 57.8% are covered by fee-for-service plans, 9.3% by health maintenance organizations, and 5.2% by individual practice associations. Among people with diabetes age ≥65 years, 62.5% are covered by fee-for-service plans, 5.8% by health maintenance organizations, and 1.3% by individual practice associations. There are no significant differences by type of diabetes in the percentage of individuals covered by each type of private health insurance.

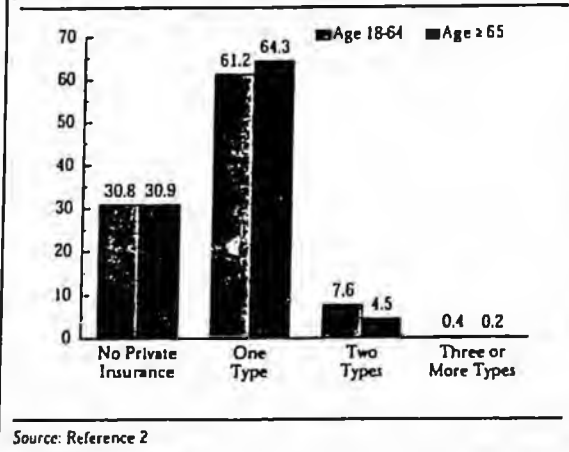
Figure 29.6
Types of Private Health Insurance Held by Adults with Diabetes, U.S., 1989



HMO, health maintenance organization; IPA, individual practice association.

Source: Reference 2

Figure 29.7
Multiple Types of Private Health Care Coverage for Adults with Diabetes, U.S., 1989



Source: Reference 2

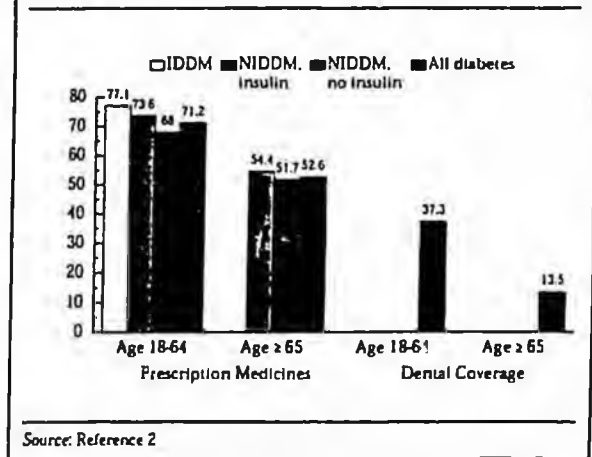
Among diabetic people age 18-64 years, 60.3% are covered by private insurance only and have no other source of health care coverage. Figure 29.7 shows that most diabetic people are covered by only one source of private insurance. However, 8.0% of those age 18-64 years and 4.7% of those age ≥65 years have two or more sources of private health insurance.

IMPLICATIONS FOR HEALTH CARE OF DIABETES

COVERAGE FOR SPECIFIC ASPECTS OF HEALTH CARE

Virtually all (97.2%) diabetic people who are covered by Medicare have both Medicare Part A and Part B². This occurs for those age 18-64 years and for those age ≥65 years. Similarly, of diabetic people with private health insurance, 99.5% have coverage for hospital care and 98.2% have coverage for physician/surgeon bills for operations². Coverage for prescription medicines occurs for 62.9% of people with diabetes through private insurance, Medicaid, and military sources, including 71.2% of those age 18-64 years and 52.6% of those age ≥65 years (Figure 29.8). There is little difference by type of diabetes in the proportion covered. Dental coverage is held through private insurance for 37.3% of people with diabetes age 18-64 years and 13.5% of those age ≥65 years (Figure 29.8).

Figure 29.8
Health Insurance Coverage for Prescription Medicines and Dental Care of Adults with Diabetes, U.S., 1989



Source: Reference 2

LACK OF AND LIMITATIONS IN HEALTH CARE COVERAGE

As presented above, it is estimated that there are ~640,000 people with diabetes who have no health insurance coverage in the United States. Table 29.2 shows the reasons given by diabetic people age 18-64 years who had no private insurance when they were asked why they did not have this type of coverage. The majority stated that health insurance was too expensive and they could not afford it. Indeed, the median family income of diabetic people with private insurance was \$20,000-\$25,000 compared with \$8,000-\$9,000 for those without private insurance. A larger proportion of those with diabetes compared with those without diabetes did not need private insurance

Table 29.2
Reasons Given by Individuals Age 18-64 Years for Not Having Private Health Insurance, U.S., 1989

Reason	Diabetic persons (%)	Nondiabetic persons (%)
Too expensive, cannot afford	66.0	64.4
Have some other type of health care coverage	18.9	11.0*
Cannot obtain because of poor health, illness, or age	16.2	2.0*
Unemployment or job loss	6.8	11.4*
Have been healthy and haven't needed insurance	1.2	7.0*
Dissatisfied with previous insurance	0.3	1.4
Don't believe in insurance	0	1.2
Other reason	9.9	13.9

Columns do not add to 100% because more than one reason was given. *p<0.01, subjects with diabetes versus subjects without diabetes.

Source: Reference 2

because they had another type of coverage (18.9% versus 11.0%, $p < 0.001$) or could not obtain private insurance because of their health (16.2% versus 2.0%, $p < 0.001$). A small proportion of both groups reported that they did not have private insurance because of unemployment or job loss.

Of the 30.8% of diabetic people who have no private health insurance, 16.2% of those age 18-64 years and 0% of those age ≥ 65 years stated that they had ever been denied insurance because of poor health or illness². In the 1987 NMES, however, only 5% of people with diabetes age < 65 years who were uninsured reported that they had been denied health insurance or offered limited coverage because of their health⁹. In a study in Pittsburgh, PA¹⁰, IDDM subjects were more likely to have been denied a health insurance policy at some time in their adult lives compared with their nondiabetic siblings (23% versus 12%).

Even though the proportion of people with diabetes who have health insurance is high in the United States, there may be limitations in coverage. For example, only 69.2% of diabetic people age ≥ 65 years supplement their Medicare with private insurance (Figure 29.3). Of those age 18-64 years, 9.7% are covered only by Medicaid or other public assistance programs, and the nature of coverage for diabetes through these programs varies widely from state to state. Only 71% of those age 18-64 years and 53% of those age ≥ 65 years have coverage for prescription medicines (Figure 29.8). These possible limitations in coverage may not be restricted to people with diabetes, however. Those who have private insurance appear to have coverage similar to that of people without diabetes. For example, in the 1977 NMCES, the various features of coverage for people with diabetes provided by private insurance policies were very similar to those for the nondiabetic population⁴. There were no significant differences in the proportions with basic and major medical coverage; coinsurance rates and deductibles for hospital care and physician office visits; or the percentages with coverage for dental care, vision care, drugs, routine physicals, and psychiatric care. However, a slightly higher proportion of those with diabetes lacked coverage for office visits (25% versus 17%) and lacked major medical coverage (26% versus 18%)⁴.

