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CONCLUSION

This study has shown that the direct health care costs associated with alcohol abuse are a significant portion of the total health care costs in Central Maryland.

The study has estimated the associated costs of alcohol abuse in four settings; general hospitals, state hospitals, physicians offices, and public clinics. In these settings approximately \$187,567,272 were spent for alcohol related health care in 1977 for the residents of Central Maryland. The additional costs associated with other settings have yet to be calculated.

SUMMARY OF COSTS BY SETTING

<u>SETTING</u>	<u>COSTS</u>
Hospital	
General	\$157,290,027
State	13,043,576
	\$170,333,603
Physicians	15,005,993
Community Programs	2,227,676
Sub-Total	\$187,567,272
Nursing Homes	-
Pharmacy	-
Other	-
Social Services & Counselling	-
Total	

There are several implications of this report. They include:

1. That alcohol abuse as a disease is an expensive drain on health resource of the entire population.
2. That as in other illnesses, alcohol is currently being treated primarily in hospital settings; and then as an end-stage medical crisis rather than in its early stages.
3. That third-party payors (both private and public) are currently paying for alcohol abuse under other diagnostic labels.

PURPOSE

This paper is an attempt to quantify the direct health care costs due to or associated with alcohol abuse in Central Maryland residents for one year.

METHODOLOGY

At the outset it must be noted that it is difficult to precisely assess alcohol related health cost since in many cases alcohol abuse is not listed as the primary diagnosis. The studies discussed in this paper sought to overcome this problem by developing estimates based on either direct clinical surveys of inpatient records or direct surveys of providers. While this method is still flawed and most likely underestimates the involvement of alcohol in such health specialties as orthopedics and emergency/trauma admission, the methodology is best available.

The formal literature on this question is limited; basically, there is one major study on the subject which represents the "state of the art". The study, entitled "The Economic Cost of Alcohol Abuse - 1975", developed under contract for NIAAA¹, by Ralph Berry, et al, uses a combination of literature review and direct clinical survey of physicians and health care institutions to estimate the amount of health care used by alcohol abusers. While the NIAAA study sought to examine costs in a variety of settings, this study has been limited to those costs in only four settings, general hospital, state hospitals, physicians offices, and publicly supported alcoholism programs.

The primary methodology used in the hospital survey's was an interview with the patient or patient's relative. In addition, treatment histories were taken which noted past medical problems usually associated with alcohol such as cirrhosis or pancreatitis. Concerning hospital based data, eight separate studies were reviewed and their findings were compiled. Appendix 1 summarizes those studies and their findings.

In the area of physician's out-patient visits, there was essentially only one study (Jones & Helrich) undertaken in 1970. This study involved 13,000 general practitioners, osteopaths, internists, and psychiatrists, and consisted of a survey of their patient mix. Unfortunately the information gathered in this study was open to some question since it concentrated on primary diagnosis. To offset some of the difficulties of this earlier work the Berry report was forced to rely heavily on the special experts' survey undertaken in 1974. The survey's conclusion regarding physicians utilization are provided in Appendix 2.

The conclusion of these studies were then checked against an expert panel of national authorities in the field of alcohol abuse. The experts were prominent researchers or clinicians and were surveyed through the use of a structured questionnaire.

This panel tended to independently confirm the research findings. Appendix table 3 provides a summary of the panel's conclusion.

Based on these studies, the CMHSA applied the averaged estimates of alcohol related abuse to the local health system and calculated out the costs of these services based on either the known or estimated cost per unit of service.

ANALYSIS:

NATIONAL

Nationwide hospital costs make up the largest single portion of health care costs. The Berry study concentrated its analysis on this treatment setting.

The Berry study reported that the number of alcohol related in-patient days varied by the socio-economic status of the hospital's service area. The range was 37 percent for low income communities, 15 percent for middle income communities, and 17 percent for high income areas. The mean number of inpatients with alcohol-related illness was 20 percent of all hospital patient days.

As noted in the methodology section, Berry compared these research findings to a survey of national experts (Appendix 3). The experts independently confirm the range of the research findings, and on average projected that 22.5% of all general hospital inpatient days are alcohol-related.

Nationwide, it is estimated that 42.3 billion dollars were spent for hospital care (approximately 40 percent of all personal health care dollar (Appendix 4).

Applying the national average of alcohol-related general hospital in-patient costs (20% of total) to the national totals of general hospitals costs results in a projected expenditure of 8.5 billion dollars for alcohol related hospital stays in 1975.

Using a similar mode of analysis in the area physicians office visits, the Berry study found that physician utilization by alcohol abuse patients ranged from 4.1 to 17 percent of all office visits.

However, since not all visits by alcohol abusers are necessarily caused by the alcohol abuse, the study sought to further refine this range by determining what percentage of visits actually resulted from the alcohol abuse and therefore could be identified as excess utilization of health services attributable to alcohol abuse.

The method of calculating of excess utilization was to determine the average number of out-patient visits by alcohol abusers and to subtract the average number of out-patient visits from non-alcohol abusers. The difference is the number of excess out-patient visits for alcohol abusers. This is then multiplied to the estimated number of alcohol abusers. (Most national estimates place the number around 10 million people.)

The Berry Study (based on the special survey of experts and the earlier work of Jones & Helrich) concluded that alcohol abusers average 8.5 ambulatory visits per year, non-alcoholics average 5.1 such visits, therefore, 3.4 visits for abusers are considered excessive. Thus, alcoholics cause some thirty-four million excess visits per year. Excess costs, according to Berry, thus amount to some \$734 million (assuming an average cost per visit of approximately \$21).

A similar method for calculating excess costs was to determine pre-capital out-patient costs of alcohol abusers minus the pre-capital out-patient costs of non-alcohol abusers. The difference is cost attributable to alcohol abuse.

Using the upper range of the Berry Study, an estimated 17 percent of an average physician's practice involves alcoholics. Seventeen percent of the \$17.9 billion spent for physician's services by adults in 1975 is \$3.0 billion. Thus, alcoholics spent an average of \$300.00 per capita for the year. Non-alcoholics averaged only \$102.62 per capita in 1975 (\$14.9 billion in costs and 145.2 million population). Thus, alcoholics averaged \$197.38 per person in excess of non-alcoholics. Total alcohol-related excess expenditures are estimated at 1.97 billion (Appendix 2).

The Berry Study in effort to reconcile the difference between calculating costs by number of visits or by costs per capita selected the mid-point of the range and used 1.3 billion dollars as excess out-patient costs associated with alcohol abuse in 1975. This is approximately 7.3 percent of all out-patient costs.

CENTRAL MARYLAND

In applying this methodology to the local population and health care systems, the CMHSA sought to quantify local direct health care cost attributable to alcohol abuse.

IN-PATIENT SETTINGS

As Central Maryland comprises approximately 1 percent of the country's population, it is possible to use this as a base for calculating local figures. In this case, the estimate for hospital care expenditures related to alcohol abuse would be one percent of the national estimates or about \$84 million for Central Maryland.

However, to get a more refined estimate, the CMHSA returned to the literature used in the original study. By classifying local hospitals according to high, middle, or lower income patient populations, three sub-totals of prevalence were calculated. These various prevalence rates reflect the relationship of alcohol abuse to socio-economic conditions in a community.

The hospitals in the Central Maryland area were classified by the health planning districts in which they are located along the following median family income categories: High: over \$12,000; middle: \$10,000 to \$12,000; lower: under \$10,000. The national percentages were then applied to local in-patient revenue for each hospital expenditure.* This figure derived is slightly over \$157 million (Table 1). This represents approximately 28 percent of all in-patient revenue.

In addition, for comparison the CMHSA applied the average estimates of the NIAAA alcoholism experts survey (22.5 percent of all in-patient days) and found that using this method over \$124 million were attributed to alcohol abuse (Table 1).

*The range for hospital days associated with alcohol-abuse was:

High: 17 percent; middle: 15 percent and low: 37 percent
(for a more detailed review of the literature, see Appendix
Table 1).

TABLE 1

Estimates of Acute Hospital Care Costs Related to Alcohol Abuse
By Hospital, Central Maryland, 1977.

Hospital	Inpatient Revenue ¹	Revenue Attributable to Alcohol Abuse based on NIAAA Clinical Survey	NIAAA Expert Opinion (22.5% of all inpatient days)	One Percent of National hospital costs associated to alcohol abuse
TOTAL	\$559,891,458	\$157,290,027	\$124,655,492	\$84,000,000
High				
GBMC	\$26,041,200	\$ 4,479,086	5,859,270	
Saint Joseph	24,116,000	4,147,952	5,426,100	
Baltimore County	10,666,860	1,834,700	2,400,043	
Howard County	4,892,185	841,456	1,100,741	
Middle				
Franklin Square	20,927,400	3,074,233	4,604,028	
Anne Arundel General	12,676,327	1,862,152	2,852,173	
North Arundel	12,590,927	1,849,607	2,832,958	
Harford Memorial	11,254,930	1,633,349	2,532,359	
Fallston General	9,911,564	1,456,009	2,180,544	
North Charles General	10,436,400	1,533,107	2,296,008	
Union Memorial	30,909,300	4,540,576	6,954,592	
Good Samaritan	11,799,100	1,733,238	2,595,802	
Carroll County General	5,214,035	765,942	1,147,087	
Sinai	38,749,500	5,692,301	8,524,890	
Low				
Baltimore City	20,227,390	7,474,021	4,551,162	
Saint Agnes	28,704,357	10,606,260	6,314,958	
South Baltimore General	24,055,140	8,888,374	5,292,130	
Bon Secours	13,088,980	4,836,378	2,945,020	
Lutheran	13,819,600	5,106,342	3,109,410	
Provident	18,389,413	6,794,888	4,137,617	
University	50,082,186	18,505,368	11,268,491	
Mercy	21,239,500	7,847,995	4,778,887	
Maryland General	25,881,436	9,563,191	5,823,323	
Church	22,328,812	8,250,496	4,912,338	
Johns Hopkins	91,888,916	33,952,954	20,215,561	

¹Disclosure of Hospital Financial and Statistical Data, HSCRC, February 1, 1978.

Independent of which methodology is used, it is clear that alcohol abuse is a significant expense within our region.

Table 2 attempts to identify the source of payments for alcohol related general hospital in-patient costs using the Berry Study methodology. Appendix table 5 presents costs and source of payments for just the primary diagnosis, alcohol intoxicification. This table is presented to illustrate how the data is organized. Other diagnosis for which the costs were not broken out, but which are highly correlated with alcohol abuse are presented in Appendix table 6.

Costs Attributed to Alcohol Abuse
by Source of Payment

TABLE 2

Total General Hospital Costs	Costs Attributed to Alcohol Abuse	Estimate Blue Cross Payments ¹	Estimate Medical Assistance ²	Other
\$559,891,458	\$157,290,027	\$51,905,708	\$22,899,786	\$82,484,

¹Based on an assumed 33 percent share of service.

²Based on the application of estimates of prevalence of alcohol related disorders by institution pro-rated against total Medical Assistance payment. Appendix VII provides data in greater detail.

In addition to those patients admitted to general hospitals, 2,392 Central Maryland patients were admitted for alcohol intoxication to State hospitals at a cost of approximately \$13,043,576.

TABLE 3
ADMISSIONS TO STATE HOSPITALS
FOR ALCOHOL INTOXICATION BY JURISDICTION, CENTRAL MARYLAND, 1976

<u>Jurisdiction</u>	<u>Alcohol Admissions</u>	<u>Total Admissions</u>	<u>Percent Alcoholism</u>	<u>Alcoholism Rate per 1,000 Population</u> ¹	<u>Estimated Cost</u> ²
Central Maryland	2,392	8,149	29	1.1	\$13,043,576
Anne Arundel County	264	936	28	0.8	1,439,590
Baltimore City	1,691	5,381	31	2.0	9,221,020
I	727	1,664	44	3.6	3,964,330
II	211	1,183	18	1.1	1,150,580
III	48	316	15	0.3	261,740
IV	162	658	25	2.0	883,380
V	446	1,007	44	4.9	2,432,000
VI	70	350	20	0.8	381,700
VII	27	203	13	0.3	147,200
Baltimore County	306	1,337	23	0.5	1,668,600
Carroll County	31	182	17	0.4	169,000
Harford County	43	155	28	0.3	234,400
Howard County	57	158	36	0.6	310,800

¹Rate based on population estimates for July 1, 1975.

²Based on average State-wide institutional cost of \$5,453 per admission.

Source: Central Maryland Health Systems Agency analysis of Maryland Center for Health Statistics, Statistical Printout and Mental Hygiene Administration FY 1976 Budget.

