ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 8672

1551 SHESS SB 754 - SB 781

HSA

January 29, 1982

The Honorable Charles Parr
Senator, Chairman HESS Committee
Pouch V
Juneau, Ak. 99811

Dear Senator Parr:

I'm writing in support of the Health Systems Agency, and the Alaska Health Coalition's plan to continue HSA's service to the people of Alaska. HSA's as we know them are losing their federal funding. They have been instrumental in the past in health planning and assisting with health education throughout Alaska.

The Alaska Health Coalition has developed a plan beneficial to all Alaskans, in health education and community assistance, but especially beneficial to bush communities that have limited resources and technical expertise. Their plan does not duplicate any service offered by the State at this time; they would work as a co-ordinating agency.

The funding they are requesting is minimal and reasonable. I urge the committee to seriously consider legislation that would provide to the public the services offered by the Health Coalition's proposal.

Thank you.

Sincerely,

Sandra L. Anderson

Sandra L. Anderson
P. O. Box 31
Tenakee Springs, Ak. 99841

Paul Sherry
Phoebe Lindsay

Local Input
" Review
Applications - Certificate of Need -
Research -
DHSS - Acceptable Proposal.
Key Question: Funding -

12-2380
Hein✓

Proposal Left for Establish Boundaries

IN THE SENATE BY PARR

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to health planning and development; and providing for an effective date."

Identify III What Does Art III Do? - really

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

* Section 1. AS 18.07 is amended by adding new sections to read:

ARTICLE 3. REGIONAL HEALTH RESOURCES ORGANIZATIONS.

Sec. 18.07.112. HEALTH SERVICE AREAS. There are established three health service areas in the state. The boundaries of the health service areas are the boundaries of health service areas established in the under sec. 1511, P.L. 93-641.

Fed Leg doesn't specify Areas →

Retain Flexibility to allow new Sub Service areas if desired - specifically Anchorage becoming its own area -

Sec. 18.07.114. REGIONAL HEALTH RESOURCES ORGANIZATIONS. (a) The commissioner shall by contract designate a regional health resources organization for each health service area established by AS 18.07.112.

(b) An applicant for designation as a regional health resources organization shall apply on a form prescribed by the commissioner. An application shall include the applicant's proposed plan for the orderly assumption and implementation of the duties of a regional health resources organization provided in AS 18.07.120. An application shall contain assurances satisfactory to the commissioner that the applicant meets the eligibility requirements of AS 18.07.116 and is qualified to perform or is performing the duties prescribed in AS 18.07.120.

(c) A contract under this section shall be for a period of four years and is renewable. A contract may be terminated before its expiration date

(1) by the regional health resources organization at a time

Proposal — Response to RFP - would include Criteria Membership for Board — Administratively approved election process —

12-2380
Hein

and with notice to the commissioner as the commissioner may by regulation prescribe; or

(2) by the commissioner at a time and with notice to the regional health resources organization as the commissioner may by regulation prescribe, if the commissioner determines that the entity is not complying with or effectively carrying out the provisions of the contract.

Sec. 18.07.116. ELIGIBILITY FOR DESIGNATION. The commissioner may designate as a regional health resources organization

Support eligibility statement

(1) a nonprofit corporaton incorporated under AS 10.20 for the purpose of engaging in health planning and development functions; or

(2) a public regional planning body authorized by statute or regulation to perform health planning functions and whose planning area is identical to a health service area. Question of Coordination

Sec. 18.07.118. BOARD OF DIRECTORS. (a) Each regional health resources organization shall be governed by a board of directors.

(b) A board shall include a representative for each

Native Nsg Hlth Facilities Pioneer Homes —

(1) borough within the health service area;

(2) unified municipality within the health service area; and

(3) nonprofit Native corporation established within the health service area under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 - 1628).

Comp — Buffalo — Limits Agency — Prof — Board

Need representatives from outside the Bcorp structure also Thorne Bay —

Sec. 18.07.120. DUTIES. (a) A regional health resources organization shall, within the boundaries of its health service area,

(1) assist communities in identifying and developing plans for dealing with health problems of residents;

(2) provide direct technical assistance to communities for implementing plans developed under (1) of this section;

(3) assist in the development and maintenance of programs for

Need to work on Art II - "Certificate of Need" for Hospitals -

12-2380
Hein

the promotion of health and the prevention of disease and illness;

(4) assemble and analyze data relating to health matters and coordinate data collection activities with state and local agencies, regional Alaska Native corporations, and health organizations.

(b) A regional health resources organization shall

(1) in cooperation with the commissioner, review applications and proposals from residents within the boundaries of its health service area for

intent

Proposals may come from others than those w/in the boundaries -

(A) grants for local or state health service funds; and

Does this exclude expansion?

(B) new health care facilities and nursing homes;

(2) submit an annual report on its activities to the legislature, the commissioner, and the residents of its health service area;

(3) perform other duties the commissioner may by contract require.

Need to look at the range of services provided - It could be important for Pioneer Homes to be included - Causes disjointed planning -

(c) A regional health resources board does not have jurisdiction over the Alaska Pioneers' Homes established under AS 47.25.010.

Need Further Discussion

Sec. 18.07.122. GRANTS. (a) The commissioner shall make a grant in each fiscal year to each regional health resources organization designated under AS 18.07.114. A grant under this subsection shall

Contrary to 4 year K -

(1) be made on the conditions the commissioner determines are appropriate; and

(2) be available for obligation for a period not to exceed the period for which the grantee is designated as a regional health resources organization under AS 18.07.114.

(b) A grant under this section may be used by a regional health resources organization

(1) for compensation of its personnel and the performance of its duties;

(2) to make payments under contracts with other persons to

Statewide Health Coordinating Council -

What are DHSS Top Priorities - in Health

Preventive Activities { immunization
Education, Health
Promotion -

infant Learning -

* Early Intervention -

Penny Holden —

Regional Health Organizations - Not necessary since Regional Health Corporations can serve this purpose

RHRO - Possible Duplication

[redacted]

Pam: What about Non-Native? -

Fed Money can only be used for Natives — State Money can be used for all —

assist the regional health resources organization in the performance of its functions; and

(3) to make grants to public and nonprofit private entities and enter into contracts with individuals and public and nonprofit private entities to assist them in planning and developing projects and programs that the regional health resources organization determines are necessary for the promotion of health and prevention of disease and illness in its health service area.

(c) A grant or contract made under (b)(2) or (3) of this section may not be used to pay the costs incurred by the grantee in the delivery of health services or for the cost of construction or modernization of medical facilities.

* Sec. 2. This Act takes effect October 1, 1982.

Introduced: 2/15/82
Referred: Health, Education & Social Services and Finance

BY THE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

IN THE SENATE

SENATE BILL NO. 754

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to health planning and development; and providing for an effective date."

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

* Section 1. AS 18.07 is amended by adding new sections to read:

ARTICLE 3. REGIONAL HEALTH RESOURCES ORGANIZATIONS.

Sec. 18.07.112. HEALTH SERVICE AREAS. There are established three health service areas in the state. The boundaries of the health service areas are the boundaries of health service areas established in the state under sec. 1511, P.L. 93-641.

Sec. 18.07.114. REGIONAL HEALTH RESOURCES ORGANIZATIONS. (a) The commissioner shall by contract designate a regional health resources organization for each health service area established by AS 18.07.112.

(b) An applicant for designation as a regional health resources organization shall apply on a form prescribed by the commissioner. An application shall include the applicant's proposed plan for the orderly assumption and implementation of the duties of a regional health resources organization provided in AS 18.07.120. An application shall contain assurances satisfactory to the commissioner that the applicant meets the eligibility requirements of AS 18.07.116 and is qualified to perform or is performing the duties prescribed in AS 18.07.120.

(c) A contract under this section shall be for a period of four years and is renewable. A contract may be terminated before its expiration date

(1) by the regional health resources organization at a time

and with notice to the commissioner as the commissioner may by regulation prescribe; or

(2) by the commissioner at a time and with notice to the regional health resources organization as the commissioner may by regulation prescribe, if the commissioner determines that the entity is not complying with or effectively carrying out the provisions of the contract.