ADVERSE EFFECTS ASSOCIATED WITH LACK OF HEALTH INSURANCE

Few studies have investigated whether the lack of health insurance has adverse effects on people with diabetes. Table 29.3, comparing diabetic persons age

Table 29.3
Characteristics of Diabetic Subjects Age 18-64 Years According to Health Insurance Coverage

Characteristic	Subjects with health insurance (%)	Subjects without health insurance (%)
Demographic characteristics		
Non-Hispanic White	68.2	55.0†
Black	20.8	23.4
Mexican American	4.8	13.3†
Other race/ethnicity	6.3	8.3
Education > high school	28.3	20.8*
Family income >\$25,000	51.0	18.8†
Clinical characteristics		
Mean age at diabetes diagnosis (years)	40.4	39.3
Mean diabetes duration since diagnosis (years)	10.1	8.4*
Treated with insulin	49.5	43.5
Retinopathy	27.9	31.4
Kidney disease	7.6	8.5
Angina or heart trouble	24.4	23.5
Stroke	6.7	6.4
Hypertension	56.2	49.0
Amputation	2.0	2.6
Foot/ankle sores	9.2	12.6
Cataract	10.4	5.5*
High blood glucose always/most of the time†	26.3	38.2†
Glucose in urine always/most of the time†	31.6	41.6*
Medical care		
Self-test urine glucose \geq once/week	21.5	26.9
Self-test blood glucose \geq once/day	19.1	11.0†
Self-check feet \geq once/week	76.0	64.3†
≥ 4 visits to diabetes physician in past year	55.6	44.5†
Urine glucose checked by health professional \geq twice in past 6 months	46.5	47.1
Blood glucose checked by health professional \geq twice in past 6 months	65.1	57.6
Blood pressure checked by health professional \geq twice in past year	85.9	79.9
Feet examined by health professional \geq twice in past 6 months	29.5	19.2†
Visit to podiatrist in past year	13.9	11.8
Dilated eye exam in past year	47.0	35.8†
Diabetes patient education course	41.4	32.6*

* $p < 0.05$, † $p < 0.001$, subjects with health insurance versus subjects with no health insurance. ‡ Reported by subjects whose urine/blood glucose was tested either by a health professional or by themselves.

Source: Reference 2

18-64 years with and without health insurance, shows few differences between the two groups in the proportion who report complications related to diabetes. A higher proportion of those without insurance report frequent hyperglycemia and glycosuria. The intensity of medical care, including self-care practices, tends to be greater for those who have health insurance. Those without health insurance are less likely to be non-Hispanic white and more likely to have education less than high school and to have a family income <\$25,000.

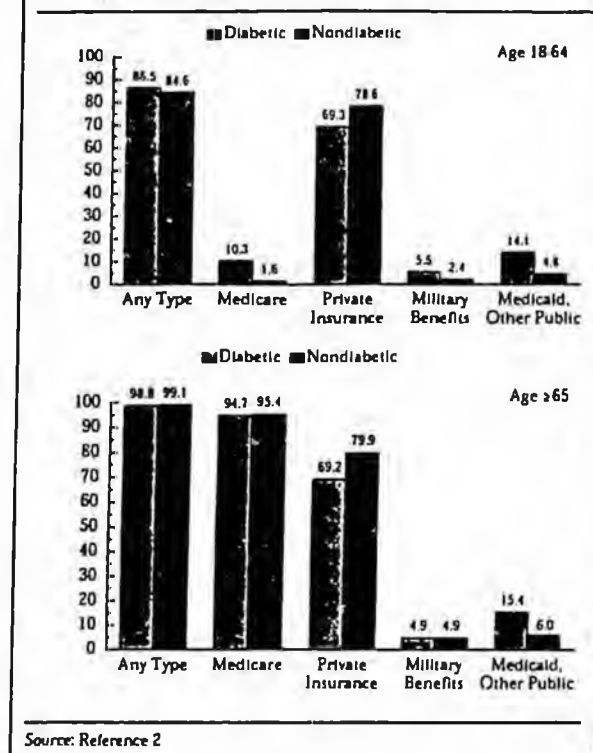
Lack of health insurance in the 1989 NHIS survey was associated with low income but not with an increased rate of diabetic complications (Table 29.3). Among Mexican Americans with NIDDM in San Antonio, the prevalence of microvascular complications was also similar among those with and without health insurance⁸. Microvascular complications were more common, however, among Mexican Americans who lacked health insurance for outpatient physician visits and medications, although this difference was attributable to hyperglycemia, longer duration of diabetes, higher blood pressure, and other risk factors for diabetes complications⁸.

A study of adult diabetic patients in inner-city diabetic clinics found that full third-party reimbursement for health care was associated with a higher frequency of emergency room admissions but not with hospital admissions, use of a diabetes telephone hot line, or number of diabetes clinic visits¹¹. Absence of health insurance has been associated with higher mortality among all adults¹² and a greater frequency of adverse outcomes for women with breast cancer¹³. However, such studies have not been conducted for people with diabetes.

HEALTH INSURANCE COVERAGE FOR DIABETIC PERSONS COMPARED WITH NONDIABETIC PERSONS

Comparison of health insurance coverage for persons with and without diabetes is shown in Figure 29.9. The overall proportions that have any type of health insurance are similar, being 92.0% for those with diabetes and 86.8% for those without diabetes. Among persons age 18-64 years, 86.5% of those with diabetes and 84.6% of those without diabetes have some form of coverage; among those age ≥65 years, the frequencies are 98.8% and 99.1%, respectively. Medicare coverage among people age 18-64 years is more common for those with diabetes compared with people without diabetes (10.3% versus 1.6%, $p < 0.001$). Private insurance is somewhat less common among people with

Figure 29.9
Health Insurance Coverage for Adults with and Without Diabetes, U.S., 1989



diabetes compared with those without diabetes. Among those age 18-64 years, 69.3% of diabetic and 78.6% of nondiabetic individuals have private health insurance coverage ($p < 0.001$). Among those age ≥65 years, 69.2% of those with diabetes and 79.9% of those without diabetes have private insurance ($p < 0.001$). There is little difference in coverage through military sources between those with and without diabetes. Coverage through Medicaid or other public assistance programs is more common for people with diabetes compared with people without diabetes for those age 18-64 years (14.1% versus 4.8%, $p < 0.001$) and for those age ≥65 years (15.4% versus 6.0%, $p < 0.001$). Overall, coverage through any government program for people age 18-64 years is less frequent for people without diabetes (8.3%) compared with people with diabetes (26.4%), but not for those age ≥65 years (96.4% versus 96.0%).

Two previous studies on U.S. national samples in 1977-78 also found that health insurance coverage was similar for people with and without diabetes¹⁴. Further, in a study in Pittsburgh, the proportion of adults with IDDM covered by health insurance did not differ from the proportion of their nondiabetic siblings who were covered¹⁰. More than 90% had Insur-

Table 29.4
Percent Distribution of Payment for Medical Care Expenses for Persons with Diabetes, U.S., 1977 and 1987

	Out-of-pocket expense	Private health insurance	Medicare	Medicaid	Other
1977					
All diabetic patients	22.1	24.2	31.8	11.8	10.2
Age (years)					
<45	19.8	47.4	1.7	20.2	10.9
45-64	22.8	36.0	11.4	15.9	13.9
≥65	22.0	12.0	51.1	7.5	7.5
1987					
All diabetic patients	14.8	24.9	32.2	11.5	16.6
Age (years)					
<30	13.2	32.1	15.6	17.6	21.5
30-64	13.4	35.4	11.6	17.6	22.0
≥65	16.2	15.0	51.7	5.7	11.4

Other includes CHAMPUS/CHAMPVA, Indian Health Service, VA, military, other federal/state/city/county payers, philanthropic institutions, and unknown source of payment.

Source: References 4 and 14

ance through a private third-party source and this insurance did not differ between the siblings by type of policy, type of coverage, or cost of premium. There was also no difference between the siblings in the proportion insured at different income levels.

ECONOMIC ASPECTS OF HEALTH INSURANCE COVERAGE

COST OF HEALTH INSURANCE

In the NMCES study of a representative sample of U.S. residents in 1977, the costs of premiums for private health insurance policies covering people with diabetes were not substantially different from those for the rest of the population⁴. Employers paid for about 67% of these premiums for persons age <65 years for both diabetic and nondiabetic employees. Above age 65 years, employers paid for 38% of the premiums for both diabetic and nondiabetic persons⁴.