Combining the Berry Study and the cost for alcoholism admission to State mental hospitals a total estimation of \$170,333,603 hospital cost* is attributed to alcohol abuse for Central Maryland in FY 1976.

*This figure still excludes speciality hospitals, chronic hospitals, V.A. hospitals, and Public Health Service Hospitals.

PHYSICIAN SERVICE

Again, given that Central Maryland is one percent of the national population, one percent of the projected \$1.3 billion spent nationally for alcohol related physicians services is \$13 million.

However, using the 7.3 percent national estimate of excess utilization, and applying it to local population data the estimated cost attributed to alcohol abuse is slightly over \$15 million.

Estimated Expenditures for Physician's Services
Related to Alcohol Abuse, Central Maryland, FY 1976.

Jurisdiction	Population 18 and Over ¹	Expenditure for Physician's Services ² (Adult)	Expenditure Attributable Alcohol Abuse	Based on 1% National Estimate
Central Maryland	1,484,450	\$205,551,543	\$15,005,993	\$13,000,000
Anne Arundel County	229,260	30,549,295	2,230,098	
Baltimore City	592,000	84,935,391	6,200,284	
Baltimore County	452,550	61,923,666	4,520,428	
Carroll County	55,680	7,828,398	571,473	
Harford County	95,100	11,788,864	860,587	
Howard County	85,860	8,535,930	623,123	

¹MCHS Population Estimates, July 1, 1975.

²"Estimated Per Capita Personal Health Care Expenditures", SSA, FY 1976. The figures used are \$120.85 per person, aged 19-64, and \$25^c.92, aged 65 and over.

³7.3 percent of total expenditure for physician's services is used as derived in the NIAAA study (p. 4 of this report).

In addition to the direct cost of alcohol abuse discussed thus far, there are several settings in which funding is specifically for the treatment of alcoholism. These costs are more easily quantified and are discussed in greater detail in the CMHSA 1978 HSP.

During FY 1976, \$2,227,676 were spent on alcohol abuse programs (counselling, halfway houses, quaterway houses, and shelter services) in Central Maryland. The distribution of these funds among the jurisdictions is shown on the following page.

TABLE 4

PUBLIC EXPENDITURE FOR ALCOHOLISM BY SOURCE OF FUNDS, CENTRAL MARYLAND, FY 1977

<u>Jurisdictions</u>	<u>General</u>	<u>Federal</u>	<u>Local</u>	<u>Total</u>	<u>Per Capita</u>
Anne Arundel County	\$ 51,110	\$ 203,536	-	\$ 254,646	\$.74
Baltimore City	278,914	1,228,913	-	1,507,827	1.79
Baltimore County	17,369	256,867	-	274,236	.42
Carroll County	12,214	32,180	-	44,394	.55
Harford County	27,608	57,413	-	85,021	.64
Howard County	15,315	46,417	-	61,552	.60
Total for Central Maryland	402,350	1,825,326	-	2,227,676	1.03
Total Percent	18.1	81.9	-	100.0	

Source: Maryland State Department of Health and Mental Hygiene, Health Programs Delivered in Local Jurisdictions, FY 1976 and FY 1977 (1977).

SUMMARY

The health care cost attributable to alcohol abuse calculated thus far is \$187,567,272 and several categories of health services are still uncounted. Among these are "other professional services, other government public health programs, nursing home care, and other counselling and psycho-social treatment programs. Again, this report has focused only on direct health care costs. Social costs including crime, work productivity, family disruption, etc. have not been assessed.

The \$187,567,272 identified calculates out to approximately \$87.55 per capita. This is approximately 22 percent of the per capita expenditures for similar services.

In other words, approximately 22 percent of the individual health dollar spent on hospital and physician costs in Central Maryland was for the treatment of alcohol abuse. Appendix table 8 illustrates the percent of the per capita costs - excluding the State hospitals and publicly funded alcoholism programs. The per capita for just these services is 20 percent.

APPENDIX I

SOME EVIDENCE FROM RELEVANT LITERATURE CONCERNING SOME
PROPORTION OF ALCOHOLICS IN GENERAL HOSPITALS

Author	Sample Size	Alcohol Abusers as a Percentage of all Admissions of all Patients			Author's Criteria for Defining Alcohol Abuse	Sample Composition or Study Interest
		MALE	FEMALE	TOTAL		
Kearney et. al.	416	---	-----	87 (Plus 17% Possible)	Known to MD's as alcoholic or history of treatment for alcoholism, or treated for a diagnosed complication of alcoholism such as DTs, cirrhosis, etc. Information basically obtained from patient's chart.	Admissions of inpatient aged 14-75, upper class excluding obstetric patients, Connecticut, 1967, and hospitalized under a diagnosis of alcoholism with a disease in which alcoholism can be a factor (i.e., GI or respiratory problem).
Kearney et. al.	235	---	-----	13.4 (Plus 27% Possible)	Same criteria as above	Admission of lower out patients, other same criteria as above
Moore	200	18	5.5	10 (Plus 3.5% Possible)	Michigan Alcoholism Screening Test	Prevalence of patients 21 years or older, California, 1971, excluding obstetric patients, female.
Barchha et. al.	302	28 (Plus 7% Possible)	6 (Plus 2% Possible)	16 (Plus 5% Possible)	Drinking history Interview	Admissions of general medical patients over 20 years of age, 19
Rhodes, and Campbell	258 Hospitals ---	---	---	22.4	National questionnaire asking for estimates of alcoholic consultation	Estimation of prevalence of alcoholism among patient population

APPENDIX I (Cont'd)

SOME EVIDENCE FROM RELEVANT LITERATURE CONCERNING SOME
PROPORTION OF ALCOHOLICS IN GENERAL HOSPITALS

Author	Sample Size	Alcohol Abusers as a Percentage of all Admissions of all Patients			Author's Criteria for Defining Alcohol Abuse	Sample Composition or Study Interest
		MALE	FEMALE	TOTAL		
Ewing and Rouse	130	40	9	20	Barchha criteria	Prevalence of medic and surgical adult patients, North Car 1969, data evaluate three sets of crite
		8	0	5	Pearson criteria: By Interview four or more of the following: 1. alcoholic blackouts 2. sneaking drinks 3. loss of control 4. morning "eye openers" 5. loss of friends, family, job due to drinking	
		14	9	12	Hospital record	
Malatsky & Klotter	200	26.8	9.2	17.1	Drinking histories patient interview	Prevalence of alcoh abusers on the medi surgical ward of a eral military hospi Alabama, January, 1
	1345	32.9	9.0	20.0	Presence or history of alcoholism, alcohol re- lated disorder	Prevalence of alcoh abusers among all m cal-surgical presen tions to the emerge room, January 1973, Alabama

APPENDIX I (Cont'd)

SOME EVIDENCE FROM RELEVANT LITERATURE CONCERNING SOME
PROPORTION OF ALCOHOLICS IN GENERAL HOSPITALS

Author	Sample Size	Alcohol Abusers as a Percentage of all Admissions of all Patients			Author's Criteria for Defining Alcohol Abuse	Sample Composition or Study Interest
		MALE	FEMALE	TOTAL		
McCusker et. al.	118	60	34	47	By interview, those patients fall in categories 4 - 6:	Prevalence among hospital patients during three week period in summer, 1969, Harle
					ALCOHOL ABUSE SCALE	
					STAGE	CHARACTERISTICS
					1. None	Drinks only on occasion.
					2. Minimal	Drinking is not conspicuous, occasional intoxication. No social, legal, physical problems.
					3. Mild	Intoxication once a month. No problems.
					4. Moderate	Frequent intoxication, once or twice a week. Significant social, occupational problems. Some health problems.
					5. Severe	Almost constant drinking. Severe social, legal health problems. Jobless.
					6. Extreme	All of the above characteristics plus

APPENDIX II

ESTIMATED PHYSICIANS' SERVICES EXPENDITURES DUE TO ALCOHOL ABUSE IN 1975

Basis for Estimate	Estimated Costs (in Billions)
1. Proportion of average physician's practice involving alcoholics, as derived from special survey (17%)	\$1.97
2. Number of ambulatory medical visits per alcoholic per year, as derived from special survey (8.5)	.7

APPENDIX III

SUMMARY OF INTERVIEW DATA FROM SPECIAL SURVEY OF ALCOHOL-TREATMENT EXPERTS CONCERNING UTILIZATION OF HEALTH SERVICES BY ALCOHOL ABUSERS

Type of Health Service	Median Best Estimates of Experts		Overall
	Group I Large Cities	Group II Smaller Cities And Rural Areas	
Days of in-patient care per year in medical hospitals	9.5	8.3	8.6
Number of ambulatory medical visits per year	8.0	9.5	8.5
Expenditure on drugs per year*	\$75.0	\$86.0	\$84.0
Dental visits per year	0.25	0.8	0.7
Percentage of hospital beds occupied by alcoholics	30	15	22.5
Percentage of nursing home beds occupied by alcoholics	15	6	8.5
Percentage of physicians' practice represented by alcoholics	20	15	17

Source: Derived from responses of twenty-nine experts to specific questions concerning the utilization of health services by alcohol abusers, Economic Cost of Alcohol Abuse 1975, NIAAA # 281-76-0016.

*These figures were updated to 1975 by means of the Consumer Price Index from the U.S. Department of Commerce, Bureau of the Census, Statistical Abstract of the United States - 1975, Table 688, p. 423.

APPENDIX IV

ESTIMATED NATIONAL HEALTH EXPENDITURES DUE TO ALCOHOL ABUSE IN 1975,
BY TYPE OF EXPENDITURE FOR ADULTS

<u>Type of Expenditure</u>	<u>Total Adult Population Expenditures (Billions)</u>	<u>Expenditures Due to Alcohol Abuse (Millions)</u>	<u>Expenditures Due to Alcohol Abuse As a Percentag of Total Expenditures</u>
Health Service and Supplies:			
Hospital Care	\$ 42.3	\$ 8,400.	19.9
Physicians' Services	17.9	1,300.	7.3
Dentists' Services	6.2	-----	-----
Other Professional Services	1.7	124.1	7.3
Drugs and Drug Sundries	8.9	282.2	3.2
Eyeglasses and Appliances	2.0	-----	-----
Nursing Home Care	8.8	193.5	2.2
Expenses for Pre-payment and Administration	3.9	776.1	19.9
Government Public Health Activities	3.0	393.0	13.1
Other Health Services	2.5	327.5	13.1
Research and Medical Facilities			
Construction	6.1	779.1	13.1
Training and Education			
	<u>2.3</u>	<u>167.9</u>	<u>7.3</u>
TOTAL	\$105.6	\$12,743.4	12.1

Source: Economic Cost of Alcohol Abuse, 1975
Berry, Ralph; NIAAA Report #281-76-0016, pg. 86.

APPENDIX V

THE COST OF ALCOHOLISM - VOLUME I

INPATIENT COSTS - DIAGNOSES: ALCOHOLIC MENTAL DISORDER AND ADDICTION

	TOTAL # OR DISCHARGES	MEDICARE	MEDICAID	BLUE CROSS	OTHER	TOTAL
Anne Arundel County	85	\$ 11,958	\$ 20,520	\$ 18,616	\$ 34,520	\$ 85,
Anne Arundel	67	11,242	15,260	9,537	28,130	64,
N. Arundel	18	716	5,260	9,079	6,390	21,
Baltimore City	921	319,079	715,543	388,823	378,771	1,802,
Baltimore City	90	N/A	N/A	N/A	N/A	N/A
Bon Secours	21	7,875	29,107	1,478	17,712	56
Church	191	72,800	150,444	122,180	89,380	434
Good Samaritan	7	0	6,806	4,904	3,695	15
Johns Hopkins	98	34,776	149,744	33,420	29,276	247
Lutheran	46	23,305	30,680	20,218	11,880	86
Maryland General	41	17,412	36,558	N/A	N/A	53
Mercy	27	21,190	25,317	13,260	6,223	65
N. Charles	20	11,795	5,504	20,779	0	36
Provident	71	10,524	89,658	42,180	47,394	189
Sinai	50	49,455	48,000	18,315	43,909	159
S. Baltimore	72	20,115	34,965	27,835	20,859	101
St. Agnes	22	5,668	6,645	10,276	13,150	35
Union Memorial	74	37,700	41,140	33,580	34,408	146
University	82	6,464	60,975	40,408	60,885	168
Baltimore County	101	24,327	6,584	53,798	45,662	130
Baltimore Co.	12	3,320	1,757	7,482	5,091	17
Franklin Square	37	11,010	1,008	22,022	29,291	63
GBMC	16	2,169	0	11,765	2,778	16
St. Joseph	24	7,828	3,819	12,529	8,502	32
Carroll County	10	2,619	0	2,919	525	6,
Carroll Co.	10	2,619	0	2,919	525	6,
Harford County	131	11,821	30,567	61,626	16,864	120,
Fallston	99	10,060	28,875	51,850	12,124	102,
Harford Memorial	32	1,761	1,692	9,776	4,470	17,
Howard County	27	1,943	4,482	13,370	11,622	31,
Howard County	27	1,943	4,482	13,370	11,622	31,
Central Maryland		\$371,747	\$777,696	\$539,162	\$487,964	\$2,176,

Source: Maryland Resource Center Charge Reports, 1977 figures represent an Estimate of Cost, using (total discharges) x (average charge computed by MRC using data which represents a subset of total discharges).