Sec. 18.07.116. ELIGIBILITY FOR DESIGNATION. The commissioner may designate as a regional health resources organization

(1) a nonprofit corporaton incorporated under AS 10.20 for the purpose of engaging in health planning and development functions; or

(2) a public regional planning body authorized by statute or regulation to perform health planning functions and whose planning area is identical to a health service area.

Sec. 18.07.118. BOARD OF DIRECTORS. (a) Each regional health resources organization shall be governed by a board of directors.

(b) A board shall include a representative ~~for~~ each

(1) borough within the health service area;

(2) unified municipality within the health service area; and

(3) a nonprofit Native corporation established within the health service area under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 - 1628).

Sec. 18.07.120. DUTIES. (a) A regional health resources organization shall, within the boundaries of its health service area,

(1) assist communities in identifying and developing plans for dealing with health problems of residents;

(2) provide direct technical assistance to communities for implementing plans developed under (1) of this section;

(3) assist in the development and maintenance of programs for

the promotion of health and the prevention of disease and illness;

(4) assemble and analyze data relating to health matters and coordinate data collection activities with state and local agencies, regional Alaska Native corporations, and health organizations.

(b) A regional health resources organization shall

(1) in cooperation with the commissioner, review and provide recommendations and comments on applications and proposals ~~from~~ affecting residents within the boundaries of its health service area for

(A) grants for local or state health service funds; and

(B) ~~new~~ construction & expansion of health care facilities and nursing homes;

(2) submit an annual report on its activities to the legislature, the commissioner, and the residents of its health service area;

(3) perform other duties the commissioner may by contract require.

(c) A regional health resources ~~board~~ organization does not have ~~jurisdiction over~~ authority to review the Alaska Pioneers' Homes established under AS 47.25.010.

Sec. 18.07.122. GRANTS. (a) The commissioner shall make a grant in each fiscal year to each regional health resources organization designated under AS 18.07.114. A grant under this subsection shall

(1) be made on the conditions the commissioner determines are appropriate; and

(2) be available for obligation for a period not to exceed the period for which the grantee is designated as a regional health resources organization under AS 18.07.114.

(b) A grant under this section may be used by a regional health resources organization

(1) for compensation of its personnel and the performance of its duties;

(2) to make payments under contracts with other persons to

assist the regional health resources organization in the performance of its functions; and

(3) to make grants to public and nonprofit private entities and enter into contracts with individuals and public and nonprofit private entities to assist them in planning and developing projects and programs that the regional health resources organization determines are necessary for the promotion of health and prevention of disease and illness in its health service area.

(c) A grant or contract made under (b)(2) or (3) of this section may not be used to pay the costs incurred by the grantee in the delivery of health services or for the cost of construction or modernization of medical facilities.

* Sec. 2. This Act takes effect October 1, 1982.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

I. REQUEST
Bill/Resolution No. Senate Bill 754
Title "An Act relating to health planning and development....."
Requested by Health, Education & S.S. Committee Date 3-26-82

II. FISCAL DETAIL
Agency Affected Department of Health & Social Services
Program Category Affected State Health Planning & Development
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 82	FY 83	FY 84	FY 85	FY 86	FY 87
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.	$300	$600	$1,050	$1,208	$1,389	$1,597
TOTAL	$300	$600	$1,050	$1,208	$1,389	$1,597

FUNDING (Thousands of Dollars)

GENERAL FUND	$300	$600	$1,050	$1,208	$1,389	$1,597
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Source)	-0-	-0-	-0-	-0-	-0-	-0-
	-0-	-0-	-0-	-0-	-0-	-0-
	-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-
	-0-	-0-	-0-	-0-	-0-	-0-

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

Based on recent indications of limited federal funding for FY 83, only $600,000 general fund monies, including the $100,000 per each of the three health systems agencies currently provided as part of the Division of State Health Planning and Development budget request, would be needed. For FY 84, assuming no federal funds are available general fund support is projected at $350,000 for each of the three agencies. An inflation factor of 15% was added for FY 85 and subsequent years.

IV. DATE March 26, 1982 PREPARED BY Phoebe A. Lindsey
AGENCY Div. State Health Planning & Development
Original: Legislative Finance PHONE 465-3037

Position Paper

Senate Bill 754

An an Act entitled: "An Act relating to health planning and development; and providing for an effective date."

Senate Bill 754 provides for the establishment of three regional health resource organizations, one for each of the three health service areas in the state. These regional health resource organizations would be responsible for assisting communities in a variety of health planning, development, technical assistance and implementation activities. The regional health resource organizations would also provide assistance to the Department in reviewing various health plans and applications and would perform other duties as specified in the contractual relationship between the Department and the Regional Health Resource Organizations.

A continued capability for health planning, development and technical assistance at a regional level, provided there are additional resources to support it, is a positive approach to improving health status and the health care delivery system in Alaska. Providing a contractual relationship between the Department and the regional health resource organizations permits the front-end development of a work plan with predetermined deliverables that could better ensure that the State is receiving tangible products for this increased expenditure or general funds.

The Department has specific comments to offer on portions of the bill, as follows:

Section 18.07.114. This section provides for a contract which has a duration of four years and is renewable to designate the regional health resource organization for each of the three health service areas. Funding, however, occurs by grants awarded each fiscal year, according to Section 18.07.122. The Department would need to establish specific procedures to ensure that the designation and funding processes were coordinated.

Section 18.07.118. Board of Directors identifies types of representation which must be included on each board but does not preclude other representation. In establishing boards it will be important to consider appropriate consumer representation and to take into account the size of a municiplity as well as the number of municipalities to determine equitable representation.

The description of duties in Section 18.07.120 outlines responsibilities for regional health resource organizations to review applications and proposals from residents within the boundaries of its service area. An even more useful role would be to review and provide recommendations or comments to the commissioner on health related applications and proposals.

It is possible, too, that applications or proposals affecting a certain service area may be made by parties who are not necessarily residents of that area. These proposals should also be reviewed by the regional health resource organizations.

The review responsibility relating to certificate of need should be more clearly spelled out to fit with other statutory/regulatory requirements. Substitute language for Section 18.07.120(b)(1)(B) could read "provide to the commissioner reviews and recommendations for activities proposed within the regional health resource organization boundary which are required to be authorized by a certificate of need under AS 18.07.031".

Recommended by: Phoebe A. Lindsey
Phoebe A. Lindsey, Director
Division of State Health
Planning & Development

Date: February 26, 1982

Recommended by: Helen D. Beirne
Helen D. Beirne, Commissioner
Department of Health &
Social Services

Date: 3-1-82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. Senate Bill 754
Title "An Act relating to health planning and development....."
Requested by Health, Education & S.S. Committee Date 2-25-82

II. FISCAL DETAIL
Agency Affected Department of Health & Social Services
Program Category Affected State Health Planning & Development
ERU, 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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	$300.	$1,050.	$1,208.	$1,389.	$1,597.	$1,837.
TOTAL	$300.	$1,050.	$1,208.	$1,389.	$1,597.	$1,837.

FUNDING (Thousands of Dollars)

GENERAL FUND	$300.	$1,050	$1,208	$1,389	$1,597	$1,837
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Additional funds would need to be appropriated to support the functions of three regional health resource organizations. Estimates on costs are based on cost figures provided by the Alaska Health Coalition. An inflation factor (15%) was added for FY 84 and subsequent years.

Funds projected for FY 83 and subsequent years incorporate the $100,000 currently provided each of the three HSAs under AS 18.07 plus additional funds. Operational costs per agency in FY 83 are projected at $350,000.

Phoebe A. Lindsey

IV. DATE February 25, 1982 PREPARED BY Phoebe A. Lindsey
AGENCY Div. State Health Planning & Development
PHONE 465-3037

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

Alaska Health Coalition

529 5th Avenue, Suite 8
Fairbanks, Alaska 99701
(907)456-2553

February 26, 1982

The Honorable Charlie Parr
Chairman
Senate HESS Committee
Pouch V (MS3100)
Juneau, Alaska 99811

Dear Senator Parr:

The following comments regarding S.B. 754 ("an act relating to health planning and development, and providing an effective date") are a consensus of remarks I have received from Southeast Alaska Health Systems Agency, South Central Health Planning and Development, Northern Alaska Health Resources Association (NAHRA), and the Municipality of Anchorage. Most of the comments are similar to those we discussed with the Senate HESS on February 10, 1982. I have suggested some alternate language in each case and presented an explanation of reason behind the proposed changes.