PROPORTION OF HEALTH CARE EXPENSES COVERED BY HEALTH INSURANCE

The NMCES study of a representative sample of U.S. residents found that 98.9% of diabetic people had an expense for medical care of diabetes in 1977⁴. In the 1987 NMES survey, this proportion was 99.6%¹⁴. Table 29.4 shows the distribution of sources of payment for this care. There were few differences between the two studies in the percent of health care costs paid by private insurance, Medicare, and Medicaid, but a lower proportion of costs were paid out of pocket and

a higher proportion were paid by other sources in 1987. The 1977 study found that diabetic people paid a lower percent of their health care costs out of pocket compared with people without diabetes (22% versus 31%), although the amount paid was considerably higher for diabetic versus nondiabetic persons (\$335 versus \$184)⁴.

Table 29.5 shows the expected sources of payment for ambulatory visits involving diabetes to office-based physicians in the United States in 1991. For age <65 years, Medicare, Medicaid, and other government sources combined were expected to be sources of payment for about one-third of visits. Private insurance was a payment mechanism for one-third of visits and

Table 29.5
Expected Sources of Payment for Visits Involving Diabetes to Ambulatory Care Physicians, U.S., 1991

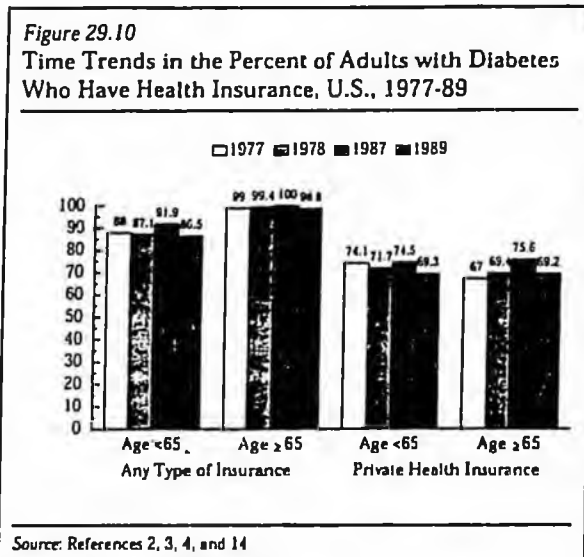
Source of payment	Percent of visits		
	Age 0-64	Age ≥65	All ages
Medicare	14.2	83.7	50.5
Medicaid	9.8	13.8	11.9
Other government source	5.5	1.2	3.3
Private insurance	32.6	24.2	28.2
HMO/prepaid plan	17.8	5.9	11.6
Out of pocket	26.5	13.2	19.6
Other source	3.9	4.0	4.0
No charge	1.8	0.0	0.8
Unknown	2.9	3.0	2.9

Diabetes visits were those that listed conditions with ICD9-CM codes 250, 251.3, 357.2, 362.0, 366.41, 648.0, or 775.1 as a patient diagnosis on the patient record form. Up to three conditions could be listed. Columns add to more than 100% because more than one source could be listed for each visit.

Source: 1991 National Ambulatory Medical Care Survey

out-of-pocket costs were involved in 27% of visits. For age ≥ 65 years, Medicare was a payment source for 84% of visits and private health insurance for 24%, and out-of-pocket costs were incurred in 13%.

Figure 29.10
Time Trends in the Percent of Adults with Diabetes Who Have Health Insurance, U.S., 1977-89



TIME TRENDS IN HEALTH INSURANCE COVERAGE

Figure 29.10 shows the proportion of people with diabetes who had any type of health insurance and who had private health insurance for studies in 1977, 1978, 1987, and 1989. It is apparent that the proportions who have health care coverage have been almost constant during this 12-year period.

Dr. Maureen I. Harris is Director, National Diabetes Data Group, National Institute of Diabetes and Digestive and Kidney Diseases, National Institutes of Health, Bethesda, MD.

Outcomes and Costs in Diabetes Care: Trends Over Three Years

NIECEY E MELDRUM*, ROBERT S MECKLENBURG, KARA S LOVELL, *Seattle, WA*

Our intent was to assess trends in outcomes of care and costs of goods and services supplied to a population of 148 patients with diabetes who received primary care from a diabetes specialty clinic from 1995 through 1997. Cost data were determined on the basis of relative value units and outcomes by chart review, selected SF-36 responses and patient satisfaction questionnaires. Mean age was 61 and mean duration of diabetes 23 years. Retinopathy, neuropathy and/or nephropathy were present in 52%, while 26% had CAD, 38% hypertension and 49% hyperlipidemia. For 1995, 1996 and 1997 group mean BP was 136/76, 140/76 and 135/75 mm Hg, total cholesterol 215, 200 and 196 mg/dl and A1C 8.7, 8.3 and 7.5% respectively. Health was self-described as excellent, very good or good by 76% in 1995 and 78% in 1996 and 80% in 1997. Health care was rated very good or excellent by 94% in 1995, 93% in 1996 and 93% in 1997. Corrected for inflation, mean cost of care for 1995, 1996 and 1997 were \$6764, \$6332, and \$6931, respectively, an increase of 3% over three years. Over the course of the study, outpatient visit costs rose from 25 to 29% and outpatient pharmacy costs from 24 to 34% of the total cost of care, while hospital professional costs decreased from 17 to 8% and hospital facility costs from 24 to 21%. In 1995, 27 patients were hospitalized a total of 35 times, in 1996, 19 patients were hospitalized a total of 35 times and in 1997, 23 patients were hospitalized a total of 38 times. Mean length of stay was 7.1 days in 1995, 4.1 days in 1996 and 4.3 days in 1997. Hospitalizations for CAD accounted for 6% of total cost in 1995, 6% in 1996 and 3% in 1997. Foot infections accounted for 4% of total cost in 1995, 3% in 1996 and 4% in 1997. Over the three years the proportion of total cost related to the use of test strips increased from 24 to 33%, for insulin from 19 to 28%, for lipid lowering agents from 9 to 19% and ACE inhibitors from 12 to 17%. We conclude that we have achieved improvement in control of A1C, blood pressure and lipids while holding overall costs stable. An increase in costs associated with outpatient visits and pharmaceuticals was offset by a reduction in hospital costs.

Costs of Health Care for Eight Years Prior to Recognition of Type 2 Diabetes (DM2)

GREGORY A NICHOLS, JONATHAN B BROWN*, *Portland, OR*

Type 2 Diabetes and its complications lead to higher medical care costs, beginning at diagnosis and continuing throughout life. Little is known, however, about health care expenditures and utilization prior to recognition of DM2. We identified all members of Kaiser Permanente Northwest Region, a nonprofit HMO, who were diagnosed with DM2 in 1988 through 1995, and matched each of them on age, gender and eligibility to an HMO member without DM. We then observed outpatient, pharmaceutical, and inpatient costs in the eight years prior to diagnosis and calculated incremental costs as the difference between DM2's and their matched controls. Total costs for both DM2's and their matched controls were relatively flat four to eight years prior to diagnosis of DM2; incremental costs were not significantly different from zero in those years. In the three years immediately before diagnosis, however, DM2 costs rose while control costs remained flat. By this measure, DM2 appears to cause significant excess total costs, starting about three years prior to diagnosis. Considered on their own, however, outpatient and pharmacy costs each exceeded control costs during all eight pre-diagnostic years. The majority of incremental costs are for outpatient visits (62%). We conclude that DM2 begins causing greater health expenditures at least eight years prior to diagnosis.