APPENDIX VI

ALCOHOL-RELATED DISORDERS

Gastrointestinal

Esophagitis
Esophageal Carcinoma
Gastritis
Malabsorption
Chronic Diarrhea
Pancreatitis
Fatty Liver
Alcoholic Hospitals
Cirrhosis (may lead to cancer of liver)

Cardiac

Alcoholic Cardiomyopathy
Beriberi

Skin

Rosacea
Telangiectasia
Rhinophyma
Cutaneous Ulcers

Metabolic

Alcoholic Hypoglycemia
Alcoholic Hyperglycemia

Neurological and Psychiatric

Peripheral Neuropathy
Convulsive Disorders
Alcoholic Hallucinosi
Delirium Tremens
Wernicke's Syndrome
Korsakoff's Syndrome
Marchiafava's Syndrome

Muscle

Alcoholic Myopathy

Hematologic

Megaloblastic Anemia

Vitamin Deficiency Disease

Beriberi
Pellagra
Scurvy

Source: U.S. Department of Health, Education, and Welfare, First Special Report to the U.S. Congress on Alcohol and Health from the Secretary of Health, Education, and Welfare, December, 1971, DHEW Publication No. (HSM) 73-9031 (Washington, D.C.: U.S. Government Printing Office, 1971), p. 45.

APPENDIX VII

MEDICAL ASSISTANCE PROGRAM PAYMENTS FOR INPATIENT
HOSPITAL SERVICES AND PORTION ATTRIBUTABLE TO
ALCOHOL ABUSE, CENTRAL MARYLAND, FY 1977

HOSPITAL	MEDICAL ASSISTANCE PAYMENT ¹	PORTION ATTRIBUTABLE TO ALCOHOLISM ²
TOTAL	\$71,697,352	\$22,899,786
GBMC	1,430,077	243,113
Baltimore County General	432,205	73,474
St. Joseph	664,094	112,895
Howard County General	319,510	54,316
Franklin Square	1,311,179	196,676
Anne Arundel General	635,139	95,270
North Arundel	516,900	77,535
Harford Memorial	1,055,866	15,837
Fallston General	747,023	112,053
North Charles General	1,345,299	201,793
Union Memorial	3,362,558	504,383
Good Samaritan	770,156	115,523
Carroll County General	196,812	29,521
Sinai	3,315,908	497,386
Baltimore City	5,743,029	2,124,920
St. Agnes	1,663,294	615,418
South Baltimore General	2,642,068	977,565
Bon Secours	3,457,043	1,279,105
Lutheran	2,371,878	877,594
Provident	3,513,871	1,300,132
University	11,582,343	4,285,466
Mercy	2,222,145	822,193
Maryland General	3,168,510	1,172,348
Church	2,454,253	908,073
Hopkins	16,776,201	6,207,194

¹Fiscal Year 1977 - Maryland Medical Assistance Program, D.H.M.H.

²Based on the application of estimate percents (table 1). This figure assumes that medical assistance patients have the same health problems as the general community as a whole, and have no greater incidence of alcohol abuse than the community. In making such an assumption the figures presented are probably conservative.

APPENDIX VIII

PER CAPITAL - AMOUNTS FOR HEALTH CARE
IN HOSPITAL & PHYSICIANS SERVICES ONLY, 1976

	<u>Total</u>	<u>Alcohol Related</u>	<u>% Alcohol Related</u>
Central Maryland	395.21	80.42	20
General Hospital	271.94	73.42	27
Physicians	123.27	7.	6

NOTE: Assumes Central Maryland population of 2,142,360.

APPENDIX IX

MEDICAL ASSISTANCE PROGRAM PAYMENTS FOR PHYSICIAN
SERVICES AND PORTION ATTRIBUTABLE TO ALCOHOL ABUSE,
CENTRAL MARYLAND. FY 1977

JURISDICTION	MEDICAL ASSISTANCE PAYMENTS-PHYSICIAN SERVICES ¹	PORTION ATTRIBUTABLE TO ALCOHOL ABUSE ²
Central Maryland	\$12,556,255	\$916,606
Anne Arundel County	\$ 1,068,348	\$ 77,989
Baltimore City	\$ 7,900,376	\$576,727
Baltimore County	\$ 2,246,632	\$164,004
Carroll County	\$ 280,730	\$ 20,493
Harford County	\$ 736,240	\$ 53,745
Howard County	\$ 323,929	\$ 23,646

¹The year in Review - Fiscal Year 1977, Maryland Medical Assistance Program, DHMH.

²7.3 percent of total payment is used as in the NIAAA study.

John Wapline
Don Coker (?)
2.64/mo. per employee
based on 8000 employees.
would be 23,000
Cost effective treatment are applied to existing benefit savings

Revision of Insurance will propose these amendments
2500 number
W

Introduced: 2/13/79
Referred: Health, Education and Social Services and Judiciary

BY COLLETTA AND STIMSON

SENATE BILL NO. 227

IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to insurance for alcoholism and drug dependence; AND PROVIDING FOR AN EFFECTIVE DATE."

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

* Section 1. AS 21.42 is amended by adding a new section to read:

Sec. 21.42.347. REQUIRED PROVISION OF COVERAGE FOR ALCOHOLISM AND DRUG DEPENDENCE. (a) Group health insurance policies providing coverage on an expense-incurred basis and group service or indemnity type contracts issued by a nonprofit corporation

(1) shall provide coverage for alcoholism and drug dependence to include

(A) inpatient detoxification benefits for not less than 14 days of benefit each calendar year in a state ^{APPROVED} ~~certified~~ treatment facility or licensed hospital; payment of ~~inpatient~~ institutional and professional benefits ~~for the first admission during a calendar year~~ shall be equal to and payable as any other covered condition; ~~a subsequent admission during the calendar year shall be paid at not less than 50 per cent of the usual, customary and reasonable charge for a medical procedure, treatment or service in the geographic area.~~

(B) inpatient ^{TREATMENT} ~~care~~ coverage benefits for not less than 30 days of benefit each calendar year in a state ^{APPROVED TREATMENT} ~~certified facility~~ ^{program} ~~or licensed hospital~~; payment of ~~inpatient~~ institutional and professional benefits shall be at the same level as any other covered condition; and

1 (C) outpatient treatment coverage benefits of not less
2 than 30 visits each calendar year if treatment is provided by a
3 licensed physician, state ~~certified~~ ^{APPROVED} treatment program, or state
4 certified ^{PROFESSIONAL} substance abuse counselor; coverage shall include indi-
5 vidual, family or group therapy; benefits shall be paid at not less
6 than 75 per cent of the usual, customary and reasonable charge for
7 a medical procedure, treatment or service in the geographic area;

8 (2) may not exclude dependents otherwise covered and may not
9 limit coverage for alcoholism or drug dependence because of age, sex or
10 state of illness;

11 (3) may not apply preexisting ^{OR NAMED} condition exclusions to deny
12 coverage for alcoholism or drug dependence; and

13 (4) may require a physician's certification of necessity as a
14 condition of payment for alcoholism or drug dependence treatment.

15 (b) In this section,

16 (1) "alcoholism" means ^(INSERT NEW DEFINITION) ~~a condition related to alcohol and~~
17 ~~involves a physical compulsion which exists, coupled with a mental~~
18 ~~obsession;~~ ^{(INSERT NEW SECTION (2))}

19 ³ ~~(2)~~ "drug dependence" means the condition of being physically
20 or psychologically addicted to an opiate, opiate derivative, tranquil-
21 izer, amphetamine, barbiturate, or similar substance, ~~BUT EXCLUDING NICOTINE,~~
22 ~~CAFFEINE AND ALCOHOL;~~

23 ~~(3)~~ "state" means any state in the United States and includes
the District of Columbia.

24 * Sec. 2. AS 21.87.340 is amended by adding a new paragraph to read:

25 (17) AS 21.42.347.

26 * Sec. 3. ^(INSERT NEW SECTION 3) ~~The requirements of sec. 1 of this Act apply to all policies or~~
27 ~~contracts delivered, issued for delivery, or issued covering persons in this~~
28 ~~state more than 120 days after the effective date of this Act. A policy or~~
29 ~~contract required to contain provisions of coverage for alcoholism and drug~~

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~~dependence by AS 21.42.347(a)(1) shall be considered to provide the minimum coverage even if the language of the policy or contract does not so specifically provide.~~

(INSERT NEW SECTION 4)

PAGE 1.

- LINE 17 DELETE "CERTIFIED" AND ADD IN ITS PLACE "APPROVED"
- LINE 18 DELETE "INPATIENT"
- LINE 19 DELETE "FOR THE FIRST ADMISSION DURING A"
- LINE 20 DELETE "CALENDAR YEAR"
- LINE 21 DELETE ALL MATERIAL FOLLOWING SEMICOLON
- LINE 22-24 DELETE ALL MATERIAL
- LINE 25 DELETE "CARE" AND ADD IN ITS PLACE "TREATMENT"
- LINE 26 DELETE "CERTIFIED FACILITY" AND ADD IN ITS PLACE "APPROVED TREATMENT PROGRAM"
- LINE 27 DELETE "OR LICENSED HOSPITAL" AND "INPATIENT"

PAGE 2

- LINE 3 DELETE "CERTIFIED" AND ADD IN ITS PLACE "APPROVED"
- LINE 4 INSERT THE WORD "PROFESSIONAL" AFTER THE WORD "CERTIFIED"
- LINE 11 INSERT THE WORDS "OR NAMED" AFTER THE WORD "PREEXISTING"
- LINE 16-18 REPLACE WITH THE FOLLOWING
 "ALCOHOLISM" MEANS AN ILLNESS OR CONDITION CHARACTERIZED BY THE HABITUAL LACK OF SELF CONTROL IN THE USE OF ALCOHOLIC BEVERAGES, OR USE OF ALCOHOLIC BEVERAGES TO THE EXTENT THAT HEALTH IS SUBSTANTIALLY IMPAIRED OR ENDANGERED, OR SOCIAL OR ECONOMIC FUNCTION IS SUBSTANTIALLY DISRUPTED.

BETWEEN LINE 18+19 ADD A NEW DEFINITION
 (2) "ANY OTHER CONDITION" MEANS A DISEASE OR ILLNESS FOR WHICH NORMAL POLICY OR CONTRACT BENEFITS WOULD BE PAID AND NOT A DISEASE OR

ILLNESS FOR WHICH THE POLICY OR CONTRACT MAY HAVE
INTERNAL RESTRICTIONS.

LINE 17 RENUMBER SECTION TO READ "(3)"

LINE 21 INSERT THE WORDS ", BUT EXCLUDING NICOTINE, CAFFEINE
AND ALCOHOL" AFTER THE WORD "SUBSTANCE"

LINE 22 RENUMBER SECTION TO READ "(4)"

LINE 26-29 AND PAGE 3 LINES 1-3 DELETE AND REPLACE WITH
NEW SECTION 3 TO READ

PROVISIONS OF THIS SECTION TO APPLY TO ALL GROUP
POLICIES OR CONTRACTS DELIVERED, ISSUED FOR DELIVERY,
OR RENEWED IN THIS STATE AFTER THE EFFECTIVE DATE
OF THIS SECTION AND THOSE PROVIDING COVERAGE FOR
PERSONS IN THIS STATE ISSUED, DELIVERED OR RENEWED
AFTER THE EFFECTIVE DATE OF THIS ACT WILL BE
CONSIDERED TO PROVIDE THE MINIMUM COVERAGE REQUIRED
AND STATED IN SECTION 1 OF THIS ACT EVEN IF THE
LANGUAGE OF THE POLICY OR CONTRACT DOES NOT SO
SPECIFICALLY PROVIDE.

ADD A NEW SECTION TO READ

SECTION 4. THIS ACT TAKES EFFECT ON NOVEMBER 1, 1979.