1. Section 18.07.112 (page 1, line 11) - we propose that the paragraph read: "Health Service Areas. There shall be a minimum of four health service areas. The boundaries of the health service areas are the boundaries of the health service areas established in the State, under Section 1511, P.L. 93-641 with the addition of the legal boundaries of the Municipality of Anchorage. The Governor may designate additional health service areas as appropriate and necessary."

   Comment: In our discussions with the Municipality of Anchorage, it seems very evident, based upon past experience, that there is justification for them to be considered a health service area in and of themselves. Although they have experienced a cooperative relationship with the South Central Health Systems Agency, there is no doubt that there has been duplication of effort and that persons submitting applications or who had projects to be reviewed had to deal with two levels of review instead of one. We definitely support the regional concept which is the foundation of S.B. 754; however, we also believe that establishing the municipality as a separate, distinct region will not jeopardize the intent. In fact, I believe it would be safe to say that the South Central Health Systems Agency will have an opportunity to focus all of their energies on the rural areas if the municipality is separated out, as opposed to trying to serve both the municipality (which already has a planning department) and the rural areas where the

technical assistance is really needed. We also believe that there is only a remote possibility that there would ever be more than four areas.

2. Section 18.07.188 (page 2, lines 15-22) - Board of Directors.
(a) Each regional health resources organization shall be governed by a board of directors. The original application submitted to the Commissioner by a regional health resource organization as provided for in 18.07.114 shall contain a board selection plan. The Commissioner of Health and Social Services shall ensure that the plan provides equitable representation from throughout the health service area and that the board shall include at least a representative for each:

   a. borough within the health service area;
   b. unified municipality within the health service area; and
   c. regional nonprofit Native corporation established within the health service area under the Alaska Native Claims Settlement Act (43 U.S.C. 1060-1628).

   Comment: The additional language allows each organization to determine the type and number of individuals they believe are necessary to represent their particular area.

   It also allows the Commissioner the authority to review the selection plan to ensure that it provides equitable representation of the health service area. A RHRO would not receive their contract or designation until they had an acceptable plan.

   We also added the word "regional" to the corporations described on page 2, line 20 to help eliminate any confusion over which Native organizations should be represented.

3. Section 18.07.120 (page 3, line 7) - Duties.
Delete the word "from" and replace with the phrase "that effect," so that the sentence would read: "in cooperation with the Commissioner, review applications and proposals that effect residents within the boundaries of its health service area for..."

   Comment: Many times applications and proposals that are developed outside of our area have a definite impact on the residents within. For example, an Anchorage-based organization may apply for drug abuse funds to provide drug abuse counselor training in all Level II communities in the State. This would effect each health service area in a different way. To be sure that this type of an activity was coordinated with all of the right people it would require our review. By changing the language in the bill we would be able to review applications

which affected residents of our health service area that were submitted by both residents of the area and those out of the area.

4. Section 18.07.120 (page 3, line 10) - Delete the word "new" and add the phrase "construction or expansion of" before the word health so that the sentence reads: "(B) Construction or expansion of health care facilities and nursing homes."

   Comment: Limiting the review to only "new facilities and nursing homes" includes only a small part of the capital construction which occurs within the health-care industry. If the State continues to do certificate-of-need reviews or something similar to it, we believe that major alterations and renovations of existing health care facilities and nursing homes should also be subject to review. The language we have proposed should accomplish this purpose.

5. Section 18.07.120 (page 3, line 15) - Delete the work "board" and replace it with the word "organization."

   Comment: This is a minor point but we believed it was more appropriate to refer to the organization as the entity involved rather than the board of directors.

In addition to the proposed changes in the language of S.B. 754, I have also enclosed copies of a letter from the Municipality of Anchorage and an action memorandum signed by Mayor Knowles which support the concept of regional health resources organizations and conveys their proposal to be involved in this reorganization.

In our discussions with them to date, they have indicated that rather than being interested in the funds that this legislation would provide to the other regional health resource organizations, their primary interest is to be able to maintain their options or authority to review grants for local and state health service funds and construction or expansion of health care facilities and nursing homes. Thus, given their current position the addition of a fourth health service area would not effect the fiscal note attached to the bill; however, there is certainly no guarantee that the Municipality would not seek a share of these funds at some point in the future.

You should also note that item #3 of the letter from Mr. Meehan proposes specific language in S.B. 754 regarding certificate-of-need. We did not include this reference because we believe it is already provided for on page 3, line 10, especially as we have proposed to change the language to include more than a review of only new facilities.

I hope these comments will be useful to you and the other Committee members. Please contact me if you need additional information.

Sincerely,

Charles M. Kaltenbach, Dr. P.H.
Chairman

CMK:flr

cc: Senate HESS Committee Members
Alaska Health Coalition Members
Phoebe Lindsey
Michael J. Meehan

RECEIVED FEB 2 4 1982

Municipality of Anchorage

POUCH 6-650
ANCHORAGE, ALASKA 99502-0650
(907) 264-4111

TONY KNOWLES,
MAYOR

DEPARTMENT OF PLANNING

February 18, 1982

Mr. Charles Kaltenbach
Executive Director,
Northern Area Health Resources
Association (NAHRA)
529 Fifth Ave., Suite 8
Fairbanks, Alaska 99701

Dear Mr. Kaltenbach:

I am attaching a copy of a Memorandum signed by Mayor Knowles which conveys the position of the Municipality of Anchorage relative to activities incorporated into Senate Bill 754.

As President of Alaska Health Coalition, I would appreciate your sharing this information. As Mr. DeMers conveyed to you, Senate Bill 754 in its present state does not preserve options the Municipality of Anchorage may wish to exercise. Though we may have additional technical recommendations on S.B. 754, the following items (changes) are desired:

1. Page one (1), line eleven (11) should change three (3) health service areas to four (4).

2. Page one (1), line fourteen (14) should add "and the legal boundaries of the Municipality of Anchorage."

3. Page three (3), line fourteen (14) should include "require, such as Certificate of Need as defined in AS 18.07".

At this time we have briefed our Municipal Lobbyist and he also will be pursuing these changes.

We would appreciate your assistance as we all pursue our mutual interests and legislative options.

Sincerely,

Michael J. Meehan, Director
Planning Department

MM: bd

Municipality of Anchorage

MEMORANDUM

DATE: January 25, 1982

TO: Tony Knowles, Mayor

FROM: Michael J. Meehan, Director, Planning Department

SUBJECT: Regional Health Resources Organization's State Legislative Efforts

As noted in my memorandum of January 25, 1982, "Possible Loss of Long Range Planning/Project Review Prerogatives", the three health systems agencies of the state (the Alaska Health Coalition) are requesting the State legislature to pass legislation which will establish Regional Health Resources Organizations. The legislation is to be prepared and submitted very soon by Charlie Parr, Chairman, Senate HESS Committee.

Full details of the role, authority, and responsibilities of these organizations is attached. Basically they could perform most of the functions presently granted them under federal planning law.

At this writing, there is no formal provision for the Municipality of Anchorage to be a free standing-co-equal health resource organization. The Alaska Coalition, January 22, 1982, did vote unanimously to support that co-equal position for the Municipality, and has requested membership from the Municipality via the Chairman of the Municipal Health Commission and a staff person from my Department.

Recommendation:

1. If such legislation is to be passed, the MOA should take all action to preserve its options to be a co-equal health resources corporation.

2. Our legislative liaison should be briefed on the particulars of the pending legislation, especially to assure that the MOA keeps its options as to function, governance, structure, and authority. The law, if passed, should be flexible.

3. The position of the Municipality should be conveyed to appropriate legislators and the Alaska Coalition.

If you concur in these recommendations, my Department can assist in briefing Mr. Anderson, drafting a letter to the Alaska Coalition, and cooperatively assisting the Coalition in pursuit of our mutual interests and legislative options.

I Concur Tony Knowles

I Do Not Concur _____

Tony Knowles, Mayor

Southeast Alaska Regional Health Corporation

P.O. Box 2800 Juneau, Alaska 99803 (907) 789-2131

February 10, 1982

Senator Charles Parr
Pouch V MS 3100
Juneau, Alaska 99801

Dear Senator Parr:

I do not support formation of the proposed Regional Health Resource Organizations.