Table 1. Per-Person Medical Costs by Year Prior to Diagnosis of DM2

Number of Cases	Pre-DX Year	DM2 Cost	Control Cost	Incremental Cost	Percent Incremental
708	-8	\$1,774	\$1,712	\$62	3%
1,493	-7	2,144	1,767	377	18%
2,397	-6	1,872	1,792	80	4%
3,323	-5	2,208	2,005	203	9%
4,269	-4	2,238	2,044	194	9%
5,327	-3	2,474	1,911	563	23%
6,490	-2	2,536	1,978	558	22%
8,685	-1	2,819	1,949	870	31%

Ms. Betsy Turner-Bogren and Mr. Max Bogren Go to Juneau

On March 1, Ms. Betsy Turner-Bogren and her son, Max, hit the Capitol Building in Juneau with full speed ahead. Betsy and Max are strong supporters of SB 276 and HB 298, legislation that requires insurance companies to provide coverage for individual with diabetes. The next day both Betsy and Max testified before the Senate Labor and Commerce Committee.



Max showed the committee how he, as someone who has diabetes, must test his blood sugar several times each day. Max then adjusts his diet depending on the results of his frequent tests. Under SB 276, the cost for diabetes outpatient education and nutrition counseling will be covered by health care insurance. This legislation will allow Max and others to obtain the medical advice needed to help combat this disease.

Senator Jerry Mackie, Chairman of Senate Labor and Commerce Committee, and Senator Loren Leman listen carefully as Max explains how he is able to help the doctors treat his disease. A high school student, who was "job shadowing" Senator Mackie, is also most interested in Max's testimony on SB 276.



The committee voted to move the legislation out of committee and the next committee to consider this bill will be the Senate Finance Committee.

SENATE FINANCE COMMITTEE

SIGN-IN

SB 276-REQUIRE HEALTH INS COVERAGE FOR DIABETES

NAME: Don Novotney Subject/Bill No: 276
Co./Dept./Title: American Diabetes Association Phone: 7804300
Address: 1100 Timberline Ct Juwenu Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Chris Holzwarth Subject/Bill No: 276
Co./Dept./Title: _____ Phone: 790-2776
Address: 8800 Glacier Hwy #119 Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Julie Burns Subject/Bill No: _____
Co./Dept./Title: _____ Phone: 790-2776
Address: 8800 Glacier Hwy #119 Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Michelle Cassano Subject/Bill No: _____
Co./Dept./Title: Am Diabetes Phone: _____
Address: 801 W. Firweed Zip: _____
Do you wish to testify? Yes No Respond To Questions

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services
Department of Education & Early Development
State of Alaska

SENATE FINANCE COMMITTEE

SIGN-IN

SB 276-REQUIRE HEALTH INS COVERAGE FOR DIABETES

NAME: Dan Novotney Subject/Bill No: 276
Co./Dept./Title: American Diabetes Association Phone: 7804300
Address: 1100 Timberline Ct JUNEAU Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Chris Holzwarth Subject/Bill No: 276
Co./Dept./Title: _____ Phone: 790-2776
Address: 8800 Glacier Hwy #119 Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Julie Burns Subject/Bill No: _____
Co./Dept./Title: _____ Phone: 790-2776
Address: 8800 Glacier Hwy #119 Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Michelle Cassano Subject/Bill No: _____
Co./Dept./Title: Am Diabetes Phone: _____
Address: 801 W. Firwood Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: GORDON EVANS Subject/Bill No: SB 276

Co./Dept./Title: 11111 Phone: 586-3210

Address: 211 4th St., Suite 305, Junction Zip: 99801

Do you wish to testify? Yes No Respond To Questions

NAME: Shawn Clark Subject/Bill No: _____

Co./Dept./Title: leg aide / Sen Miller Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

Will read sponsor statement for Sen. Miller

NAME: SHAN HAN Subject/Bill No: 276

Co./Dept./Title: STAFF REP MURKOWSKI Phone: -3783

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

WILL SPEAK TO AMENDMENT IF NEEDED.

NAME: Jenny Rainwand Subject/Bill No: SB 276

Co./Dept./Title: Blue Cross Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

Bill History/Action Display



BILL: SB 276 SHORT TITLE: REQUIRE HEALTH INS COVERAGE FOR DIABETES
BILL VERSION:
SPONSOR(S): HEALTH, EDUCATION & SOCIAL SERVICES

CURRENT STATUS: (S) FIN STATUS DATE: 3/03/00

TITLE: "An Act requiring that health care insurers provide coverage for treatment of diabetes."

Full Text Detailed 2000 fiscal note information currently not available on-line.

Committee Action With Bill History

Jrn-Date	Jrn-Page	Action
2/16/00	<u>2318</u>	(S) READ THE FIRST TIME - REFERRALS
2/16/00	<u>2318</u>	(S) L&C, FIN
3/03/00	<u>2508</u>	(S) L&C RPT 3DP 1AM
3/03/00	<u>2508</u>	(S) DP: MACKIE, LEMAN, HOFFMAN; AM: KELLY
3/03/00	<u>2508</u>	(S) ZERO FISCAL NOTE (DCED)
3/03/00	<u>2508</u>	(S) REFERRED TO FINANCE

Similar Subject Match or Exact Subject Match

INSURANCE
MEDICAL CARE

Bill Root:

[Return to BASIS Main Menu\(21st Legislature\)](#)
[Return to the Legislature Home Page](#)
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Please use your 'Reload' button to update this page.

SENATE FINANCE COMMITTEE

SIGN - IN

SB 276-REQUIRE HEALTH INS COVERAGE FOR DIABETES

NAME: Sharon Clark Subject/Bill No: 276
Co./Dept./Title: Leg Clerk Sen. Miller Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

Only if needed - Sen Miller will not be here

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

SB

280

SFIN

FILE

SB 280

was referred to the
Senate Finance
Committee

Hearing(s) were held

The bill did not move
from Committee



Official Business

Alaska State Legislature

SENATE LABOR & COMMERCE COMMITTEE

State Capitol
Juneau, AK 99801-1

(907)465-3844

SPONSOR STATEMENT

SB 280, Common Carrier Liquor License

Alaska Airlines has requested that the current licensing requirements for common carrier beverage dispensary licenses be modified for two reasons. First, to simplify the requirements so that adding additional aircraft will not require an entirely new application process, involving filling out the application, supplying supporting exhibits, and posting and publishing the application for a license. Alaska and the Board agree that modifying the statute to simplify obtaining additional common carrier licenses will reduce the clerical and administrative work for both Alaska Airlines and the Board and is therefore in the public interest.

Secondly, Alaska Airlines would like the fees reduced. Alaska currently has 89 and plans to add six or more aircraft each year. The growth of the Alaska Airlines fleet substantially exceeds the growth of its intrastate flying. Since every aircraft must be separately licensed, and every license costs Alaska Airlines \$450 a year (a \$700 biannual fee plus a \$200 license fee), the license fees have become quite high and will continue to escalate at a faster rate than its intrastate flying will escalate. Alaska Airlines only operates a small portion of its fleet on intrastate routes on any given day. In addition, it should be noted that none of the other major airlines serving Alaska, with the possible exception of Delta, obtain Alaska liquor license since they do not operate intrastate. Alaska Airlines believes that it pays substantially more for common carrier licenses than any other licensee in Alaska. It seems fair to reduce the fees to more accurately reflect the costs to the Board of issuing licenses and the intrastate presence that Alaska Airlines actually has. If the proposed bill becomes law, Alaska Airlines will still pay more in fees to Alaska than it pays in any other state.