BILL ANALYSIS

ASSIGNMENT DATE _____

UNASSIGNED _____

DEPARTMENT	SPONSOR (PRINCIPAL)	BILL NO.
COMMERCE & ECONOMIC DEV.	Colletta	SB - 227
DEPARTMENT POSITION		
Not Opposed		
DIVISION DIRECTOR	DATE	COMMISSIONER
Kenneth C. Moore <i>[Signature]</i>	3/9/79	
GOVERNOR'S OFFICE USE		
<input type="checkbox"/> POSITION NOTED	<input type="checkbox"/> POSITION APPROVED	<input type="checkbox"/> POSITION DISAPPROVED
BY:	DATE:	
SUMMARY		
(1) RELATED BILLS (SIMILAR OR CONFLICTING)	(1) Unknown	
(2) OTHER AGENCIES AFFECTED BY BILL	(2) Division of Alcohol Division of Retirement & Benefits	
(2) a. ORGANIZATIONAL SUPPORT FOR BILL	(2) b. ORGANIZATIONAL OPPOSITION TO BILL Some health insurers. Health Insurance Association of America (probable)	
UNCERTAIN		
(3) PROGRAM EFFECTS OF BILL		
NONE		
(4) FISCAL IMPACT:	<input checked="" type="checkbox"/> NONE	<input type="checkbox"/> FISCAL ANALYSIS ATTACHED
(5) AMENDMENTS PROPOSED:		
Amendments proposed by Senator Colletta's panel to study third party alcoholism insurance coverage provide for a more workable bill.		

(6) COMMENTS:

During the last legislature, SB 545 was introduced to require that insurance companies providing indemnity against medical expense and health care contractors, such as Blue Cross or HMO's and other prepaid health programs, provide coverage for medical treatment of alcoholism to the same extent it would provide medical treatment for any other disease.

At that time the Division indicated that it does not basically oppose the concept, but, as drafted, SB 545 presented substantial problems of interpretation when approving policies for use in this state.

* CONTINUED ON ATTACHED SHEET

As a result, the Legislature took no action on the bill, and the division agreed to participate in a panel to study and draft a proposal for third party alcoholism insurance coverage. Senator Colletta appointed a panel and SB 227 represents an early draft of the panel's work. Using SB 227 as a starting point the panel developed further amendments which result in a reasonable and workable piece of Legislation which overcomes the primary concerns expressed with SB 545. These include clear expressions to deal with preexisting conditions exclusions, level of coverage intended for detoxification or "drying out," inducement to rehabilitation, and cost.

The cost of the coverage is a concern. The panel deliberated under the concept that to the degree that the benefit proposed by this bill was utilized, the benefits otherwise available would have a disproportionate decrease ultimately providing a net savings. Convincing data was provided to support this concept.

The final aspect of concern is that coverage is mandated. With respect to group programs it may be the intent of the Legislature to establish, as a matter of public policy, that group sponsors incur the cost of providing additional coverage for alcoholic rehabilitation, but to the extent that there is contribution to the cost of medical insurance by the employee or member of the group, it is imposing this burden on a large segment of society for the benefit of the few who would have the opportunity to take advantage of the coverage. The division would not particularly oppose this aspect of the bill so long as it is clearly understood by the Legislature that it could have this impact.

our copy

Introduced: 2/13/79
Referred: Health, Education and Social Services and Judiciary

1 IN THE SENATE

BY COLLETTA AND STIMSON

2 SENATE BILL NO. 227

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to insurance for alcoholism and drug
7 dependence."

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

9 * Section 1. AS 21.42 is amended by adding a new section to read:

10 Sec. 21.42.347. REQUIRED PROVISION OF COVERAGE FOR ALCOHOLISM AND
11 DRUG DEPENDENCE. (a) Group health insurance policies providing
12 coverage on an expense-incurred basis and group service or indemnity
13 type contracts issued by a nonprofit corporation

14 (1) shall provide coverage for alcoholism and drug dependence
15 to include

16 (A) inpatient detoxification benefits for not less than
17 14 days of benefit each calendar year in a state certified treat-
18 ment facility or licensed hospital; payment of inpatient institu-
19 tional and professional benefits for the first admission during a
20 calendar year shall be equal to and payable as any other covered
21 condition; a subsequent admission during the calendar year shall be
22 paid at not less than 50 per cent of the usual, customary and
23 reasonable charge for a medical procedure, treatment or service in
24 the geographic area;

25 (B) inpatient care coverage benefits for not less than
26 30 days of benefit each calendar year in a state certified facility
27 or licensed hospital; payment of inpatient institutional and pro-
28 fessional benefits shall be at the same level as any other covered
29 condition; and

1 (C) outpatient treatment coverage benefits of not less
2 than 30 visits each calendar year if treatment is provided by a
3 licensed physician, state certified treatment program, or state
4 certified substance abuse counselor; coverage shall include indi-
5 vidual, family or group therapy; benefits shall be paid at not less
6 than 75 per cent of the usual, customary and reasonable charge for
7 a medical procedure, treatment or service in the geographic area;

8 (2) may not exclude dependents otherwise covered and may not
9 limit coverage for alcoholism or drug dependence because of age, sex or
10 state of illness;

11 (3) may not apply preexisting condition exclusions to deny
12 coverage for alcoholism or drug dependence; and

13 (4) may require a physician's certification of necessity as a
14 condition of payment for alcoholism or drug dependence treatment.

15 (b) In this section,

16 (1) "alcoholism" means a condition related to alcohol and
17 concerns a physical compulsion which exists, coupled with a mental
18 obsession;

19 (2) "drug dependence" means the condition of being physically
20 or psychologically addicted to an opiate, opiate derivative, tranquil-
21 izer, amphetamine, barbiturate, or similar substance;

22 (3) "state" means any state in the United States and includes
23 the District of Columbia.

24 * Sec. 2. AS 21.87.340 is amended by adding a new paragraph to read:

25 (17) AS 21.42.347.

26 * Sec. 3. The requirements of sec. 1 of this Act apply to all policies or
27 contracts delivered, issued for delivery, or issued covering persons in this
28 state more than 120 days after the effective date of this Act. A policy or
29 contract required to contain provisions of coverage for alcoholism and drug

1 dependence by AS 21.42.347(a)(1) shall be considered to provide the minimum
2 coverage even if the language of the policy or contract does not so specifi-
3 cally provide.

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SB

228

COMMITTEE REPORT

SENATE

3/2/79

FURTHER: Finance

Date: 3/9/79

Mr. President:

HEALTH, EDUCATION AND
SOCIAL SERVICES

The Committee on SOCIAL SERVICES has had SB 228

excise tax on and license fees for sale of intoxicating liquors

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Butte

Mike Carletta

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Steve Hachem

CHAIRMAN

DO PASS

Introduced, 2-13-79

Logged 3-2-79

Referrals Finance

Comm. meeting 3-9-79 - Passed. taken private play @ 8:30 AM. 3-12-79

" action passed

SB 228 "An Act relating to ~~the~~ ^{the} ~~state~~ ^{state} ~~of~~ ^{of} ~~Mississippi~~ ^{Mississippi} 1979
on and after the first day of
By: Rules Comm introductory ~~bill~~ ^{bill} and providing
By Request of Gov. for effective date."

F/N & Gov's letter herein

Gov's office notified
Revenue Dept.
JESS

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K-STATE CAPITOL
JUNEAU, ALASKA 99811

March 23, 1979

Senator Glenn Hackney, Chairman
Senate Health, Education & Social
Services Committee
Pouch "V"
Juneau, AK 99811

Re: Powdered Alcohol and
Proposed Section 04.05.120
Our File: J-66-583-79

Dear Senator Hackney:

You have requested our opinion concerning the proposed amendment to SB 228 which would add the following to AS 04.05:

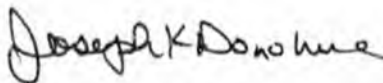
"AS 04.05.120. SALE OF POWDERED ALCOHOL PROHIBITED. No substance having alcoholic content and intended for human consumption may be sold in the state unless in liquid form."

This office, as a preliminary matter, has determined that there would be no problem from a legal standpoint with the idea of prohibiting powdered alcohol. States have been given broad authority to regulate the sale and distribution of alcohol within their borders, and this prohibition would be within that authority. As a practical matter, however, the specific language in the proposed amendment may be overbroad. It is perhaps possible that some prescription or over-the-counter drugs may contain some percentage of powdered alcohol. Authorities in that area should be consulted to determine if the language of AS 04.05.120 is over inclusive.

In addition, you have requested our opinion concerning whether there would be any violation of the Single Subject Rule of the Alaska State Constitution, Article II, Section 13, or the descriptive Title Rule of that same section if this section were to be added to SB 228 which deals with liquor excise taxes and license fees. SB 228 has been modified, and in its stead CS for SB 228 deals with excise taxes and with restrictions on sales to and from wholesalers. The title has been modified to read "An Act relating to intoxicating liquors; and providing for an effective date". The Single Subject Rules and Descriptive Title Rules have been liberally construed by the Alaska Supreme Court. See Gellert v. State, 522 P.2d 1120 (Alaska 1974). We therefore feel that neither of those constitutional restrictions would be violated in this case.

Sincerely,

AVRUM M. GROSS
ATTORNEY GENERAL

By: 
Joseph K. Donohue
Assistant Attorney General

JKD/lm

SB
228

SENATE BILL NO. 228 by the Rules Committee by request of the Governor (relating to excise tax on and license fees for sale of intoxicating liquors) is now available in the Documents Room.

Fiscal note is zero.

Governor's transmittal letter on SENATE BILL NO. 228 follows:

February 14, 1979

The Honorable Clem Tillion
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

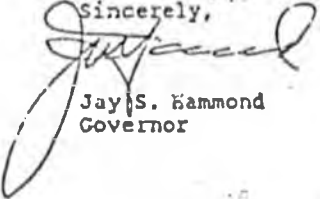
Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill providing for an increase in liquor taxes and liquor license fees to produce necessary revenues. It is identical to last legislature's Committee Substitute for Senate Bill 167, except that the first section of that bill has been re-located to sec. 8 of this bill (to follow Alaska Statutes numerical order). Section 8 of the bill amends AS 43.60.010(a) to increase the tax on liquor sold in the state.

The remaining sections of this bill provide for increases in liquor license fees, including the wholesale liquor license fees and wholesale malt beverage and wine license fees for those businesses which transact more than \$500,000 of business per year. Increases for other license fees are: beverage dispensary licenses -- from

\$500 to \$750 and from \$1,000 to \$1,500; restaurant licenses -- from \$300 to \$500; roadhouse licenses -- from \$150 to \$250; club licenses -- from \$400 to \$800; bottling works licenses -- from \$100 to \$500; retail licenses -- from \$600 to \$1,000.

These increases are necessary in order to provide continued funding for alcohol-related programs.

Sincerely,


Jay S. Hammond
Governor

SEN. HACKNEY,

I'VE BEEN ATTEMPTING TO GET A HOLD OF JOHN MESSENGER, DEPUTY COMMISSIONER ON TAXATION, TO ASCERTAIN WHAT THE POSITIVE FISCAL IMPACT WILL BE IF SB 228 IS ~~NOT~~ ENACTED, BUT SO FAR NO LUCK. HOWEVER, HE WILL BE AT THE HEARING TO TESTIFY ON THE BILL + HE WILL PASS ALONG THE INFO AT THAT TIME ACCORDING TO ~~THE~~^{his} SECRETARY. Paul

"Copy"

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 228
Title An Act relating to the excise tax on and license for the sale of intoxicating liq
Requested by Date

II. FISCAL DETAIL

Agency Affected Department of Revenue
Program Category Affected Revenue Collection and Management
Budget Request Unit(s) Affected Audit Division

EXPENDITURES (Thousands of Dollars)

Table with 7 columns (FY 79 to FY 84) and 7 rows (PERSONAL SERVICES, TRAVEL, CONTRACTUAL, COMMODITIES, EQUIPMENT, LAND & STRUCTURES, GRANTS, CLAIMS, ETC.). Total row shows -0- for all years.

FUNDING (Thousands of Dollars)

Table with 7 columns (FY 79 to FY 84) and 3 rows (GENERAL FUND, FEDERAL FUNDS, OTHER (Specify)). Total row shows -0- for all years.

POSITIONS

Table with 7 columns (FY 79 to FY 84) and 3 rows (FULL TIME, PART TIME, TEMPORARY).

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

It is estimated that this bill would raise an additional 3.4 million dollars in FY 80.