I believe the three tasks advanced as core functions of the RHRO's, namely:

1. provide community assistance;
2. promote prevention and health promotion activities; and
3. provide a regional perspective

can and, to a degree, are presently being performed by existing regional health corporations. Regional health corporations, recognized as such or not, are primary providers of health services to rural Alaska. The focus is on the community, we are familiar with its political structure, which varies from village to village; we are advised of its needs by a Board of Directors; we respond to the needs. Over the years we have developed a reflective regional perspective and through our state-wide association, tie this in to the overall picture. We have credibility with our constituents that was not, and cannot, be easily won. I believe the proposed core functions are logical extensions of our present plans.

Should the decision be to extend the HSA's as RHRO's, we would be concerned that the State, with regional health corporations, and RHRO's, duplicate planning and advocacy efforts. Besides waste of money better spent on direct services, there would be potential clashes of authority. Why duplicate? We should strengthen and improve what we have.

Very truly yours,

Ethel M. Lund

Ethel M. Lund
President

1980 - $20,987

1979 - $19,694

1978 - $19,030

1977 - $17,375

1976 - $16,492

Hein

Original sponsor: Health, Education and Social Services Committee

1 IN THE SENATE BY THE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

2 CS FOR SENATE BILL NO. 754 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to health planning and development;

7 and providing for an effective date."

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

9 * Section 1. AS 18.07 is amended by adding new sections to read:

10 ARTICLE 3. REGIONAL HEALTH RESOURCES ORGANIZATIONS.

11 Sec. 18.07.112. HEALTH SERVICE AREAS. There are established three

12 health service areas in the state. The boundaries of the health service

13 areas are the boundaries of health service areas established in the

14 state under sec. 1511, P.L. 93-641.

15 Sec. 18.07.114. REGIONAL HEALTH RESOURCES ORGANIZATIONS. (a) The

16 commissioner shall by contract designate a regional health resources

17 organization for each health service area established by AS 18.07.112.

18 (b) An applicant for designation as a regional health resources

19 organization shall apply on a form prescribed by the commissioner. An

20 application shall include

21 (1) the applicant's proposed plan for the orderly assumption

22 and implementation of the duties of a regional health resources organi-

23 zation provided in AS 18.07.120;

24 (2) assurances satisfactory to the commissioner that the

25 applicant meets the eligibility requirements of AS 18.07.116 and is

26 qualified to perform or is performing the duties prescribed in AS 18.07.-

27 120; and

28 (3) a plan specifying how the applicant will select board

29 members under AS 18.07.118.

1 (c) A contract under this section shall be for a period of four
2 years and is renewable. A contract may be terminated before its expira-
3 tion date
4 (1) by the regional health resources organization at a time
5 and with notice to the commissioner as the commissioner may by regula-
6 tion prescribe; or
7 (2) by the commissioner at a time and with notice to the
8 regional health resources organization as the commissioner may by regu-
9 lation prescribe, if the commissioner determines that the entity is not
10 complying with or effectively carrying out the provisions of the con-
11 tract.
12 Sec. 18.07.116. ELIGIBILITY FOR DESIGNATION. The commissioner may
13 designate as a regional health resources organization
14 (1) a nonprofit corporation incorporated under AS 10.20 for
15 the purpose of engaging in health planning and development functions; or
16 (2) a public regional planning body authorized by statute or
17 regulation to perform health planning functions and whose planning area
18 is identical to a health service area.
19 Sec. 18.07.118. BOARD OF DIRECTORS. (a) Each regional health
20 resources organization shall be governed by a board of directors.
21 (b) A board shall include
22 (1) a representative for each
23 (A) borough within the health service area;
24 (B) unified municipality within the health service area;
25 and
26 NATIVE REGIONAL HEALTH ENTITIES
(C) ~~regional nonprofit Native corporation~~ established
27 ~~within the health service area under the Alaska Native Claims~~
28 ~~Settlement Act (43 U.S.C. 1601 - 1628); and~~
29 (2) members broadly and equitably representative of health

730-232

locally elected groups

regional health entities serving the areas created under the ANCSA. or political subdivision within the A-S-A-

1 care consumers and providers in the organization's health service area.

2 Sec. 18.07.120. DUTIES. (a) A regional health resources organiza-
3 tion shall, within the boundaries of its health service area,

4 (1) assist communities in identifying and developing plans
5 for dealing with health problems of residents;

6 (2) provide direct technical assistance to communities for
7 implementing plans developed under (1) of this section;

8 (3) assist in the development and maintenance of programs for
9 the promotion of health and the prevention of disease and illness;

10 (4) assemble and analyze data relating to health matters and
11 coordinate data collection activities with state and local agencies,
12 regional (5) Alaska Native corporations, and health organizations.

13 (b) (b) A regional health resources organization shall

14 (1) (UPON REQUEST OF) ~~in cooperation with~~ the commissioner, have the option to review and provide
15 comments and recommendations on applications and proposals for grants
16 for local or state health service funds to be used in the organization's
17 health service area, and (2) construction and expansion of health care
18 facilities and nursing homes in the organization's health service area;

19 (2) submit an annual report on its activities to the legis-
20 lature, the commissioner, and the residents of its health service area;

21 (3) perform other duties the commissioner may by contract
22 require.

23 (c) A regional health resources organization does not have authori-
24 ty over the Alaska Pioneers' Homes established under AS 47.25.010.

25 Sec. 18.07.122. GRANTS. (a) The commissioner shall make a grant
26 in each fiscal year to each regional health resources organization
27 designated under AS 18.07.114. A grant under this subsection shall

28 (1) be made on the conditions the commissioner determines are
29 appropriate; and

(2) be available for obligation for a period not to exceed the period for which the grantee is designated as a regional health resources organization under AS 18.07.114.

(b) A grant under this section may be used by a regional health resources organization

(1) for compensation of its personnel and the performance of its duties;

(2) to make payments under contracts with other persons to assist the regional health resources organization in the performance of its functions; and

(3) to make grants to public and nonprofit private entities and enter into contracts with individuals and public and nonprofit private entities to assist them in planning and developing projects and programs that the regional health resources organization determines are necessary for the promotion of health and prevention of disease and illness in its health service area.

(c) A grant or contract made under (b)(2) or (3) of this section may not be used to pay the costs incurred by the grantee in the delivery of health services or for the cost of construction or modernization of medical facilities.

* Sec. 2. This Act takes effect October 1, 1982.

Health Planning and Development -

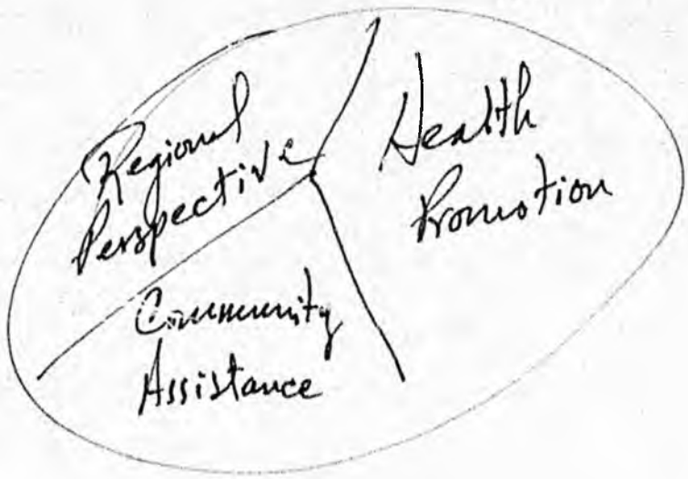
Art Wilman - S.E. Regional Health Council (?)

Health Systems Agency - Fed legislation

1975 ?