Teleconference Participants

TCN: 10772

Participant Lists

View List for

ALL

Testifiers

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Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

ANCHORAGE (ANC)

1

Name: Mr. Tim Bundy Ans ?s

Phone:

Address:

Affiliation: Dept Labor

City /St /Zip:

Type: Testifier

Bill: HB 361: FEES FOR STATE SERVICE

2



Name: Mr. Doug Griffin

Phone:

Address:

Affiliation: ABC Brd

City /St /Zip:

Type: Testifier

Bill: SB 280: COMMON CARRIER LIQUOR LICENSE

SENATE FINANCE COMMITTEE

SIGN-IN

SB 280-COMMON CARRIER LIQUOR LICENSE

NAME: Dave GRAY Subject/Bill No: SB 280
Co./Dept./Title: Sr Mackie Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

SB

281

HFIN

FILE

(11)

HOUSE COMMITTEE REPORT

Date Referred to Committee: March 30, 2000

FURTHER REFERRALS:

Date of Committee Action: 4/4/00

The FINANCE Committee considered:

CSSB 281(FIN) am

CS FOR SENATE BILL NO. 281(FIN) am

OPERATING BUDGET MISSIONS AND MEASURES

"An Act relating to missions and measures to be applied to certain expenditures by the executive branch of state government and the University of Alaska from the state operating budget for the fiscal year ending June 30, 2001; and providing for an effective date."

recommends it be replaced with the following committee substitute HCS CS SB 281 (FIN) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) _____ APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) _____ fiscal note(s) _____

zero fiscal note(s) _____ zero fiscal note(s) other of gov 3/17/00

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Gene Therriault</i>	Therriault	X			
<i>Don Bunde</i>	Bunde	✓			
<i>Alan Austerman</i>	Austerman	X			
<i>J. Davis</i>	J. Davis	X			
<i>Ben Gussendorf</i>	Gussendorf			X	
<i>Carl E. Moses</i>	Moses			X	
<i>g. Davis</i>	g. Davis	X			
<i>William Williams</i>	Williams	X			
<i>Justin Phillips</i>	Justin Phillips	X			
<i>Gene Therriault</i>	Therriault				

CO

CHAIR'S SIGNATURE

Gene Therriault
Therriault

(1) (2)

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

No. 1
Bill Version: CSSB 281(FIN)
(S) Publish Date: 3-17-00

Revision Date/Time (Note if correction) _____ Dept. Affected All
Title An Act relating to missions and measures BRU _____
Component _____
Sponsor Senate Finance Committee
Requester Senate Finance Committee Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would not have a significant fiscal impact on any state agency.

Prepared by: Jack Kreinheder *JK* Phone 465-4676
Division Office of Management and Budget *D. Ramsey* Date/Time 2/23/00 8:57 AM
Approved by Commissioner: David Ramsey, Deputy Chief of Staff Date _____
Agency Office of the Governor

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FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

No. 1
Bill Version: CSSB 281 (FIN)
(S) Publish Date: 3-17-00

Revision Date/Time (Note if correction) _____ Dept. Affected All
Title An Act relating to missions and measures BRU _____
Component _____
Sponsor Senate Finance Committee
Requester Senate Finance Committee Component No. _____

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Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

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TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

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Full-time						
Part-time						
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This bill would not have a significant fiscal impact on any state agency.

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adopted NO OBJ

AMENDMENT

REP. AUSTERMAN

OFFERED IN HOUSE FINANCE COMMITTEE

TO: CS SB 281 (FIN) am

Department of Community and Economic Development
Division of Community and Business Development

Section 36, page 11, line 24 is amended to read:

- (c) The Mission of the Alaska Regional Development Organization (ARDOR) program is to encourage a healthier economic climate in Alaska by increasing the number of jobs, strengthening existing businesses, attracting new businesses, and encouraging economic diversification.
- (d) the legislature intends to measure the success of the ARDOR program in achieving its mission by considering
 - (1) the number of coordinated regional efforts resulting in creation of new business opportunities
 - (2) the percentage of Goals identified through regional processes that are achieved
 - (3) ~~the increase in other funds leveraged against state ARDOR grants~~
 - (3) the amount of NON STATE funds leveraged by ARDOR grants

Since FY 97 funding for the 13 (and soon to be 14 - as Fairbanks enters the program in FY01) current ARDOR's (\$650.0) has been from AIDEA receipts. Direct grants total \$620.0 of the AIDEA receipts to equally fund each regional development organization. The remaining \$30.0 goes to the department, although over half of this amount funds non-employee travel for the ARDOR's. The amount of other funds leveraged through this grant varies depending on the size of the region. The grant provides 75% of the funding for the Bering Strait ARDOR whereas it only provides 4.1% of the total budget for the Anchorage ARDOR. The Anchorage ARDOR has generated a \$47.7 local match and has leveraged \$1.1 million in additional funds.

The Legislature has supported the ARDOR program since 1988 through their recognition that locally driven initiatives, in partnership with the state, are the most effective approach to creating and sustaining strong, healthy economies.

It seems appropriate to examine this program by using the performance-based budgeting system as a way to illustrate the ARDORS' accomplishments and worth to the state through mission and measures analysis.

Failed 4-7

CSSB281(FIN)am

Amendment to Amendment GA.1

University Mission

By Rep. Theriault

The mission of the UA is to offer high quality programs that respond to the education, job training, research and public service needs of Alaska and Alaskans.

Vocational

AMENDMENT

REP. AUSTERMAN

OFFERED IN HOUSE FINANCE COMMITTEE

TO: CS SB 281 (FIN) am

Department of Community and Economic Development
Division of Community and Business Development

Section 36, page 11, line 24 is amended to read:

- (c) The Mission of the Alaska Regional Development Organization (ARDOR) program is to encourage a healthier economic climate in Alaska by increasing the number of jobs, strengthening existing businesses, attracting new businesses, and encouraging economic diversification.
- (d) the legislature intends to measure the success of the ARDOR program in achieving its mission by considering
 - (1) the number of coordinated regional efforts resulting in creation of new business opportunities
 - (2) the percentage of Goals identified through regional processes that are achieved
 - (3) the increase in the ratio of state ARDOR grants to other leveraged funds

Since FY 97 funding for the 13 (and soon to be 14 - as Fairbanks enters the program in FY01) current ARDOR's (\$650.0) has been from AIDEA receipts. Direct grants total \$620.0 of the AIDEA receipts to equally fund each regional development organization. The remaining \$30.0 goes to the department, although over half of this amount funds non-employee travel for the ARDOR's. The amount of other funds leveraged through this grant varies depending on the size of the region. The grant provides 75% of the funding for the Bering Strait ARDOR whereas it only provides 4.1% of the total budget for the Anchorage ARDOR. The Anchorage ARDOR has generated a \$47.7 local match and has leveraged \$1.1 million in additional funds.

The Legislature has supported the ARDOR program since 1988 through their recognition that locally driven initiatives, in partnership with the state, are the most effective approach to creating and sustaining strong, healthy economies.

It seems appropriate to examine this program by using the performance-based budgeting system as a way to illustrate the ARDORS' accomplishments and worth to the state through mission and measures analysis.

- 1 (1) the percentage of times that vessels depart on time;
 2 (2) the revenue per rider mile divided by the operational costs per rider mile;
 3 (3) the total ridership, including passengers and vehicles, compared to the five-
 4 year ridership average;
 5 (4) the average onboard revenue per passenger, including cabin occupancy,
 6 food, beverage, and other sources of revenue;
 7 (5) the percentage of persons served who are satisfied customers.

8 **Article 15. University of Alaska.**

9 * **Sec. 153. University of Alaska.** (a) The mission of the University of Alaska is to
 10 ensure the best opportunity for Alaskans of all ages to be successful, productive, and
 11 contributing members of society by fostering and promoting

- 12 (1) the highest quality postsecondary educational system;
 13 (2) vocational development and training;
 14 (3) advancement and extension of knowledge, learning, and culture; and
 15 (4) the application of new knowledge to state needs.