IV. DATE 2/14/79 PREPARED BY John R. Messenger
AGENCY Department of Revenue
PHONE 465-2300
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

INTRODUCTION AND REFERENCE OF SENATE BILLS
AND RESOLUTIONS

SS SJR 11 President Tillion stated that SPONSOR SUBSTITUTE FOR SENATE JOINT RESOLUTION NO. 11 (proposing to Congress an amendment to the Constitution of the United States relating to the budget of the United States of America) which had been referred to the Finance Committee on February 13 (page 225) would be changed to the State Affairs Committee only.

SB 227 SENATE BILL NO. 227 by Senators Colletta and Stimson (relating to insurance for alcoholism and drug dependence) is now available in the Documents Room.

SB 228 SENATE BILL NO. 228 by the Rules Committee by request of the Governor (relating to excise tax on and license fees for sale of intoxicating liquors) is now available in the Documents Room.

Fiscal note is zero.

Governor's transmittal letter on SENATE BILL NO. 228 follows:

February 14, 1979

The Honorable Clem Tillion
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill providing for an increase in liquor taxes and liquor license fees to produce necessary revenues. It is identical to last legislature's Committee Substitute for Senate Bill 167, except that the first section of that bill has been relocated to sec. 8 of this bill (to follow Alaska Statutes numerical order). Section 8 of the bill amends AS 43.60.010(a) to increase the tax on liquor sold in the state.

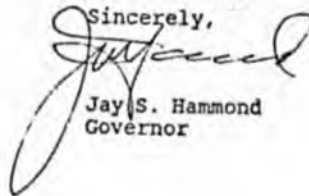
The remaining sections of this bill provide for increases in liquor license fees, including the wholesale liquor license fees and wholesale malt beverage and wine license fees for those businesses which transact more than \$500,000 of business per year. Increases for other license fees are: beverage dispensary licenses -- from

\$500 to \$750 and from \$1,000 to \$1,500; restaurant licenses -- from \$300 to \$500; roadhouse licenses -- from \$150 to \$250; club licenses -- from \$400 to \$800; bottling works licenses -- from \$100 to \$500; retail licenses -- from \$600 to \$1,000.

SB
228

These increases are necessary in order to provide continued funding for alcohol-related programs.

Sincerely,


Jay S. Hammond
GovernorCONSIDERATION OF THE CALENDARCITATIONS

Senator Colletta moved and asked unanimous consent that the Citation - In Memoriam Franklin Warren Butte, by Senators Rodey and Ray and Representative Munson, be approved.

The Senate approved the Citation unanimously and it was referred to the Secretary for transmittal to the House.

UNFINISHED BUSINESS

Senator Hackney requested that the Judiciary Committee referral on SENATE BILL NO. 41 (exemption from income tax for senior citizens) be waived and the bill be referred to the Finance Committee.

SB
41

SENATE BILL NO. 41 was referred to the Health, Education and Social Services Committee and the Finance Committee.

S B

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S Hess 79-86
SB 233 An Act relating to the public school foundation program, to
By Ferguson educational assessments of children;

Introduced 3-2-79
Logged - 3-2-79

Referral - Finance & Labor & Management

Comm. Meeting 3-14-79 - Made a part of SB 199 which was passed out as CS. 03-15-79
" actual ~~P. 20~~

Paul Called Bill Thomas
2800
for FN

✓ M. school links office
✓ sponsor asked for Position Paper if they had one.
✓ Bob Ventrate
✓ Wanda Cookney (Converg. Study)

061
35
b2

COMMITTEE REPORT

SENATE

3/2/79
~~2/23/79~~

FURTHER: Finance *and*
L & M

Date: March 15

Mr. President:

HEALTH, EDUCATION &

The Committee on SOCIAL SERVICES

has had ^{SB 233} ~~SB 199~~

relating to public school foundation program; ~~effective date~~ *to educational assessments of children*; *to correspondence Study*

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

HESS

attack this
to st 233 & do
not do this
again. Use the
proper committee
report which shows
the correct reference
& correct date

P. Mallyan

SB 233 changes

p 5, line 17 - date 35,090 + insert 34, 133

p 5, line 21 - delete "appropriate"

p 5, line 24 - after deleting info in brackets insert

language - ~~leave~~ after the word "department", however, this does not apply to students enrolled in centralized correspondence study prior to the effective date of this section.

p 6, line 13 - insert new section 13 which reads:

Section 13. AS 14.17.031 (c) is repealed effective July 1, 1980.

Section 14 will read - Sections 4 and 11 of this Act take effect immediately in accordance with AS 01.10.070 (c).

Section 15 will read Sections 1-8, 9, 10 and 12 will take effect July 1, 1980.

you are adding sec 4 + deleting sec 12 in this section

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 233

Title Public School Foundation Program; Correspondence Study

Requested by Senator Ferguson

Date March 14, 1979

II. FISCAL DETAIL

Agency Affected Education

Program Category Affected DOE Correspondence, Contract Schools, Special Ed. Assessment Fund

Budget Request Unit(s) Affected Foundation, Financial Support Programs

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	1750.0	1954.0	32,225.0	32,869.5**	35,526.9**	34,197.4**
TOTAL	1750.0	1954.0	32,225.0	32,869.5**	35,526.9**	34,197.4**

** Increases based upon 2% instructional unit growth rate; no inflation adjustments

FUNDING (Thousands of Dollars)

	1750.0	1954.0	32,225.0	32,869.5	35,526.9	34,197.4
GENERAL FUND						
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

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

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- *Section 1. No Fiscal Impact
- " 2. 7,215.2
- " 3. No Fiscal Impact
- " 4. No Fiscal Impact
- " 5. 578.0
- " 6. (1,219.4)
- " 7. 1,807.1
- " 8. 21,695.1
- " 9. No Fiscal Impact
- " 10. No Fiscal Impact
- " 11. No Fiscal Impact
- " 12. FY-79 1,750.0, FY-80 1,954.0, FY-81 2,149.0

* See attached detail sheets

IV. DATE March 14, 1979

PREPARED BY William B. Thomson

AGENCY Education

PHONE 465-2800

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

District	Projected 1979-80 ADM	(+) 1500	(X) I.U. Value	= Revenue
Anchorage	34,167	23	31,900	733,700
Bristol Bay	212	.14	49,445	6,922
Cordova	469	.31	36,685	11,372
Craig	161	.11	34,452	3,790
Dillingham	317	.21	49,445	10,383
Fairbanks	8,421	5.61	35,728	200,434
Galena	162	.10	49,445	4,945
Haines	398	.26	36,685	9,538
Hoonah	251	.16	35,728	5,716
Hydaburg	106	.07	34,452	2,412
Juneau	4,109	3	31,900	95,700
Kake	199	.13	34,452	4,479
Kenai	5,959	4	34,452	137,808
Ketchikan	2,333	1.55	31,900	49,445
King Cove	105	.07	47,850	3,350
Klawock	80	.05	34,452	1,723
Kodiak	2,243	1.50	37,004	55,506
Matanuska-Susitna	4,500	3.0	33,176	99,528
Nenana	213	.14	38,280	5,359
Nome	758	.50	49,445	24,723
North Slope	1,171	.78	49,445	38,567
Pelican	35	.02	35,728	715
Petersburg	565	.38	33,176	12,607
Sitka	1,710	1.0	33,176	33,176
Skagway	210	.14	34,452	4,823
St. Mary's	107	.07	49,445	3,461
Unalaska	145	.10	47,850	4,785
Valdez	938	.63	36,685	23,112
Wrangell	453	.30	33,176	9,953
Yakutat	175	.12	38,280	4,594
Adak	552	.37	44,660	16,524
Alaska Central Railbelt Schools	376	.25	38,280	9,570
Alaska Gateway Schools	474	.32	38,280	12,250
Aleutian	243	.16	47,850	7,656
Annette Island	348	.23	33,176	7,630
Bering Strait	456	.30	49,445	14,834
Chatham	192	.13	34,452	4,479
Chugach	52	.02	38,280	766
Copper River	656	.44	36,685	16,141
Delta/Greely	916	.61	38,280	23,351
Iditarod	309	.21	49,445	10,383
Kuspuk	318	.21	49,445	10,383
Lake and Peninsula	396	.26	49,445	12,856
Lower Kuskokwim Schools	1,776	1.18	49,445	58,345
Lower Yukon	1,159	.77	49,445	38,073
Northwest Arctic Schools	1,522	1.0	49,445	49,445
Pribilof	165	.11	47,850	5,264
Southeast Island	408	.27	34,452	9,302
Southwest Region	476	.31	49,445	15,329
Yukon Flats	323	.21	49,445	10,383
Yukon-Koyukuk	576	.38	49,445	18,789
				<u>1,954.4</u>

Bill Thomson, Director
Management, Law & Finance

February 1, 1979

Ray Minge, Program Manager
Career & Vocational Education

A revision in the current vocational foundation formula to the proposed formula change would increase the total number of vocational Instructional Units by twelve for FY'80, or \$511,995.

The proposed change is:

<u>Current</u>	<u>Proposed</u>
11-25 F.T.E. = 2 I.U.'s	11-18 F.T.E. = 2 I.U.'s
26-40 F.T.E. = 3 I.U.'s	19-40 F.T.E. = 3 I.U.'s

The following school districts and schools would be increased by one unit:

<u>District and School</u>	<u>Unit Value</u>
Anchorage Borough School District Evening High School	\$ 31,900.00
Annette Island School District Metlakatla High School	33,176.00
Bristol Bay Borough School District Bristol Bay Consolidated High School	49,445.00
Craig City School District Prince of Wales High School	34,452.00
Kenai Borough School District Seward	34,452.00
Lower Yukon School District Mountain Village	49,445.00
Hooper Bay	49,445.00
North Slope Borough School District Anaktuvik Pass	49,445.00
Nuiqsut High School	49,445.00
Northwest Arctic School District Kiana	49,445.00

<u>District and School</u>	<u>Unit Value</u>
Yukon-Koyukuk Satellite Schools	49,445.00
Correspondence Study	31,900.00
	<u>\$511,995.00</u>

RM:sf

Foundation Support
SB 293

1. 2. 3. Approved By: [] [] []
Approved By: [] [] []

5. Instr. Unit Allotment 6. Difference Col. 3 & 5 7. Additional Instr. Units 8. Cost of 9. 10. 11. 12.

District	ADM	# of Instr. Units	Instr. Unit Allotment 31900 Base	Basic Need	Instr. Unit Allotment 35090 Base	Basic Need	35090 Base plus increase in per cents	X Number of Instr. Unit	figuring sep. Elementary Separately	Elem. figured Separately	Correspondence Study Units (Deer)	Corres. Credit	Growth of Units @ 2.90	Total 74.81 SB 293
Anchorage	34167	2113	31900	6740700	35090	7145170	35090	-	-	155	5439950	-	1143780	81057900
Coastal Bay	224	23	49445	1137235	54389	1250947	54389	-	-	-	-	-	-	1250947
Cordova	450	39	36685	1430715	40353	1573767	40353	-	-	-	-	-	40353	1614170
Craig	161	17	34452	585684	37897	644244	37897	-	-	-	-	-	-	644244
Dillingham	317	32	49445	1582240	54389	1740448	54389	-	-	-	-	-	-	54389
Fairbanks	8421	575	35728	20543600	39301	22598075	39301	-	29	1139729	3	(110903)	437311	24052112
Galena	162	18	49445	890010	54389	979002	55793	2577	-	-	-	-	-	1004274
Haines	398	35	36685	1213975	40353	1412355	40353	-	-	-	-	-	40353	1452708
Hannah	251	26	35728	928928	39301	1021820	39301	-	-	-	-	-	39301	1061127
Hydaburg	106	14	34452	482328	37897	530558	37897	-	-	-	-	-	-	530558
Juneau	4109	282	31900	8995800	35090	9895380	35090	-	9	315810	1	(35090)	210540	6386640
KaKa	199	21	34452	723492	37897	795837	37897	-	-	-	-	-	-	795837
Kenai	5957	457	34452	1574464	37897	17318929	37897	-	8	303176	3	(113691)	341073	7849487
Ketchikan	2333	168	31900	5359200	35090	5995170	35090	-	5	175450	2	(70180)	140360	6140750
King Cove	105	14	47850	699900	52635	736890	52635	-	-	-	-	-	-	736890
Klawock	80	8	34452	275616	37897	303176	37897	-	-	-	-	-	-	303176
Kodiak	2243	196	37004	7251784	40704	7977984	40704	-	2	81408	1	(40704)	162816	8181504
Mat-Su	4500	316	33176	10413616	36494	11532104	36494	-	10	364740	6	(218964)	218764	11897044
Nenana	213	23	38280	880440	42108	468484	43862	40342	-	-	-	-	-	1008920
Nome	758	68	49445	3362260	54389	3698452	55793	95472	-	-	-	-	55793	3849717
North Slope	1171	139	49445	6872855	54389	7560071	55793	195156	-	-	1	(55793)	167379	7866813
Pelican	35	6	35728	214368	39301	235206	39301	-	-	-	-	-	-	235206
Petersburg	565	47	33176	1559272	36494	1715218	36494	-	-	-	-	-	36494	1051702
Sand Point														
Sitka	1710	120	33176	3981120	36494	4379280	36494	-	7	255450	-	-	72988	4707726
Skagway	210	20	34452	689040	37897	757940	40353	49120	-	-	-	-	-	807060
St. Mary's	107	16	49445	791120	54389	870224	55793	27464	-	-	-	-	-	870224
Unalakleet	145	16	47850	765600	52635	842160	52635	-	-	-	-	-	-	842160
Valdez	938	81	36685	2971485	40353	3268593	40353	-	-	-	-	-	80706	3349299
Wrangell	453	41	33176	1360216	36494	1496254	36494	-	-	-	-	-	36494	1532718
Yakutat	175	19	38280	724320	42108	800022	43862	33326	-	-	-	-	-	833378
Total	70665	4950		16794483		78944351		461152	225	8074921	17	(652225)	3604091	78432193
Correspondence	680	43	31900	1371700	35090	1508890	35090	-	-	-	-	-	35090	1543960