Health Coalition -

Allows an Opportunity to drop those Fed provisions that don't apply to HK -



Regional Perspectives -

Groups - allowing the Region to relate to
State - also
Legislature

Need more resource building

Paul Sherry - Northern HK. Health Agency

BIH - 75% Cert -
Assume 2/3 of Fed loss -

Dennis Dewitt - don't change name -
Leave HSA -

Most Remote Areas - Need NRO -

Support Bill -
But Problems w/ BD -
Composition -

Providers Not included -

Sharing w/ Consumers is critical -
Majority of Consumers -

SB
760

COMMITTEE REPORT

SENATE

2/15/82

FURTHER: None

Date: 4-7-82

Mr. President:

The Committee on HEALTH, EDUCATION & SOCIAL SERVICES has had SB 760

adding amendments to statutory references to the National Health Planning and Resources Development Act of 1974

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

[X] do pass [ ] do not pass

[ ] do pass with attached amendments(s)

[X] replace with CS for SB 760 [ ] 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

S 60 (Rev. 12/78)

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED AS A UNIT IN THE ORIGINAL DOCUMENT

MEMORANDUM (Brief Communications) **State of Alaska**

TO:	Name: Nancy Dietrich	Dept./Div./Sect.: Sen Charles Parr's Office	Mail Stop:
FROM:	Name: P Lindsey	Dept./Div./Sect.: DHSS/ DSHPD	Telephone: 3038
SUBJ.:	Clean up language for SB 760		Date: 4/8/82

Attached is possible language to meet our additional "glitch"

Thanks

Phoebe

cc Frederick M. Ginnis
Dave Williams

02-001C(12/80)

STATE OF ALASKA
DEPT. OF HEALTH AND SOCIAL SERVICES
DIVISION OF STATE HEALTH PLANNING & DEVELOPMENT

JAY S. HAMMOND, GOVERNOR

POUCH H 01A
JUNEAU, ALASKA 99811
PHONE: 465-3037

April 8, 1982

DOCUMENT NO. 133-82

The Honorable Charles Parr
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Parr:

In my testimony on Senate Bill 760 yesterday, I did not specifically note the concerns the Department has recently raised regarding the certificate of need coverage of acquisition of health care facilities. Attached is a letter of April 7 from Commissioner Beirne to House HESS Chairman Mike Beirne which details this technical point.

I will be happy to further discuss this issue with your staff at your request.

Thank you for your consideration in this matter.

Sincerely,

Phoebe A. Lindsey
Director

Enclosure

cc: Helen D. Beirne
Frederick McGinnis
Dave Williams

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

POUCH H 01
JUNEAU, ALASKA 99811
PHONE: 465-3030

file HB 195

DOCUMENT NO. 130-82

April 7, 1982

The Honorable Mike Beirne
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Beirne:

We appreciate the hearing held by your committee on House Bill 195 on March 3, 1982. Since that time, we have provided to your committee information on the potential federal fund losses to Alaska if our State Health Planning and Development Agency loses its designation because its certificate of need program does not meet federal standards (see our letter of March 23, 1982).

In addition to the amendments we have offered to House Bill 195, We have had further discussion within the Department on the section of the position paper we presented to you which deals with coverage of facility acquisitions. Our position paper indicates we would, in accordance with federal provisions develop revised regulations to exempt from review those acquisitions which do not involve a change in the facility's bed capacity, the addition of a new service, or the elimination of an existing service.

Our intention to exempt "routine" acquisitions was based on an assumption that the acquisition price would reflect fair market appraisals. In instances where the proposed purchase price would exceed fair market appraisals, we feel that such acquisitions could not be exempt simply because of the potential impact on increased patient charges. We would therefore propose to develop revised regulations to exempt routine acquisitions where the purchase price does not exceed the average of three certified appraisals of the fair market value.

We would be happy to discuss this modification to our position or any other aspects of House Bill 195 with you at your request.

Sincerely,

Helen D. Beirne

Helen D. Beirne
Commissioner

cc: Frederick McGinnis
Phoebe A. Lindsey

03-F30LH

STATE OF ALASKA
DEPT. OF HEALTH AND SOCIAL SERVICES
DIVISION OF STATE HEALTH PLANNING & DEVELOPMENT

JAY S. HAMMOND, GOVERNOR

POUCH H 01A
JUNEAU, ALASKA 99811
PHONE: 465-3037

DOCUMENT NO. 124-82

April 1, 1982

Nancy Dietrich
Office of Senator Charles Parr
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Nancy:

Thank you for your request to provide additional language to Senate Bill 760, as our position paper indicated we would be happy to do. We are pleased that SB 760, in its current form, incorporates the capability to raise the certificate of need threshholds. The other amendments we would suggest would bring AS 18.07 into full compliance with federal requirements and remove the threat of financial sanction. These additional revisions have been developed with the Department of Law. The Department of Law advised that a simple reference to the amended public law would not be adequate but that the additional language which follows would be required to bring the Alaska certificate of need program into full compliance.

Section 2

The [office] state agency shall perform the functions enumerated under sec. 1523, P.L. 93-641 as amended by P.L. 96-79 and P.L. 97-35, administer the certificate of need program outlined in AS 18.07.041 18.07.117 for a health care facility including a rehabilitation facility, and other functions prescribed in this chapter.

Section 18.07.031 needs to be amended as follows:

Section 18.07.031. CERTIFICATE OF NEED REQUIRED. (a) No person may undertake the following unless authorized under the terms of a certificate of need or exempt from the requirement for a certificate of need in accordance with this chapter [ISSUED BY THE OFFICE]:

(1) construction of a health care facility;

(2) alteration of the bed capacity of a health care facility;

(3) addition or elimination of a category of health services provided by a health care facility;

(4) acquisition of major medical equipment; and

(5) acquisition of an existing health care facility.

(b) This section applies to a health care facility controlled by a health maintenance organization or an ambulatory care facility controlled by a health maintenance organization only if:

(1) the organization or facility offers inpatient health care services or acquires major medical equipment for use primarily for in-patient health care; and

(2) the department does not grant the organization or facility an exemption under AS 18.07.032.

The issue of exemption needs further specification and we would suggest the addition of a new section, as follows:

Sec. 18.07.032. EXEMPTION FROM THE REQUIREMENT FOR A CERTIFICATE OF NEED. (a) A person may be exempt from the requirements of AS 18.07.031 only if the person applies to the department for the exemption at least 30 days before the person agrees to spend money for the proposed activity or contracts for the proposed activity.

(b) The department shall grant an exemption if the application is made as provided in (a) of this section and the exemption is requested.

(1) to acquire an existing health care facility if the services or bed capacity of the facility are not changed;

(2) to acquire major medical equipment which is not owned by or located in a health care facility and is not used to provide services for inpatients of a hospital;

(3) to provide inpatient institutional health services by

(A) a health maintenance organization if

(i) the organization has, in the service area of the organization, an enrollment of at least 50,000 individuals,

(ii) the facility in which the service is provided is geographically located so that the service is reasonably accessible to the individuals enrolled with the organization, and

(iii) at least 75 percent of the patients who can reasonably be expected to receive the health service are individuals enrolled with the organization;

(B) a health care facility if

(i) the health care facility primarily provides inpatient services,

(ii) the facility is controlled by a health maintenance organization meeting the enrollment requirements set out in (A) of this paragraph, and

(iii) the location and expected use of the facility meet the requirements set out in (A) of this paragraph;

(C) a health care facility, or part of it, if

(i) the facility is leased by a health maintenance organization meeting the enrollment requirements set out in (A) of this paragraph,

(ii) at least 15 years remain in the term of the lease, and

(iii) the location and expected use of the facility meet the requirements set out in (A) of this paragraph.

(c) If a proposed health care facility, or part of it, does not provide institutional health services by the date it files an application for exemption for the facility, the facility shall meet the requirements of (b)(3) of this section at the time the facility first provides the service. The department shall approve the application for exemption if it is determined that the applicable requirements of (b)(3) of this section are met.

(d) An exemption granted under (b)(3) of this section does not, with respect to a health care facility or medical equipment involved in the exemption, apply to:

(1) a sale or lease by the recipient of the exemption after the exemption is granted;

(2) the acquisition of a controlling interest in the facility or equipment after the exemption is granted;

(3) the use by any person other than the lessee of leased facilities described in (b)(3)(C) of this section after the exemption is granted.

To remain consistent with other "cosmetic" changes noted in our position paper, sections 18.07.041 and 18.07.061 and 18.07.081 could be amended so that the word department is used in place of OFFICE and the words of need follow the word certificate, as appropriate.