16 (b) The legislature intends to measure the success of the University of Alaska in
 17 achieving its mission by considering

- 18 (1) the number and percentage of total Alaska high school graduates who
 19 (A) attend the University of Alaska;
 20 (B) attend the University of Alaska as Alaska Scholars; and
 21 (C) stay in Alaska one year, five years, and 10 years after graduation;
 22 (2) the percentage of students graduating with degrees in teacher education,
 23 health careers, process technology, transportation and logistics, information technology, and
 24 other high demand job areas;
 25 (3) the number of University of Alaska graduates, by community of origin and
 26 by community of current employment, who are
 27 (A) new teachers;
 28 (B) new principals;
 29 (C) new superintendents;
 30 (4) the number and percentage of total credit hours and courses offered by
 31 distance delivery;

- 1 (5) the cost per credit hour delivered by distance delivery;
- 2 (6) the pre-training wage as compared to the post-training wage for vocational
- 3 education graduates;
- 4 (7) the increase in research grants in arctic biology, climate change, resource
- 5 development, fisheries and ocean science, logistics, geosciences, and atmospheric sciences;
- 6 (8) the number of graduate students whose education is funded by research
- 7 grants;
- 8 (9) the number of Experimental Program to Stimulate Competitive Research
- 9 grants earned;
- 10 (10) the research dollars garnered per research faculty member;
- 11 (11) the research proposals funded per research faculty member;
- 12 (12) the number of annual citations and references per research faculty
- 13 member;
- 14 (13) the graduation rate of full-time-equivalent students in degree programs;
- 15 (14) the comparative score rates of University of Alaska students in programs
- 16 that require professional examinations;
- 17 (15) the retention rate of students enrolled in degree programs.
- 18 * **Sec. 154. Immunity from Suit.** The state and its agents and employees are immune
- 19 from suit that is based upon accomplishing or failing to accomplish a mission statement or
- 20 performance measure contained in this Act.
- 21 * **Sec. 155.** This Act takes effect July 1, 2000.



Alaska State Senate

Senate Finance Committee

Official Business

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

SB 281 Sponsor Statement

Sponsor: Senate Finance Committee
Results Based Budgeting - FY'01 Missions and Measures

SB 281 continues legislative progress toward results based budgeting by enacting missions and measures for the FY'01 operating budget. House and Senate budget subcommittees worked with the various departments to adopt performance measures for the departments and the divisions. Existing missions and measures adopted for FY00 programs were also refined. The House and Senate subcommittees' recommendations are incorporated into SB 281.

SB 281 applies only to FY'01 appropriations, and reflects substantial compliance with the results based budgeting requirements of the Executive Budget Act, AS 37.07.050.

CS for Senate Bill 281 (FIN) am

Page 1 Line 13 (b) was added by Sen. Green on Senate Floor

Page 2 line 12 - "**reach**" was added - "**track**" was deleted. Brings Commissioner's Office measure into conformity with all other comm offices.(ok by Dept. of Admin)

Page 6 line 17-24 - APOC - "**candidates**" was added -statute includes candidates as well as public officials.

Line 22 "**average**" was added

Line 23 "**candidates and** " added

Line 24 "**average**" added

Page 6 - line 29 - "**permits**" was added "**appeals**" was deleted - the Alaska Oil and Gas commission processes permits not appeals.(provided by the Dept.)

Page 9 line 2 - "**trade and**" was added to Div of International trade and Market Development mission statement.(provided by the Dept.)

Page 10 Line 2-3 - original measure (4) was deleted - new measure provided better reflects intent. New "**(4) the increase in student achievement and interest in math and science as a result of ASTF teacher grants**". (provided by the Department and they say they can measure this).

(deleted measure)- [the number of direct grants made to science and math teachers]

Page 11 line 2-6 - the previous measures 1-3 were deleted. Replaced by new measures 1-3 which measure quality and management of AK Energy owned facilities.(provided by Department put forth by Senate subcommittee chair)

Page 23 line 16 - Missions and Measures for the entire Division of Subsistence were added to the Dept. of Fish and Game.(added by Sen. Torgerson worked out with the Dept of F&G)

Page 43 line 1-2 - Alaska Mental Health Trust Authority previous measure (1) and (2) deleted - new measures provided by the Trust (sponsored by Sen. Leman) *(deleted measures) (1) the % of customers who rate mental health services as "satisfactory" or better. (2) the number of customers on waiting lists for mental health services as compared to the total number of customers served.*

Page 43 line 26, "**operate and maintain**" were added to the department of transportation mission statement. (provided by DOT/PF)

Page 47 line 18-22 - The Highway Safety Planning Agency was moved from the Dept. of Public Safety the Dept. of Transportation and Public Facilities Per Executive Order 101 by the Governor.

Page 48 line 18 University - New measures were written by Sen. Leman and ok'd by the Univ.

CS for Senate Bill 281 (FIN) am

Page 1, Line 13 (b) was added on the Senate Floor by Sen. Green - **"all departments of state government shall be held accountable for their actions, including compliance with the recommendations of legislative audits as directed by the legislature."**

Page 2, line 12 - **"reach"** was added - **"track"** was deleted. Brings Commissioner's Office measure into conformity with all other comm offices.(ok by Dept. of Admin)

Page 6, line 17-24 - APOC - **"candidates"** was added -statute includes candidates as well as public officials.
Line 22 **"average"** was added
Line 23 **"candidates and "** added
Line 24 **"average"** added

Page 6, - line 29 - **"permits"** was added **"appeals"** was deleted - the Alaska Oil and Gas commission processes permits not appeals.(provided by the Dept.)

Page 7, line 28 (Halford amend floor) -**protect shareholders in corporations-**
Measure was -" *protect shareholders in ANCSA corporations from false and misleading proxy solicitations*"

Page 9, line 2 - **"trade and"** was added to Div of International trade and Market Development mission statement.(provided by the Dept.)

Page 10, Line 2-3 - original measure (4) was deleted - new measure provided better reflects intent. New **"(4) the increase in student achievement and interest in math and science as a result of ASTF teacher grants"**. (provided by the Department and they say they can measure this).
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Page 43, line 26, "**operate and maintain**" were added to the department of transportation mission statement. (provided by DOT/PF - *consistent with statutes - AS 44.42.*)

Page 47, line 18-22 - The Highway Safety Planning Agency was moved from the Dept. of Public Safety the Dept. of Transportation and Public Facilities Per Executive Order 101 by the Governor.

Page 48, line 18 - University - New measures were written by Sen. Leman and ok'd by the Univ.

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Juneau, Alaska 99801-1182
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MEMORANDUM

February 23, 2000

SUBJECT: Sectional Summary of SB 231. (Missions and measures for the Fiscal Year 2001 operating budget)

TO: Senator Sean Parnell, Co-Chair
Senate Finance Committee
Attn: Deborah Grundmann

FROM: Teresa B. Cramer 
Legislative Counsel

RECEIVED

FEB 23 2000

Senate Finance
Committee

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1 states that sections 1 through 153 amend the uncodified law of Alaska by adding new sections to it.

Section 2 states the legislative purpose for the bill.

Article 1. Department of Administration.

Secs. 3 - 20 set out the mission of the Department of Administration and missions and measures for the Office of the Commissioner, divisions, offices, and agencies within the department.

- Sec. 3. Department of Administration.
- Sec. 4. Office of the Commissioner.
- Sec. 5. Division of Administrative Services.
- Sec. 6. Information Technology Group.
- Sec. 7. Division of Public Communications Services.
- Sec. 8. Division of Personnel.
- Sec. 9. Division of Finance.
- Sec. 10. Division of General Services.
- Sec. 11. Division of Longevity Programs.
- Sec. 12. Division of Retirement and Benefits.
- Sec. 13. Division of Risk Management.
- Sec. 14. Division of Senior Services.
- Sec. 15. Division of Motor Vehicles.