ESTIMATES ONLY

Foundation Support
SP 203

REAR	ADM	# of Instr. Units	Inst. Unit Allotment \$100 Basic	Basic Need	Inst. Unit Allotment \$200 Basic	Basic Need	3500 Base X number of Instr. Units Plus Increase of Units in Per Cent	Elem. Elementary Separately	Corres. Study Units Award	Corres. Credit	Growth of Ux. To @ 2%	Total
Adak	552	41	4460	1831060	4440	2014160	4440				49120	2063270
AK Central	376	46	3880	1760880	4208	1936960	43860				43860	2061514
AK Gateway	474	59	3880	2253540	4208	2484370	103480				43860	2543976
Alutian	243	44	4780	2105400	5263	2315940	5263				5263	2366875
Arctic	348	30	33170	285280	36444	1094820	4208				37895	1174805
Bering	456	70	49445	5461150	54390	3807300	55993				55993	3905510
Chitina	172	25	34452	861300	37897	1474225	37897					1474225
Chukotch	52	10	38780	387800	4208	421280	70353					70353
Copper River	656	64	36685	2347840	44753	2825920	40353					40353
Deliber	516	71	38780	2717880	4208	2989620	43860					43860
Unalaska	309	56	41445	2366920	50370	3015840	55993					55993
Kudluk	318	54	49445	2670300	54390	2937060	75704					75704
Lake & Pen.	316	73	49445	3604850	54390	3970470	54390					54390
Lower Kusk.	1776	189	49445	9345100	54390	1027710	55091					55091
Lower Yukon	1154	141	49445	6971740	54390	7668440	55091					55091
WNAletic	1522	166	49445	8208700	54390	9029740	55993					55993
Pribilof	165	73	4780	1100500	5263	1210600	5263					5263
SE Island	408	65	34452	2237380	37897	2463300	37897					37897
Sechiewest	476	83	41445	3463950	44390	4514370	54390					54390
Stikine	323	51	49445	2521690	54390	2728940	55993					55993
Yukon Koy	576	82	49445	4059490	5263	4459480	55993					55993
Totals	11693	1443		66313315		72741291	1236611					1236611

ESTIMATES ONLY

17	12	11	10	9	8	7	6	5	4	3	2	1
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SB

260

COMMITTEE REPORT

SENATE

FURTHER: Finance, Labor & Management

4/3/79

Date: 3-19-80

Mr. President:

The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had SB 260 repealing the school tax

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back with ^{no} ~~out~~ recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Steve Jackson
CHAIRMAN
W. R. C.

SB 260 "An Act respecting the ^{S.H.E.S.S. 79-80} school tax: and
providing for an effective date.
By Atkinson

FN & prev memo herein.

Introduced 4-3-79

Logged 4-3-79

Refers to Finance and Labor Dept.

Comm. meeting 3-19-80 - passed out of Comm. 2-20-80 - 1 page

" article -> taken from page 370-80 - 8:30 AM

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH S - JUNEAU 99811

April 19, 1979

The Honorable Glenn Hackney
Chairman
Senate Health, Education &
Social Services Committee
Assembly Building, Room 105
Juneau, AK 99801

Dear Senator Hackney:

SENATE BILL NO. 260

Senate Bill 260, an Act repealing the school tax, was introduced in the Senate on April 3, 1979, and was referred to the Senate Health, Education and Social Services, Finance and Labor and Management Committees.

For the consideration of the Senate Health, Education and Social Services Committee, I am enclosing a copy of a Fiscal Note prepared by Mr. Gary L. Jenkins, Director, Audit Division, Department of Revenue, concerning the proposed legislation.

Sincerely,



R. D. Stevenson
Special Assistant

Enclosure

cc: The Honorable John C. Sackett
Chairman, Senate Finance Committee

The Honorable Frank Ferguson
Chairman, Senate Labor & Management Committee

Thomas K. Williams, Commissioner
Department of Revenue

Gary L. Jenkins, Director
Audit Division
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill No. 260
 Title An Act repealing the school tax
 Requested by Health, Education & Social Services, Date April 17, 1979
Finance and Labor & Management Committees

II. FISCAL DETAIL

Agency Affected Revenue
 Program Category Affected Fiscal Services
 Budget Request Unit(s) Affected Audit Division

EXPENDITURES (Thousands of Dollars) None

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

STATE
of ALASKA

MEMORANDUM

TO: R. D. Stevenson
Special Assistant
Department of Revenue

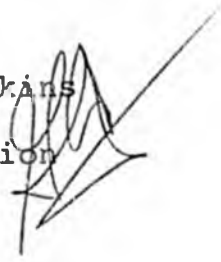
DATE: April 17, 1979

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Senate Bill No. 260



This bill would repeal the school tax which is ch. 45 of Title 43. The result of this action would be a loss of revenue to the State for 1980 of approximately \$2,500,000.

There would be no affect on the administrative costs as a result of this legislation.

5) 2,500,000
2,500,000
2,500,000

March 5, 1980

TO: Senator Terry Stimson
FROM: Sandy Perry
RE: SB 260; "An Act repealing the school tax"

As stated in the letter attached to the FY note of April '79, the loss of revenue to the State would be approximately \$2,500,000.

According to Mr. Gary Jenkins of the Dept. of Revenue, there is NO distinction as to "Program Management Costs".....collections, with holdings, etc. are not single entities and therefore a figure can not be put to it.

As to how many people it takes to manage the School Tax Program, the above holds true also.

As far as forms are concerned all that would need to be done would be a line drawn thru the School Tax portion. Postage and paper handling would not change significantly.

Repealing the School Tax would however relieve Excedrin Headache # 43.45.010.

Glenn-

I hope this answers some of your questions and will help move this bill out of H.S. as expeditiously as possible.

Terry (SP)

cc: Senator Glenn Hackney

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill No. 260
 Title An Act repealing the school tax
 Requested by Health, Education & Social Services, Date April 17, 1979
Finance and Labor & Management Committees

II. FISCAL DETAIL

Agency Affected Revenue
 Program Category Affected Fiscal Services
 Budget Request Unit(s) Affected Audit Division

EXPENDITURES (Thousands of Dollars) None

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS None

MEMORANDUM

TO: R. D. Stevenson
Special Assistant
Department of Revenue

DATE: April 17, 1979

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Senate Bill No. 260

This bill would repeal the school tax which is ch. 45 of Title 43. The result of this action would be a loss of revenue to the State for 1980 of approximately \$2,500,000.

There would be no affect on the administrative costs as a result of this legislation.

Article 2. Disaster Severance Tax.

Section

110 — 160. [Repealed]

Secs. 43.43.110 — 43.43.160.

Repealed by § 2 ch 247 SLA 1970.

Editor's note. — The repealed article derived from § 1, ch. 31, FSSLA 1967.

Section 2, ch. 247, SLA 1970, effective July 1, 1970, provides that this repeal does

not prevent the expenditure of funds authorized by other disaster relief legislation.

Chapter 45. School Tax.

Section

10. Tax imposed
20. Persons exempt from tax
30. Record of withholding

Section

40. Overpayment, credit, and refund
50. [Repealed]
60. Penalties

Sec. 43.45.010. Tax imposed. (a) There is imposed a school tax of \$10 a year upon each person 19 years of age or older gainfully employed in the state or on the waters of the state, except (1) a married person who is unemployed and entirely dependent upon the income of the spouse and whose spouse has paid a school tax, and (2) a person exempt under § 20 of this chapter.

(b) The proceeds of the tax levied by this chapter shall be paid into the general fund of the state.

(c) The tax is due on January 1 and shall be paid before April 16 of the calendar year following the year for which it is imposed. An employer upon the first regular payroll after January 1 of each calendar year or, in the cases of employees on later payrolls, on the first payroll after their employment, shall deduct the tax from the employee's salary or other compensation and send it to the commissioner of revenue at the same time the quarterly state net income tax withholding return is filed, except that no deduction may be made in the first pay period from the compensation of a person casually employed unless the amount earned in the first pay period is \$25 or more. Return forms for this purpose shall be prescribed and provided by the commissioner of revenue. (§ 1 ch 41 SLA 1957; am § 1 ch 175 SLA 1957; am § 1 ch 149 SLA 1959; am § 1 ch 179 SLA 1960; am § 111 ch 127 SLA 1974)

Effect of amendment. The 1974 amendment, in item (1) of subsection (a), substituted "person" for "woman," "the spouse" for "her husband," and "whose spouse" for "whose husband."

Am. Jur. and C.J.S. references. — 47 Am. Jur., Schools, §§ 76 to 82; 51 Am. Jur.,

Taxation, §§ 132 to 137, 147, 184, 337, 387 to 407, 443, 565, 805, 894 to 900, 970, 1020, 1066, 1098, 1128, 1275.

84 C.J.S. Taxation § 640.

Sec. 43.45.020. Persons exempt from tax. Persons in the active military or naval service of the United States, paupers, insane persons, persons cared for by the state and persons permanently injured, infirm, maimed or crippled so as to be disabled from earning a livelihood are exempt from the payment of the school tax. (§ 37-4-3 ACLA 1949; am § 2 ch 179 SLA 1960)

Sec. 43.45.030. Record of withholding. Every employer making a deduction and withholding a school tax shall furnish to the employee upon request a record of the amount of tax withheld from the employee on a form prescribed and furnished by the commissioner of revenue. (§ 37-4-4 ACLA 1949; am § 3 ch 179 SLA 1960)

Sec. 43.45.040. Overpayment, credit, and refund. The commissioner of revenue may credit or refund an overpayment of the tax, a tax erroneously or illegally assessed or collected, a penalty collected without authority, and any tax unjustly assessed or excessive in amount or wrongfully collected. (§ 37-4-5 ACLA 1949; am § 4 ch 179 SLA 1960)

Sec. 43.45.050. Failure to file return.
Repealed by § 3 ch 166 SLA 1976.

Cross reference. — For civil penalty imposed for failure to file a return or report, or pay the full amount of a tax, or a portion or a deficiency of the tax, see AS 43.05.220.

Editor's note. — The repealed section derived from § 1, ch. 41, SLA 1957; § 1, ch 175, SLA 1957; § 1, ch. 149, SLA 1959; § 1, ch. 179, SLA 1960.

Sec. 43.45.060. Penalties. (a) If a person required under this chapter to collect, account for, and pay over the school tax imposed by this chapter, wilfully fails to do so or if a person wilfully attempts to evade or defeat the tax imposed by this chapter, he is, in addition to other penalties provided by law, guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$1,000, or by imprisonment for not more than one year, or by both, together with the costs of prosecution.

(b) An individual who wilfully makes and signs a return which he does not believe to be true and correct as to every material matter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$1,000, or by imprisonment for not more than one year, or by both, together with the costs of prosecution.