To clear up confusions we have had regarding temporary and emergency certificates, we would propose the following amendment to section 18.07.071:

Sec. 18.07.071. EMERGENCY AND TEMPORARY [TEMPORARY AND EMERGENCY] CERTIFICATES OF NEED. (a) The department [OFFICE] shall grant a sponsor an emergency certificate of need for the construction of a health care facility, health maintenance organization, rehabilitation facility, or ambulatory care facility if the facility or service:

(1) needed and consistent with the state health plan;

(2) is required to eliminatae or prevent immediate safety hazards as defined by federal, state or local fire, building or life safety codes or regulations, or

(3) is required to comply with state licensure standards or with accreditation standards necessary for the receipt or reimbursement under Title XVIII of the Social Security Act (42 USC 1395) or payments under the state plan for medical assistance approved under Title XIX of the Social Security Act (42 USC 1396) [FOR WHICH A CERTIFICATE IS REQUIRED UNDER AS 18.07.041 IF THE SPONSOR SHOWS, BY AFFIDAVIT OR FORMAL HEARING, THAT THE ACT OF CONSTRUCTION CONSISTS OF EFFEC TING EMERGENCY REPAIRS].

(b) The department [OFFICE] may grant a sponsor a temporary certificate of need for the temporary operation of a category of health service, if the sponsor shows by affidavit or formal hearing

(1) the necessity for early, immediate, or temporary relief,

and

(2) adverse effect to the public interest by reason of delay occasioned by compliance with the requirements of AS 18.07.041 and application procedures prescribed by regulations under this chapter.

(c) The state agency shall review each affidavit requesting an emergency or temporary certificate of need under the criteria set out in (a) of this section.

(d) A temporary certificate of need granted under (a) [AND (b)] of this section confers no vested rights on behalf of the applicant. The department [OFFICE] shall impose those special limitations and restrictions concerning duration and right of extension which the department [OFFICE] considers appropriate. [NO TEMPORARY CERTIFICATE MAY BE GRANTED FOR A PERIOD LONGER THAN NECESSARY FOR THE SPONSOR TO OBTAIN REVIEW OF THE ACTION CERTIFICE BY THE TEMPORARY CERTIFICATE UNDER AS 18.07.051. APPLICATION FOR A CERTIFICATE OF NEED UNDER AS 18.07.041 MUST COMMENCE WITHIN 60 DAYS OF THE DATE OF ISSUANCE OF THE TEMPORARY CERTIFICATE.]

Given the questions that hae surrounded the issue of modification, suspension or revocation of a certificate we would suggest that section 18.07.081(a) be amended as follows:

(a) The department [OFFICE], a member of the public who is substantially and adversely affected by activities authorized by the certificate of need, or another applicant for a certificate of need for a similar service within the same health service area may initiate a hearing to obtain modification, suspension or revocation of an existing certificate of need by filing an accusation with the commissioner as prescribed under AS 44.62.360. No revocation, modification, or suspension of an outstanding certificate of need may be undertaken unless it is in accordance with AS 44.62.330 - 44.62.630.

Federal requirements necessitate revision to AS 18.07.101, as follows:

Sec. 18.07.101. REGULATIONS. (a) The commissioner shall adopt, in accordance with the Administrative Procedure Act (AS 44.62), regulations which establish procedures and criteria under which sponsors may make application for certificates of need required by this chapter and which govern the review of those applications by the department and health systems agencies [OFFICE], establish requirements for a uniform statewide system of reporting financial and other operating data, and otherwise carry out the purposes of this chapter.

(b) The commissioner may not adopt regulations which

(1) establish criteria for the review of applications for emergency certificates other than those stated in AS 18.07.071; and

(2) establish criteria for the review of applications submitted by a health maintenance organization or a health care facility other than those necessary to determine:

We would be happy to discuss this long and involved letter to you to further explain why such changes are being recommended and to provide any other assistance we can in achieving passage of Senate Bill 760.

Thank you again for your consideration. We look forward to hearing from you.

Sincerely,

Phoebe

Phoebe A. Lindsey
Director

cc: Helen D. Beirne
Frederick McGinnis
Dave Williams
Joe Cladouhos
Linda Scoccia

STATE OF ALASKA
DEPT. OF HEALTH AND SOCIAL SERVICES
DIVISION OF STATE HEALTH PLANNING & DEVELOPMENT

JAY S. HAMMOND, GOVERNOR

POUCH H 01A
JUNEAU, ALASKA 99811
PHONE: 465-3037

DOCUMENT NO. 124-82

April 1, 1982

Nancy Dietrich
Office of Senator Charles Parr
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Nancy:

Thank you for your request to provide additional language to Senate Bill 760, as our position paper indicated we would be happy to do. We are pleased that SB 760, in its current form, incorporates the capability to raise the certificate of need threshholds. The other amendments we would suggest would bring AS 18.07 into full compliance with federal requirements and remove the threat of financial sanction. These additional revisions have been developed with the Department of Law. The Department of Law advised that a simple reference to the amended public law would not be adequate but that the additional language which follows would be required to bring the Alaska certificate of need program into full compliance.

Section 2

The [office] state agency shall perform the functions enumerated under sec. 1523, P.L. 93-641 as amended by P.L. 96-79 and P.L. 97-35, administer the certificate of need program outlined in AS 18.07.041 18.07.117 for a health care facility including a rehabilitation facility, and other functions prescribed in this chapter.

Section 18.07.031 needs to be amended as follows:

Section 18.07.031. CERTIFICATE OF NEED REQUIRED.
(a) No person may undertake the following unless authorized under the terms of a certificate of need or exempt from the requirement for a certificate of need in accordance with this chapter [ISSUED BY THE OFFICE]:

(1) construction of a health care facility;

(2) alteration of the bed capacity of a health care facility;

(3) addition or elimination of a category of health services provided by a health care facility;

(4) acquisition of major medical equipment; and

(5) acquisition of an existing health care facility.

(b) This section applies to a health care facility controlled by a health maintenance organization or an ambulatory care facility c ntrolled by a health maintenance organization only if:

(1) the organization or facility offers inpatient health care services or acquires major medical equipment for use primarily for in-patient health care; and

(2) the department does not grant the organization or facility an exemption under AS 18.07.032.

The issue of exemption needs further specification and we would suggest the addition of a new section, as follows:

Sec. 18.07.032. EXEMPTION FROM THE REQUIREMENT FOR A CERTIFICATE OF NEED. (a) A person may be exempt from the requirements of AS 18.07.031 only if the person applies to the department for the exemption at least 30 days before the person agrees to spend money for the proposed activity or contracts for the proposed activity.

(b) The department shall grant an exemption if the application is made as provided in (a) of this section and the exemption is requested.

(1) to acquire an existing health care facility if the services or bed capacity of the facility are not changed;

(2) to acquire major medical equipment which is not owned by or located in a health care facility and is not used to provide services for inpatients of a hospital;

(3) to provide inpatient institutional health services by

(A) a health maintenance organization if

(i) the organization has, in the service area of the organization, an enrollment of at least 50,000 individuals,

(ii) the facility in which the service is provided is geographically located so that the service is reasonably accessible to the individuals enrolled with the organization, and

(iii) at least 75 percent of the patients who can reasonably be expected to receive the health service are individuals enrolled with the organization;

(B) a health care facility if

(i) the health care facility primarily provides inpatient services,

(ii) the facility is controlled by a health maintenance organization meeting the enrollment requirements set out in (A) of this paragraph, and

(iii) the location and expected use of the facility meet the requirements set out in (A) of this paragraph;

(C) a health care facility, or part of it, if

(i) the facility is leased by a health maintenance organization meeting the enrollment requirements set out in (A) of this paragraph,

(ii) at least 15 years remain in the term of the lease, and

(iii) the location and expected use of the facility meet the requirements set out in (A) of this paragraph.

(c) If a proposed health care facility, or part of it, does not provide institutional health services by the date it files an application for exemption for the facility, the facility shall meet the requirements of (b)(3) of this section at the time the facility first provides the service. The department shall approve the application for exemption if it is determined that the applicable requirements of (b)(3) of this section are met.

(d) An exemption granted under (b)(3) of this section does not, with respect to a health care facility or medical equipment involved in the exemption, apply to:

(1) a sale or lease by the recipient of the exemption after the exemption is granted;

(2) the acquisition of a controlling interest in the facility or equipment after the exemption is granted;

(3) the use by any person other than the lessee of leased facilities described in (b)(3)(C) of this section after the exemption is granted.

To remain consistent with other "cosmetic" changes noted in our position paper, sections 18.07.041 and 18.07.061 and 18.07.081 could be amended so that the word department is used in place of OFFICE and the words of need follow the word certificate, as appropriate.