- Sec. 16. Office of Public Advocacy.
- Sec. 17. Public Defender Agency.
- Sec. 18. Office of Tax Appeals.
- Sec. 19. Alaska Public Offices Commission.
- Sec. 20. Oil and Gas Conservation Commission.

Article 2. Department of Community and Economic Development.

Sections 21 - 37 set out the mission of the Department of Community and Economic Development and missions and measures for the Office of the Commissioner, divisions, and agencies within the department.

- Sec. 21. Department of Community and Economic Development.
- Sec. 22. Office of the Commissioner.
- Sec. 23. Division of Administrative Services.
- Sec. 24. Division of Banking, Securities, and Corporations.
- Sec. 25. Division of Insurance.
- Sec. 26. Division of Investments.
- Sec. 27. Division of International Trade and Market Development.
- Sec. 28. Alaska Aerospace Development Corporation.
- Sec. 29. Alaska Seafood Marketing Institute.
- Sec. 30. Alaska Science and Technology Foundation.
- Sec. 31. Alaska Industrial Development and Export Authority.
- Sec. 32. Alaska Energy Authority.
- Sec. 33. Regulatory Commission of Alaska.
- Sec. 34. Rural Energy Programs.
- Sec. 35. Municipal Revenue Sharing.
- Sec. 36. Division of Community and Business Development.
- Sec. 37. Division of Occupational Licensing.

Article 3. Department of Corrections.

Sections 38 - 47 set out the mission of the Department of Corrections and missions and measures for the Office of the Commissioner, divisions, and agencies within the department.

- Sec. 38. Department of Corrections.
- Sec. 39. Office of the Commissioner.
- Sec. 40. Parole Board.
- Sec. 41. Division of Administrative Services.
- Sec. 42. Alaska Correctional Industries.
- Sec. 43. Division of Institutions.
- Sec. 44. Division of Institutions, Inmate Programs.
- Sec. 45. Division of Institutions, Inmate Health Care.
- Sec. 46. Division of Institutions, Electronic Monitoring.
- Sec. 47. Division of Community Corrections.

Article 4. Department of Education and Early Development.

Sections 48 - 59 set out the mission of the Department of Education and Early Development and missions and measures for the Office of the Commissioner, divisions, and agencies within the department.

- Sec. 48. Department of Education and Early Development.
- Sec. 49. Office of the Commissioner.
- Sec. 50. Division of Education Support Services.
- Sec. 51. Division of Teaching and Learning Support.
- Sec. 52. Division of Libraries, Archives, and Museums.
- Sec. 53. Alyeska Central School.
- Sec. 54. Mt. Edgecumbe High School.
- Sec. 55. Alaska Vocational Technical Center.
- Sec. 56. Alaska State Council on the Arts.
- Sec. 57. Alaska Commission on Postsecondary Education.
- Sec. 58. WWAMI.
- Sec. 59. Division of Early Development.

Article 5. Department of Environmental Conservation.

Sections 60 - 67 set out the mission of the Department of Environmental Conservation and missions and measures for the Office of the Commissioner and divisions within the department.

- Sec. 60. Department of Environmental Conservation.
- Sec. 61. Office of the Commissioner.
- Sec. 62. Division of Administrative Services.
- Sec. 63. Division of Spill Prevention and Response.
- Sec. 64. Division of Air and Water Quality.
- Sec. 65. Division of Environmental Health.
- Sec. 66. Division of Facility Construction and Operation.
- Sec. 67. Division of Statewide Public Service.

Article 6. Department of Fish and Game.

Sections 68 - 74 set out the mission of the Department of Fish and Game and missions and measures for the Office of the Commissioner, divisions, and agencies within the department.

- Sec. 68. Department of Fish and Game.
- Sec. 69. Office of the Commissioner & Division of Administrative Services.
- Sec. 70. Division of Commercial Fisheries.
- Sec. 71. Commercial Fisheries Entry Commission.
- Sec. 72. Division of Habitat and Restoration.

- Sec. 73. Division of Sport Fish.
- Sec. 74. Division of Wildlife Conservation.

Article 7. Department of Health and Social Services.

Sections 75 - 84 set out the mission of the Department of Health and Social Services, and missions and measures for the Office of the Commissioner and divisions within the department.

- Sec. 75. Department of Health and Social Services.
- Sec. 76. Office of the Commissioner.
- Sec. 77. Division of Administrative Services.
- Sec. 78. Division of Public Assistance.
- Sec. 79. Division of Public Health.
- Sec. 80. Division of Alcoholism and Drug Abuse.
- Sec. 81. Division of Medical Assistance.
- Sec. 82. Division of Family and Youth Services.
- Sec. 83. Division of Juvenile Justice.
- Sec. 84. Division of Mental Health and Developmental Disabilities.

Article 8. Department of Labor and Workforce Development.

Sections 85 - 91 set out the mission of the Department of Labor and Workforce Development and missions and measures for the Office of the Commissioner and divisions within the department.

- Sec. 85. Department of Labor and Workforce Development.
- Sec. 86. Office of the Commissioner.
- Sec. 87. Division of Administrative Services.
- Sec. 88. Division of Vocational Rehabilitation.
- Sec. 89. Division of Employment Security.
- Sec. 90. Division of Workers' Compensation.
- Sec. 91. Division of Labor Standards and Safety.

Article 9. Department of Law.

Sections 92 - 97 set out the mission of the Department of Law and missions and measures for the Office of the Attorney General, divisions, and offices within the department.

- Sec. 92. Department of Law.
- Sec. 93. Office of the Attorney General.
- Sec. 94. Division of Administrative Services.
- Sec. 95. Civil Division.
- Sec. 96. Criminal Division.
- Sec. 97. Office of Special Prosecutions and Appeals.

Article 10. Department of Military and Veterans' Affairs.

Sections 98 - 105 set out the mission of the Department of Military and Veterans' Affairs and missions and measures for the Office of the Commissioner, divisions, offices, and agencies within the department.

- Sec. 98. Department of Military and Veterans' Affairs.
- Sec. 99. Office of the Commissioner.
- Sec. 100. Division of Administrative Services.
- Sec. 101. Division of Emergency Services.
- Sec. 102. National Guard Facilities Management.
- Sec. 103. Alaska National Guard.
- Sec. 104. Alaska National Guard Youth Corps.
- Sec. 105. Office of Veterans' Affairs.

Article 11. Department of Natural Resources.

Sections 106 - 114 set out the mission of the Department of Natural Resources and missions and measures for the Office of the Commissioner and divisions within the department.

- Sec. 106. Department of Natural Resources.
- Sec. 107. Office of the Commissioner.
- Sec. 108. Administrative Services Group.
- Sec. 109. Division of Oil and Gas.
- Sec. 110. Division of Agriculture.
- Sec. 111. Division of Mining, Land, and Water.
- Sec. 112. Division of Forestry.
- Sec. 113. Division of Geological and Geophysical Surveys.
- Sec. 114. Division of Parks and Outdoor Recreation.

Article 12. Department of Public Safety.

Sections 115 - 126 set out the mission of the Department of Public Safety and missions and measures for the Office of the Commissioner, divisions, and agencies within the department.

- Sec. 115. Department of Public Safety.
- Sec. 116. Office of the Commissioner.
- Sec. 117. Division of Administrative Services.
- Sec. 118. Division of Fire Prevention.
- Sec. 119. Highway Safety Planning Agency.
- Sec. 120. Division of Alaska State Troopers.
- Sec. 121. Division of Fish and Wildlife Protection.
- Sec. 122. Alaska Police Standards Council.
- Sec. 123. Council on Domestic Violence and Sexual Assault.