(c) In this section "person" includes an officer or employee of a corporation or a member or employee of a partnership who is under a duty to perform the act in respect to which the violation occurs. (§ 37-4-6 ACLA 1949; am § 5 ch 179 SLA 1960)

Article

1. Cigarette Tax
2. Additional Cig

Section

10. License
20. Separate lice
30. License fees
35. Wholesaler-d
40. Expiration o
50. Transfer of
60. Refunds
70. Revocation o
80. Returns

Sec. 43.50.
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SB

261

COMMITTEE REPORT

SENATE

FURTHER: Labor & Management

4/4/79

Date: 3-24-80
2-27-80

Mr. President:

The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had SB 261 relating to physical therapists

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends INDIR. REC
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

F. Colletta

Alvin Sadler
CHAIRMAN
D O P A S S

~~361~~ "Burtel" ~~1980~~ S. HESS 7-80
~~1980~~

Introduced 4-4-79

Logged 4-4-79

Referred to Lab & Mgmt.

Comm. hearing 2-27-80 - passed with CS permit title held for CS.
" action permit in progress CS rec'd 3-21-80 @ 3:45 p.m. CS rec'd.
3-24-80 - passed SB 761 - CS rec'd & permit 3-24-80
CS. Rec'd. 4: p.m. from Joe Rastine

Notified Donor Kloppered notified (change 7/80)
Burtel in Occup. Lic.

Physical
Therapists

SENATE BILL NO. 261, (see p. 467, 1979 report). Reported back to the Senate March 25 by Health, Education and Social Services with the committee recommending it be replaced with SUBSTITUTE and do pass. Senator Ferguson, Chairman of the Labor and Management Committee, waived referral on SB 261. To Rules.

SUBSTITUTE, which makes minor changes to original bill, amends statutes relating to the licensing of Physical Therapists in Alaska (AS 08.84, Physical Therapists Practice Act). Changes membership on State Physical Therapy Board and deletes provision for staggered terms. Deletes "registration of" and inserts "licensing of" throughout AS 08.84. SUBSTITUTE takes away from Physical Therapy Board the responsibility for conducting examinations for applicants. Adds new section to AS 08.84 relating to the licensure of foreign-trained therapists. Increases application, licensure, and renewal fees and fees for a temporary permit. Deletes requirement that application for examination be submitted to Department at least 40 days before the examination date. Licenses shall be renewed every four years rather than every two years. SUBSTITUTE adds: "A license may not be renewed unless the applicant demonstrates his competence as a physical therapist or physical therapy assistant in a manner established by the board . . ." Amends section relating to refusal, revocation and suspension of license. Allows person licensed under chapter to practice only under the prescription and direction of a person licensed to practice medicine, osteopathy, dentistry or podiatry. (last two added). Repeals and re-enacts definition of "physical therapy." No effective date.

- Sec. #1 08.84.010 ---/Deletes "registration of" and inserts "licensing of" throughout the bill. Changes membership on State Physical Therapy Bd. and deletes provision for staggered terms. Members now appointed for 4 years.
- 08.84.010 (b) Takes away from Physical Therapy Bd. The responsibility of conducting exams for applicants.
- Sec. 2 08.84.030 Adds to qualifications for licensing.
- Sec. 3 08.84.032 New section to AS 08.84 relating to licensure of foreign trained therapists.
- Sec. 4 08.84.040 Outlines qualifications applicant possess required by AS 08.84.030 OR AS 08.84.032
- Sec. 5 08.84.050 Fees--Increases application licensure and renewal fees and fees for a tempory permit.
- Sec. 6 08.84.060 Licensure by acceptance of credentials in States and adds "District of Columbia".
- Sec. 7 08.84.065 Temporary permit. Bd. may issue by acceptance of credentials or by examination in line with requirements of AS 08.84.030 (2) "pass to satisfaction of Bd. examination from Professional Examination Service Assoc. to determine fitness for practice.
- Sec. 8 08.84.080 (b) Examinations-deletes requirement that application be submitted 40 days before examination date.
- Sec. 9 08.84.090 Licensure
- Sec. 10 08.84.100 (a) License renewed every 4 years rather than 2 years.
" " " (c) New
- Sec. 11 08.84.120 amended allows person licensed to practice only under prescription & direction of person licensed to practice medicine, osteopathy, dentistry or podiatry (last two added.
- Sec. 12 08.84.130 False claim of license-deletes registration adds licensure
- Sec. 13 08.84.140 Penalty for Fraud: deletes registration adds licensure
- Sec. 14 08.84.150 Licensure-amended to permit student in accredited therapy program or a graduate of a foreign school of therapy when fulfilling internship requirement. 08.84.032 (3) "pass to satisfaction of board an exam from the Professional Examination Service Assoc.
- Sec. 15 08.84.160 adds dentistry & podiatry.
- Sec. 16 08.84.180 Investigations-board relieved from investiagtion and request appropriate authorities to conduct investigation
- Sec. 17 08.84.190 (3) Repeals and re-enacts definition of "Physical Therapy".

of drugs to both inpatients and outpatients and which is the responsibility of a staff pharmacist;
 "outpatient dispensing" means dispensing drugs for administration outside of the hospital pharmacy's control;
 "prescription department" means that section of a business in which prescriptions for medications are compounded, filled and dispensed by a licensed pharmacist;
 "shopkeeper" means a retail dealer who sells over the counter preparations in original unbroken packaging which do not require a prescription for dispensing. (§ 2 ch 194 SLA 1955; am §§ 27 ch 206 SLA 1972; am § 11 ch 53 SLA 1973)

of amendment. — The 1973 amendment repealed paragraph (6).
 Legislative committee report. — For the committee report on ch. 53, SLA 1973 (CSHB 382), see Wisconsin Journal, pp. 793, 885.

§ 08.80.490. **Short title.** This chapter may be known as the Pharmacy Act. (§ 1 ch 194 SLA 1955)

Chapter 84. Physical Therapists Practice Act.

Physical Therapy Board (§§ 08.84.010 — 08.84.020)
 Registration (§§ 08.84.030 — 08.84.120)
 General Acts (§§ 08.84.130 — 08.84.150)
 General Provisions (§§ 08.84.190 — 08.84.200)

Article 1. State Medical Board.

Physical Therapy Board
 Liability of Administrative
 Procedure Act

§ 08.84.010. **State Physical Therapy Board.** (a) There is created the State Physical Therapy Board, which consists of five members appointed by the governor. The membership consists of one physician licensed to practice medicine in the state, three physical therapists licensed in the state, and one lay person. Members of the board shall be appointed for terms of one, two and three years, respectively; all subsequent appointments shall be made for a term of three years and their successors are appointed.

The Physical Therapy Board shall conduct examinations for applicants and shall control all matters pertaining to the registration of physical therapists and physical therapy assistants and the practice of physical therapy. The board shall

pass upon the qualifications of applicants;
 conduct examinations;

- (3) issue temporary permits and registration certificates to physical therapists and physical therapy assistants qualified under this chapter;
- (4) suspend or revoke registration certificates, when necessary;
- (5) keep a current register listing the name, business address, date and number of registration certificate of each physical therapist and physical therapy assistant who is registered to practice in this state;
- (6) keep a record and minutes of its meetings, proceedings and hearings. (§ 15 ch 74 SLA 1957; am § 8 ch 49 SLA 1969; am § 1 ch 71 SLA 1974; am § 1 ch 208 SLA 1975; am § 2 ch 43 SLA 1977)

Effect of amendments. — The 1974 amendment rewrote this section.

The 1975 amendment substituted "American Physical Therapy Association" for "American Physical Therapist Association" at the end of the former third sentence of subsection (a).

The 1977 amendment, in subsection (a), deleted the former third, fifth, and sixth sentences, which read, respectively, "The members shall be selected from a list of 10

persons which shall be submitted by the Alaska Chapter of the American Physical Therapy Association", "Vacancies on the board shall be filled by appointment in like manner", and "Board members are not entitled to a travel or per diem allowance."

Legislative committee report. — For report on ch. 43, SLA 1977 (SB 110), see 1977 Senate Journal, p. 173.

Am. Jur. reference. — 41 Am. Jur., Physicians and Surgeons, § 3i.

Sec. 08.84.020. Applicability of Administrative Procedure Act. The board shall comply with the Administrative Procedure Act (AS 44.62).

Article 2. Registration.

Section	Section
30. Qualifications for registration	80. Examinations
35. Malpractice insurance	90. Registration
40. Application for registration	100. Renewal of registration
50. Fees	110. [Repealed]
60. Registration by endorsement	120. Refusal, revocation and suspension of registration
65. Temporary permit	
70. [Repealed]	

Sec. 08.84.030. Qualifications for registration. To be eligible for registration by the board as a physical therapist or physical therapy assistant, an applicant shall

- (1) be of good moral character;
- (2) have graduated from a school of physical therapy approved by the Council on Medical Education and Hospitals of the American Medical Association, or the American Physical Therapy Association;
- (3) pass to the satisfaction of the board an examination from the Professional Examination Service Association, to determine his fitness for practice as a physical therapist or physical therapy assistant, or be entitled to registration without examination as provided in § 60 of this chapter. (§ 3 ch 74 SLA 1957; am §§ 1, 8 ch 49 SLA 1969; am §§ 1, 2 ch 26 SLA 1970; am § 25 ch 245 SLA 1970; am § 2 ch 71 SLA 1974; am § 2 ch 208 SLA 1975)

2

Effect of amendments. — The 1974 amendment repealed and re-enacted this section, renumbering the paragraphs and inserting "or physical therapy assistant" in the introductory language and in present paragraph (3).

The 1975 amendment substituted "Professional Examination Service

Association" for "professional examination service of the American Public Health Association" in paragraph (3).

Legislative committee report. — Chapter 245, SLA 1970 (HCSSB 399 am H), was identical to CSHB 406 (Jud.). For report on CSHB 406 (Jud.), see 1970 House Journal Supplement No. 6.

Sec. 08.84.035. Malpractice insurance. If medical malpractice insurance for physical therapists becomes unavailable on the voluntary market and the director of insurance finds, after public hearing, that the unavailability is impairing the delivery of physical therapist services to the public, the director of insurance may require all persons registered under this chapter to carry medical malpractice insurance and to purchase their insurance from the Medical Indemnity Corporation of Alaska established under AS 21.88. If a finding of unavailability of insurance on the voluntary market and impairment of services has been made under this section, purchase of medical malpractice insurance from the Medical Indemnity Corporation of Alaska is a condition of registration under this chapter. The provisions of this section are satisfied if the registrant's employer maintains insurance for him from the Medical Indemnity Corporation of Alaska. (§ 29 ch 102 SLA 1976)

Sec. 08.84.040. Application for registration. To be registered as a physical therapist or physical therapy assistant, an applicant shall apply to the board on a form prescribed by the board. An applicant shall include in his application, evidence under oath that he possesses the qualifications required by § 30 of this chapter. (§ 4 ch 74 SLA 1957; am 4 3 ch 71 SLA 1974)

Effect of amendment. — The 1974 amendment inserted "or physical therapy assistant" in the first sentence.

Sec. 08.84.050. Fees. The following fees shall be imposed under this chapter when applicable:

- (1) application \$25
- (2) registration by examination 25
- (3) registration by endorsement 25
- (4) biennial renewal 25
- (5) temporary permit 10

(§ 4 ch 74 SLA 1957; am § 2 ch 49 SLA 1969; am § 3 ch 26 SLA 1970)

Sec. 08.84.060. Registration by endorsement. The board may register without examination an applicant who is a physical therapist or physical therapy assistant registered under the laws of another state or territory, if the requirements for registration in that state or territory were, at the date of his registration, substantially equal to the

requirements in this state. (§ 6 ch 74 SLA 1957, am § 4 ch 26 SLA 1970, am § 4 ch 71 SLA 1974)

Effect of amendment. — The 1974 amendment inserted "or physical therapy assistant" near the middle of the section.

Sec. 08.84.065. Temporary permit. (a) The board may issue a nonrenewable temporary permit to an applicant for registration by endorsement or by examination who meets the requirements of § 30(1) and (2) of this chapter and pays the required fee.

(b) A temporary permit issued to an applicant for registration by endorsement is valid for eight months or until the board considers the applicant's endorsement application, whichever occurs first.

(c) A temporary permit issued to an applicant for registration by examination is valid for eight months or until the results of the first examination for which the applicant is scheduled are published, whichever occurs first. If the applicant fails to take the first examination for which he is scheduled his temporary permit lapses on the day of the examination. (§ 5 ch 26 SLA 1970; am § 5 ch 71 SLA 1974; am § 3 ch 208 SLA 1975)

Effect of amendments. — The 1974 amendment substituted "registration" for "licensure" in subsections (a) and (b) and in the first sentence of subsection (c).

The 1975 amendment substituted "§ 30(1) and (2)" for "§ 30(1), (2) and (3)" in subsection (a).

Sec. 08.84.070. Registration fee.
Repealed by § 8 ch 49 SLA 1969.