To clear up confusions we have had regarding temporary and emergency certificates, we would propose the following amendment to section 18.07.071:

Sec. 18.07.071. EMERGENCY AND TEMPORARY [TEMPORARY AND EMERGENCY] CERTIFICATES OF NEED. (a) The department [OFFICE] shall grant a sponsor an emergency certificate of need for the construction of a health care facility, health maintenance organization, rehabilitation facility, or ambulatory care facility if the facility or service:

(1) needed and consistent with the state health plan;

(2) is required to eliminatae or prevent immediate safety hazards as defined by federal, state or local fire, building or life safety codes or regulations, or

(3) is required to comply with state licensure standards or with accreditation standards necessary for the receipt or reimbursement under Title XVIII of the Social Security Act (42 USC 1395) or payments under the state plan for medical assistance approved under Title XIX of the Social Security Act (42 USC 1396) [FOR WHICH A CERTIFICATE IS REQUIRED UNDER AS 18.07.041 IF THE SPONSOR SHOWS, BY AFFIDAVIT OR FORMAL HEARING, THAT THE ACT OF CONSTRUCTION CONSISTS OF EFFEC TING EMERGENCY REPAIRS].

(b) The department [OFFICE] may grant a sponsor a temporary certificate of need for the temporary operation of a category of health service, if the sponsor shows by affidavit or formal hearing

(1) the necessity for early, immediate, or temporary relief,

and

(2) adverse effect to the public interest by reason of delay occasioned by compliance with the requirements of AS 18.07.041 and application procedures prescribed by regulations under this chapter.

(c) The state agency shall review each affidavit requesting an emergency or temporary certificate of need under the criteria set out in (a) of this section.

(d) A temporary certificate of need granted under (a) [AND (b)] of this section confers no vested rights on behalf of the applicant. The department [OFFICE] shall impose those special limitations and restrictions concerning duration and right of extension which the department [OFFICE] considers appropriate. [NO TEMPORARY CERTIFICATE MAY BE GRANTED FOR A PERIOD LONGER THAN NECESSARY FOR THE SPONSOR TO OBTAIN REVIEW OF THE ACTION CERTIFICE BY THE TEMPORARY CERTIFICATE UNDER AS 18.07.051. APPLICATION FOR A CERTIFICATE OF NEED UNDER AS 18.07.041 MUST COMMENCE WITHIN 60 DAYS OF THE DATE OF ISSUANCE OF THE TEMPORARY CERTIFICATE.]

Given the questions that hae surrounded the issue of modification, suspension or revocation of a certificate we would suggest that section 18.07.081(a) be amended as follows:

(a) The department [OFFICE], a member of the public who is substantially and adversely affected by activities authorized by the certificate of need, or another applicant for a certificate of need for a similar service within the same health service area may initiate a hearing to obtain modification, suspension or revocation of an existing certificate of need by filing an accusation with the commissioner as prescribed under AS 44.62.360. No revocation, modification, or suspension of an outstanding certificate of need may be undertaken unless it is in accordance with AS 44.62.330 - 44.62.630.

Federal requirements necessitate revision to AS 18.07.101, as follows:

Sec. 18.07.101. REGULATIONS. (a) The commissioner shall adopt, in accordance with the Administrative Procedure Act (AS 44.62), regulations which establish procedures and criteria under which sponsors may make application for certificates of need required by this chapter and which govern the review of those applications by the department and health systems agencies [OFFICE], establish requirements for a uniform statewide system of reporting financial and other operating data, and otherwise carry out the purposes of this chapter.

(b) The commissioner may not adopt regulations which

(1) establish criteria for the review of applications for emergency certificates other than those stated in AS 18.07.071; and

(2) establish criteria for the review of applications submitted by a health maintenance organization or a health care facility other than those necessary to determine:

(A) the needs of existing or future members, and

(B) the ability of the organization to provide, through services or facilities available to the organization, reasonable and inexpensive institutional health services consistent with the basic method of operation of the organization and the ability of the organization to provide the services on a long-term basis through physicians and other health professionals associated with the organization.

(c) The commissioner shall adopt regulations which establish criteria for the review of an application submitted by an osteopathic or allopathic facility which include a determination of the need for and availability of facilities for osteopathic or allopathic physicians, their patients and the effect of the facility on training programs for doctors of osteopathy and medicine.

The definition section in 18.07.111 should be augmented as follows:

(12) "major medical equipment"

(A) means medical equipment which is used to provide medical and other health services and which costs more than $150,000, and

(B) does not include medical equipment acquired by or on behalf of a clinical laboratory which

(i) is not in or part of a physician's office or a hospital; and

(ii) meets the requirements of 42 USC 1395;

(13) "health maintenance organization" means a health maintenance organization as defined in regulations adopted by the secretary of the United States Department of Health and Human Services under the Public Health Service Act (P.L. 93-641), as amended by P.L. 96-79;

(14) "rehabilitation facility" means an inpatient facility which is operated primarily to assist in the rehabilitation of disabled persons through an integrated program of medical and other health services which are provided under competent professional supervision.

Sections 18.07.111 (10) and (11) could then be repealed.

We would be happy to discuss this long and involved letter to you to further explain why such changes are being recommended and to provide any other assistance we can in achieving passage of Senate Bill 760.

Thank you again for your consideration. We look forward to hearing from you.

Sincerely,

Phoebe

Phoebe A. Lindsey
Director

cc: Helen D. Beirne
Frederick McGinnis
Dave Williams
Joe Cladouhos
Linda Scoccia

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

POUCH H 01
JUNEAU, ALASKA 99811
PHONE: 465-3030

March 24, 1982

DOCUMENT NO. 112-82

The Honorable Charles H. Parr
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Parr:

Enclosed is the Department's position paper on Senate Bill 760, An Act Amending the National Health Planning and Resources Development Act and providing for an effective date. While SB 760 in its current form does not bring AS 18.07 into full compliance with federal statutes and regulations, it would provide for the increased threshholds related to certificate of need review. We believe this is an important consideration and have suggested other amendments in our position paper.

We appreciate your introduction of this bill and would welcome a hearing on it.

Sincerely,

Helen D. Beirne

Helen D. Beirne
Commissioner

Enclosure

cc: Phoebe A. Lindsey

06-F38LH

POSITION PAPER
ON
SENATE BILL NO. 760

For an Act entitled "An Act adding amendments to statutory references to The National Health Planning and Resources Development Act of 1974 (P.L. 93-641): and providing for an effective date"

Senate Bill 760 amends AS 18.07 to comply with amendments to the National Health Planning and Resources Development Act, as incorporated in P.L. 96-79, (effective October 4, 1979) and P.L. 97-35 (effective October 1, 1981). Such amendments are required of all states wishing to participate in and receive funding under the Public Health Service Act, the Community Mental Health Centers Act, the Comprehensive Alcohol Abuse Act and Alcoholism Prevention, Treatment and Rehabilitation Act and the Drug Abuse Office and Treatment Act of 1972. The Department of Health and Social Services supports passage of Senate Bill 760.

The purpose of the National Health Planning Law is to encourage consumer and provider involvement at both the local and the State level in planning for and implementing a health care system in Alaska that provides equitable access to quality care at reasonable costs. This process requires the development of local health plans which are used as an information source in the development of a State Health Plan. The State Health Plan is to serve as a guide to the Governor and the Legislature for health policy development and resource allocation.

The amendments to the National Health Planning Law as incorporated in P.L. 96-79 and addressed in Senate Bill 760 modify the planning process, strengthen the role of the Governor in approval and use of the State Health Plan and introduce organizational changes within the planning boards and advisory committees.

Other amendments to P.L. 93-641 by P.L. 96-79 fall into three categories: coverage of rehabilitation facilities, major medical equipment and coverage of health maintenance organizations. Each of these issues is addressed in detail below:

Rehabilitation Facilities

One requirement of the amended Public Law is that rehabilitation facilities be included as facilities subject to certificate of need review. Rehabilitation facility is defined to mean an inpatient facility which is operated primarily to assist in the rehabilitation of disabled persons through an integrated program of medical and other health services which are provided under competent supervision. This definition should not result in additional health care facilities being subject to certificate of need review in Alaska, but will serve to clarify the type of rehabilitation facilities which are subject to certificate of need review. SB 760 does not authorize the Department to carry out this requirement of the amended Public Law. The Department believes it is important to include additional language to meet this requirement and will be pleased to work with the committee to develop the needed language.