- Sec. 124. Scientific Crime Detection Laboratory.
- Sec. 125. Public Safety Academy.
- Sec. 126. Violent Crimes Compensation Board.

Article 13. Department of Revenue.

Sections 127 - 139 set out the mission of the Department of Revenue and missions and measures for the Office of the Commissioner, divisions, and agencies within the department.

- Sec. 127. Department of Revenue.
- Sec. 128. Office of the Commissioner.
- Sec. 129. Division of Administrative Services.
- Sec. 130. Tax Division.
- Sec. 131. Permanent Fund Dividend Division.
- Sec. 132. Alaska Permanent Fund Corporation.
- Sec. 133. Treasury Division.
- Sec. 134. Alaska Municipal Bond Bank Authority.
- Sec. 135. State Pension Investment Board.
- Sec. 136. Child Support Enforcement Division.
- Sec. 137. Alaska Mental Health Trust Authority.
- Sec. 138. Alaska Housing Finance Corporation.
- Sec. 139. Alcoholic Beverage Control Board.

Article 14. Department of Transportation and Public Facilities.

Section 140 - 151 set out the mission of the Department of Transportation and Public Facilities, and missions and measures for the Office of the Commissioner, divisions, and agencies within the department.

- Sec. 140. Department of Transportation and Public Facilities.
- Sec. 141. Office of the Commissioner.
- Sec. 142. Aviation.
- Sec. 143. Public facilities.
- Sec. 144. Highway maintenance and operations.
- Sec. 145. Equipment fleet.
- Sec. 146. Division of Administrative Services.
- Sec. 147. Div. of Measurement Standards and Commercial Vehicle Enforcement.
- Sec. 148. Division of Statewide Design and Engineering Services.
- Sec. 149. Division of Statewide Planning.
- Sec. 150. Division of Construction and CIP Support.
- Sec. 151. Marine Highway System.

Article 15. University of Alaska.

Section 152 sets out the mission and measures for the University of Alaska.

Senator Sean Parnell
February 23, 2000
Page 7

Section 153 provides protection for the state and its agents and employees from suits based on accomplishing or failing to accomplish the missions and measures set out in the bill.

Section 154 is an effective date of July 1, 2000.

TC:jdr
00-094.jdr

SB

281

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT OF
SFC 3/17/00

DATE: 2/22/00

FURTHER:

Date of 5-Day Notice: 2-24-00
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 17 March 00

Finance Committee considered

SENATE BILL NO. 281

"An Act relating to missions and measures to be applied to certain expenditures by the executive branch of state government and the University of Alaska from the state operating budget for the fiscal year ending June 30, 2001; and providing for an effective date."

and recommends:

- be replaced with CS SB 281 (FIN)
- adopt previous CS ()
- attached amendment(s) forthcoming
- adopt Letter of Intent by _____
- 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>Kellie Hill</i>	✓	<i>Lyda New</i>	✓		
<i>Gary Webb</i>	✓	<i>Cal Chan</i>	✓		
<i>Alvin D. Hansen</i>	✓	<i>1 sheet only</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair: _____			
Co-Chair: <i>[Signature]</i>	✓	Co-Chair: _____			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>All</i>	<i>7/23/00</i>	✓	

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. SB 281

Revision Date/Time (Note if correction) _____ Dept. Affected All
 Title An Act relating to missions and measures BRU _____
 Component _____
 Sponsor Senate Finance Committee
 Requester Senate Finance Committee Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would not have a significant fiscal impact on any state agency.

Prepared by: Jack Kreinhedr *JK* Phone 465-4676
 Division Office of Management and Budget *D. Ramsey* Date/Time 2/23/00 8:57 AM
 Approved by Commissioner: David Ramsey, Deputy Chief of Staff Date _____
 Agency Office of the Governor

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TO: Peggy - Legal Services - 2029 -

NUMBER OF PAGES, INCLUDING COVER SHEET: 3

FROM: JAMIE FOLEY
SENATE FINANCE CMTE. ASST. SECRETARY
PHONE: 465-2618
FAX: 465-2187

NOTES: _____

SENATE FINANCE
COMMITTEE

Amendment Number: #1
Bill Number: SB 281
Sponsor: Leman Date: 3/1/00
Logged In By: Mindy

AMENDMENT

Offered in Senate Finance
To: SB 281

Offered by: Senator Leman

Section 137. DRev - Alaska Mental Health Trust Authority

Page 47. lines 17-20:

1. DELETE (b)(1) - (b)(2)
2. Insert:

(b)(1) Amount of revenue from land and cash.

(b)(2) Percent of disbursement of Trust income for mental health programs

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	18281
Amendment	#1
Motion	
<u>Motion by</u>	
<u>Objection</u>	JL
<u>Objection by</u>	
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Gary Wilken	
Senator Pete Kelly	
Senator Lyda Green	
Senator Randy Phillips	
Senator Dave Donley	
Senator Loren Leman	
Senator Al Adams	
Co-Chair Sean Parnell	
Co-Chair John Torgerson	
<u>Tally</u>	
Yea	0
Nay	0
Absent	0
<u>MOTION</u>	No objection

SENATE FINANCE
COMMITTEE
Amendment Number: #2
Bill Number: SB 281
Sponsor: Parnell Date: 3/7/00
Logged In By: Mindy

1-LS1392AD.1

Cramer

3/6/00

A M E N D M E N T

OFFERED IN THE SENATE

TO: SB 281

- 1 Page 6, line 15:
- 2 Delete "of public officials"
- 3 Insert "to the public of candidates and public officials in accordance with the Alaska
- 4 Statutes"

- 5 Page 6, line 16:
- 6 Delete "division"
- 7 Insert "commission"

- 8 Page 6, line 18, following "the":
- 9 Insert "average"

- 10 Page 6, line 19, following "by":
- 11 Insert "candidates and"

- 12 Page 6, line 20, following "the":
- 13 Insert "average"

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	JB 281
Amendment	#2
Motion	
<u>Motion by</u>	
<u>Objection</u>	CCP
<u>Objection by</u>	
<u>Removed</u>	
<u>Second Objection by</u>	
<u>Committee Member</u>	<u>Vote</u>
Senator Pete Kelly	
Senator Lyda Green	
Senator Randy Phillips	
Senator Dave Donley	
Senator Loren Lemar	
Senator Al Adams	
Senator Gary Wilken	
Co-Chair Sean Parnell	
Co-Chair John Torgerson	
<u>Tally</u>	
Yea	0
Nay	0
Absent	0
<u>MOTION</u>	No object

SENATE FINANCE
COMMITTEE # 3
Amendment Number: # 3
Bill Number: SB 281
Sponsor: Parnell Date: 3/7/00
Logged In By: Mindy

1-LS1392\D.2
Cramer
3/6/00

A M E N D M E N T

OFFERED IN THE SENATE

TO: SB 281

- 1 Page 6, line 25:
- 2 Delete "appeals"
- 3 Insert "permits"

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number:	SB 281
Amendment:	# 2
Motion:	
<u>Motion by</u>	
Objection	CP
<u>Objection by</u>	
Removed	
Second Objection by	
<u>Committee Member</u>	<u>Vote</u>
Senator Lyda Green	
Senator Randy Phillips	
Senator Dave Donley	
Senator Loren Lemar	
Senator Al Adams	
Senator Gary Wilken	
Senator Pete Kelly	
Co-Chair Sean Parnell	
Co-Chair John Torgerson	
<u>Tally</u>	
Yea	0
Nay	0
Absent	0
<u>MOTION</u>	1/0 2/7