Editor's note. — The repealed section derived from § 6, ch. 74, SLA 1957.

Sec. 08.84.080. Examinations. (a) The board shall examine applicants for registration as physical therapists or physical therapy assistants at the times and places it determines.

(b) An application for examination shall be submitted to the department at least 40 days before the examination date. (§ 7 74 SLA 1957; am § 3 ch 49 SLA 1969; am § 6 ch 26 SLA 1970; am § 6 ch 71 SLA 1974)

Effect of amendment. — The 1974 amendment, in subsection (a), inserted "or physical therapy assistants" and deleted the former second sentence.

Sec. 08.84.090. Registration. The board shall register an applicant who meets the qualifications for registration under this chapter. It shall issue a certificate of registration to each person registered. A certificate of registration is prima facie evidence of the right of the person to

represent himself as a registered physical therapist or registered physical therapy assistant. (§ 8 ch 74 SLA 1957; am § 7 ch 71 SLA 1974)

Effect of amendment. — The 1974 amendment added "or registered physical therapy assistant" to the end of the third sentence.

Sec. 08.84.100. Renewal of registration. (a) A registered physical therapist or physical therapy assistant shall renew his registration biennially with the Department of Commerce and Economic Development on or before the date set by the department under AS 08.01.100(a). If the registration is not renewed on or before that date, it lapses.

(b) A penalty of \$10 shall be charged in addition to all delinquent renewal fees for reinstatement of a registration which remains lapsed for more than 60 days. If the registration remains lapsed for more than three years, the board may require the applicant to take and pass the examination given under § 30(3) of this chapter. (§ 9 ch 74 SLA 1957; am § 4 ch 49 SLA 1969; am § 8 ch 71 SLA 1974; am § 4 ch 208 SLA 1975; am § 54 ch 218 SLA 1976)

Effect of amendments. — The 1974 amendment inserted "or physical therapy assistant" near the beginning of the first sentence of subsection (a).

The 1975 amendment substituted § 30(3) for "§ 30(4)" in the second sentence of subsection (b).

The 1976 amendment substituted "Department of Commerce and Economic Development" for "Department of Commerce" in the first sentence of subsection (a).

Sec. 08.84.110. Renewal fee.

Repealed by § 8 ch 49 SLA 1969.

Editor's note. — The repealed section derived from § 9, ch. 74, SLA 1957.

Sec. 08.84.120. Refusal, revocation and suspension of registration. The board may refuse to register an applicant, may refuse to renew the registration of a person, and may suspend or revoke the registration of a person who

- (1) is habitually drunk or addicted to the use of narcotic drugs;
- (2) is, in the judgment of the board, guilty of immoral or unprofessional conduct;
- (3) has been convicted of violating a state or federal narcotic law;
- (4) has been convicted of a crime involving moral turpitude;
- (5) is guilty, in the judgment of the board, of gross negligence in his practice as a physical therapist;
- (6) has obtained or attempted to obtain registration by fraud or material misrepresentation;
- (7) has been declared mentally ill by a court and has not thereafter

(5)

(8) has treated or attempted to treat ailments of human beings otherwise than by physical therapy, or has attempted to practice independent of the prescription and direction of a person licensed to practice medicine or osteopathy;

(9) as a physical therapy assistant, has attempted to practice physical therapy which has not been initiated, supervised and terminated by a registered physical therapist. (§ 10 ch 74 SLA 1957; am § 5 ch 49 SLA 1969; am § 9 ch 71 SLA 1974)

Effect of amendment. — The 1974 amendment added paragraph (9).

Cited in *Leege v. Martin*, Sup. Ct. Op. No. 131 (File No. 256), 379 P.2d 447 (1963).

Article 3. Unlawful Acts.

Section

- 130. False claim of registration forbidden
- 140. Penalty for fraud in obtaining registration
- 150. Registration of physical therapists
- 160. Practice of registered physical therapist

Section

- 170. Penalty
- 180. Investigation by board
- 185. Limits or conditions on license discipline

Sec. 08.84.130. False claim of registration forbidden. (a) A person not registered as a physical therapist, or whose registration is suspended or revoked, or whose registration is lapsed, who uses in connection with his name the words or letters "R.P.T.," "Registered Physical Therapist," or other letters, words, or insignia indicating or implying that he is a registered physical therapist, or who in any way, orally, or in writing, directly or by implication, represents himself as a registered physical therapist is guilty of a misdemeanor.

(b) A person not registered as a physical therapy assistant, or whose registration is suspended or revoked, or whose registration is lapsed, who in any way, orally, or in writing, directly or by implication, represents himself as a registered physical therapy assistant is guilty of a misdemeanor. (§ 11 ch 74 SLA 1957; am § 10 ch 71 SLA 1974)

Effect of amendment. — The 1974 amendment designated the provisions of

this section as subsection (a) and added subsection (b).

Sec. 08.84.140. Penalty for fraud in obtaining registration. A person who wilfully makes a false oath or affirmation or who obtains or attempts to obtain registration by a fraudulent representation is guilty of a misdemeanor. (§ 12 ch 74 SLA 1957)

Sec. 08.84.150. Registration of physical therapists. (a) It is unlawful for anyone to practice physical therapy without being registered in accordance with this chapter.

(b) A person practicing physical therapy without being registered on April 27, 1969 may continue to practice for a period of six months. At

(6)

in order to continue to practice physical therapy in the state. (§ 14 ch 74 SLA 1957; am § 6 ch 49 SLA 1969)

Sec. 08.84.160. Practice of registered physical therapist. A person registered under this chapter may not treat human ailments by physical therapy or otherwise except under the prescription and direction of a person licensed to practice medicine or osteopathy. This chapter does not authorize any person to practice medicine, osteopathy, chiropractic, or other method of healing. A person who violates this section is guilty of a misdemeanor. (§ 13 ch 74 SLA 1957; am § 7 ch 49 SLA 1969)

Sec. 08.84.170. Penalty. A person who violates this chapter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not less than \$50 nor more than \$500, or by imprisonment for not more than 30 days. (§ 17 ch 74 SLA 1957)

Sec. 08.84.180. Investigation by board. The board shall investigate every supposed violation of this chapter coming to its notice and shall report all cases which in the judgment of the board warrant prosecution to the proper law enforcement officials. (§ 17 ch 74 SLA 1957)

Sec. 08.84.185. Limits or conditions on license; discipline. (a) In addition to action under § 180 of this chapter, upon a finding that by reason of demonstrated problems of competence, experience, education or health the authority to practice physical therapy should be limited or conditioned or the practitioner disciplined, the board may reprimand, censure, place on probation, restrict practice by specialty, procedure or facility, require additional education or training, or revoke or suspend a registration.

(b) The Administrative Procedure Act (AS 44.62) applies to any action taken by the board under this section. (§ 29 ch 102 SLA 1976)

Article 4. General Provisions.

Section

190. Definitions

290. Short title

Sec. 08.84.190. Definitions. As used in this chapter, unless the context otherwise requires,

- (1) "board" means the State Physical Therapy Board;
- (2) "physical therapist" means a person who practices physical therapy;
- (3) "physical therapy" means the treatment of a bodily or mental condition of a person by the use of the properties of heat, light, water, electricity, massage, therapeutic exercise including physical rehabilitation procedures, and physical therapy evaluation, treatment planning, instruction and consultative services; the use of roentgen rays

electricity for surgical purposes, including cauterization, are not included within the term "physical therapy";

(4) "physical therapy assistant" means a person who assists in the practice of physical therapy or portions of it as initiated, supervised, and terminated by a registered physical therapist; his responsibilities do not include testing or evaluation. (§ 2 ch 74 SLA 1957; am § 11 ch 71 SLA 1974)

Effect of amendment. — The 1974 amendment substituted "State Physical Therapy Board" for "State Medical Board" in paragraph (1), inserted "and physical therapy evaluation, treatment planning instruction and consultative services" in paragraph (3), and added paragraph (4)

Sec. 08.84.200. Short title. This chapter may be cited as the Physical Therapists Practice Act. (§ 1 ch 74 SLA 1957)

Chapter 86. Psychologists and Psychological Associates

Article

- 1. Board of Psychologist and Psychological Associate Examiners (§§ 08.86.030 — 08.86.050)
- 2. Administration of Board Affairs (§§ 08.86.070 — 08.86.100)
- 3. Licensing of Psychologists (§§ 08.86.120 — 08.86.150)
- 3A. Licensing of Psychological Associates (§§ 08.86.160 — 08.86.162)
- 4. Prohibitions and Penalties (§§ 08.86.170 — 08.86.220)
- 5. General Provisions (§ 08.86.230)

Article 1. Board of Psychologist and Psychological Associate Examiners.

Section	Section
10. Creation and membership of board	40. Assistants
20. Appointment and term of office	50. [Repealed]
30. Board meetings	

Sec. 08.86.010. Creation and membership of board. There is created a Board of Psychologist and Psychological Associate Examiners. It consists of three licensed psychologists, and two persons who have no direct financial interest in the health care industry. (§ 1 ch 136 SLA 1967; am § 1 ch 65 SLA 1973; am § 30 ch 102 SLA 1976)

Effect of amendments. — The 1973 amendment inserted "and Psychological Associate" in the first sentence. The 1976 amendment added "and two persons who have no direct financial interest in the health care industry" to the end of the second sentence.

Sec. 08.86.020. Appointment and term of office. Members of the board are appointed by the governor and confirmed by the legislature for staggered terms of three years. The terms of the public members shall be set so that they do not expire at the same time. A member

(8)

at the pleasure of the governor. (§ 1 ch 136 SLA 1967; am § 31 ch 102 SLA 1976)

Effect of amendment. — The 1976 amendment added the present second sentence.

Sec. 08.86.030. Board meetings. The board shall hold a regular annual meeting. The board may hold special meetings at the call of the chairman or of two board members. (§ 1 ch 136 SLA 1967)

Sec. 08.86.040. Assistants. The board may employ assistants to prepare and grade examinations and to investigate alleged violations of this chapter. (§ 1 ch 136 SLA 1967)

Sec. 08.86.050. Transportation and per diem. Repealed by § 1 ch 42 SLA 1977.

Editor's note. — The repealed section derived from § 1, ch. 136, SLA 1967.

Article 2. Administration of Board Affairs.

Section	Section
10. Duties of the board	100. Applicability of the Administrative Procedure Act
20. Board regulations	
30. Administrative duties of the department	

Sec. 08.86.070. Duties of the board. The board shall (1) pass on qualifications of applicants for licenses; (2) prepare, administer and grade written examinations; (3) after hearing, suspend or revoke the license of a licensed psychologist or psychological associate who violates a regulation of the board; (4) set fees which are charged for psychological associates. (§ 1 ch 136 SLA 1967; am §§ 2, 3 ch 65 SLA 1973)

Effect of amendment. — The 1973 amendment inserted "or psychological associate" in paragraph (3) and added paragraph (4).

Sec. 08.86.080. Board regulations. The board shall adopt regulations to carry out the purposes of this chapter. (§ 1 ch 136 SLA 1967)

Cited in Allred v. State, Sup. Ct. Op. No. 24 Feb No. 2343, 554 P.2d 411 (1976).

Sec. 08.86.090. Administrative duties of the department. The department shall furnish administrative services for the board. (§ 1 ch 136 SLA 1967)

POSITION PAPER

SENATE BILL NO. 261

"An Act relating to physical therapists."

Senate Bill No. 261 provides for licensure rather than registration of physical therapists, permits the appointment of a licensed physical therapy assistant to the board, deletes the requirement that the Professional Examination Service Association examination be the only examination recognized as a condition of licensure, adds provisions governing the licensure of foreign trained therapists, permits the board to adopt regulations and updates the definition of physical therapy.

The Department of Health and Social Services believes that the amendments to the existing Physical Therapists Practice Act would enable the board to function effectively. The Department endorses this bill.

Recommended by:

Dean F. Tirador
Dean F. Tirador, M.D.
Director, Division
of Public Health

Date:

3/19/80

Approved by:

Harold D. Beitz
Commissioner
Department of Health
and Social Services

Date:

3/22/80

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. Senate Bill No. 261
 Title "An Act relating to physical therapists."
 Requested by Senate HESS Date 3/19/80

II. FISCAL DETAIL Department of Health and Social Services
 Agency Affected Department of Health and Social Services
 Program Category Affected Health/Division of Public Health
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER (Specify Fund Source)	0	0	0	0	0	0

POSITIONS

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

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Department of Health & Social Services

Prepared by: M. Deaver Date: 3/19/80
 Division/Office: P.H. Admin. PH: 3090