Major Medical Equipment

The amended Public Law also establishes a requirement for certificate of need review of major medical equipment which will be used for inpatients, regardless of its location. Major medical equipment located outside a health care facility may be exempt from review if: 1) the sponsor notifies the state agency in writing of intent to purchase such equipment: and 2) the state agency determines that the equipment will not be used for inpatients.

The purpose of this provision is to close the gap which currently allows a physician to purchase major medical equipment for a health care facility and thereby avoid the requirement for a certificate of need. Although this provision is required to be in effect in each state, its impact will not be significant in Alaska, since Alaskan physicians generally rely upon hospitals to provide such equipment. SB 760 does not authorize the Department to carry out this requirement of the amended Public Law. The Department believes it is important to include additional language to meet this requirement and will be pleased to work with the committee to develop the needed language.

Health Maintenance Organizations

The amended Public Law requires an exemption for certain health maintenance organizations (HMOs) which have an enrollment of at least 50,000 from certificate of need review. The impact of this provision is not expected to be significant since there are no such HMOs in Alaska. SB 760 does not authorize the Department to carry out this requirement of the amended Public Law. The Department believes it is essential to include additional language to meet this requirement and will be pleased to work with the committee to develop the needed language.

The amendments to the National Health Planning Law incorporated in P.L. 97-35 (the Omnibus Reconciliation Act of 1981), allow increased options with regard to state health planning and state certificate of need programs. The federally mandated threshold levels for state certificate of need programs were raised, and States permitted to make adjustments to those threshholds to account for inflation. The new Federally mandated threshhold levels are as follows:

$600,000 - capital expenditures related to construction;

$400,000 - for capital expenditures for major medical equipment; and

$250,000 - for annual operating costs for new institutional health services.

Impact of non-passage of the Bill

There are significant potential fiscal losses to the State if legislation is not passed enabling the State Health Planning and Development Agency (SHPDA) to carry out its full responsibilities under the Public Law 96-79 ("The Health Planning and Resources Development Amendments of 1979"). If SHPDA is not fully empowered by State statute by January 1983, to conduct the "State Program" mandated by P.L. 93-641, as amended by P.L. 96-79, the SHPDA designation agreement with the Federal government is subject to termination, or the SHPDA designation agreement may be made conditional for one year and the designation then withdrawn. Should the agreement be terminated, the State would no longer be eligible for certain Federal human service program funds.

Recent indications of reduced Federal funding through block grant programs has caused uncertainty as to the impact of a reversion of the State Health Planning and Development Agency (SHPDA) to "Conditional Designation" for the period of January 1, 1983 through December 31, 1983 or termination of the SHPDA/Federal health planning agreement. During 1981 the total Federal funding which could be impacted by sanctions under P.L. 93-641, as amended by P.L. 96-79 was approximately $7,000,000 annually received under the Public Health Service Act, the Community Mental Health Centers Act, the Comprehensive Alcohol Abuse Act, and Alcoholism Prevention, Treatment and Rehabilitation Act, and the Drug Abuse Office and Treatment Act of 1972. Approximate 1983 Federal funding under those Acts is given as follows:

POSITION PAPER/Department of Health & Social Services

Total Project Grants	$4,161,000
Formula Grants	$ 900,000

The methods by which the Federal government would reduce program funds under the aforementioned Acts is unclear. Some of the funds are made available to municipalities and other entities; some will be through block grants to the State. Some of the affected programs are within the purview of the Alaska Department of Health and Social Services; some relate to the Department of Education and/or the University system.

The National Health Planning and Resources Development Act is scheduled for renewal by October 4, 1982. It is unclear at this point whether Congress will be seeking to amend or extend this legislation, replace this act with an Administration pro-competitive bill, or allow the Federal authority to expire. Alaska's statutes incorporate the Federal act by reference and will need to be amended at some future date to be consistent with Congressional action.

The Department recommends one technical amendment to SB 760. The reference to the "office of planning and research" in line 21 of the Bill should be changed to the agency's actual title: "Division of State Health Planning and Development.

Recommended by: Phoebe A. Lindsey
Phoebe A. Lindsey, Director
Division of State Health
Planning & Development

Date: March 19, 1982

Approved by: Helen D. Beirne
Helen D. Beirne
Commissioner

Date: 3-23-82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

I. REQUEST
Bill/Resolution No. Senate Bill 760
Title "An Act adding amendments to statutory references to the National *
Requested by Department of Health and Social Services
*Health Planning and Resources Development Act of 1974..."

II. FISCAL DETAIL
Agency Affected Health and Social Services
Program Category Affected 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 82	FY 83	FY 84	FY 85	FY 86	FY 87
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 Source)	-0-	-0-	-0-	-0-	-0-	-0-
	-0-	-0-	-0-	-0-	-0-	-0-
	-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-
	-0-	-0-	-0-	-0-	-0-	-0-

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

This bill does not change the financing of the Division of State Health Planning and Development.

IV. DATE 2-16-82 PREPARED BY Dave W. Williams
AGENCY DHSS - Division of State Health Planning
PHONE 465-3015

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED AS A UNIT IN THE ORIGINAL DOCUMENT.

alaska state hospital association

319 Seward St., Juneau, Alaska 99801 • (907) 586-1790

REPRESENTING ACUTE, LONG TERM AND OUTPATIENT FACILITIES

Bill 2 member packets

February 24, 1982

The Honorable Charles H. Parr
Alaska State Senate
Pouch V, State Capitol Building
Juneau, Alaska 99811

Dear Senator Parr:

The HESS Committee will soon be considering legislation to alter the state's Certificate of Need law. We believe that its value is nonexistent in Alaska and therefore ought to be repealed outright. However, none of the legislation currently proposes that action.

I have enclosed correspondence indicating the initiation of a Certificate of Need application for an incinerator at Providence Hospital in Anchorage. Clearly, it demonstrates the need for at least a substantial change in the types of activities considered by the Certificate of Need regulators. We believe that raising the dollar threshold from the current $150,000 to $1.5 - $2 million would focus the regulation activities in a more reasonable area of activity.

Sincerely,

Dennis L. DeWitt
President

DLD:bf
Enclosure

PROVIDENCE
HOSPITAL

3200 PROVIDENCE DRIVE - POUCH 6604
ANCHORAGE, ALASKA 99502
PHONE: (907) 276-4511

SISTERS OF
PROVIDENCE

SERVING IN THE WEST SINCE 1856

January 26, 1982

Mr. Randolph Berry
CON Coordinator
Department of Health & Social Services
Pouch H-01A
Juneau, AK 99811

Dear Mr. Berry:

Providence Hospital hereby notifies you of our intent to apply for a Certificate of Need to replace and upgrade the current incinerator. The machine we are planning to purchase is A39 Incinerator manufactured by Comtro Division of Sunbeam Equipment Corporation. The estimated cost of the machine is $178,000, including shipping and installation.

We recognize that the thresholds for CON may change significantly by action of the current State Legislature. However, we must place the order for the incinerator by April and be ready to receive the machine by mid-July in order to have it installed, operational and tested by winter. Therefore, we cannot afford to wait if we do have to proceed with the CON preparation.

There are several significant reasons why we must replace and upgrade the incinerator.

- The current incinerator was installed in 1963, shortly after the Services Building was complete. It has been rebuilt two times and is absolutely beyond further repair.

- The use of the current incinerator is restricted; if it were fired at full capacity, it would not meet EPA pollution codes.

- The current incinerator does not have sufficient capacity (e.g. heating capability) to burn all the specialty waste produced by a hospital, in particular, human tissue, syringes, surgical specimens, human limbs and any glass specimen and sample containers. According to State of Alaska regulation, hospitals are required to burn placentas. The current incinerator is not capable of burning placentas. The new incinerator would have that capacity.

In addition to the need to replace and upgrade the current incinerator, the new machine will be very energy efficient. We will be able to recover up to 60 pounds of steam heat which will supplement up to 25% of the steam load for the South Tower in the winter and will be able to provide the entire steam heat needs of the South Tower during the summer months.

The proposed incinerator is cost effective. It is projected that the incinerator will pay for itself within six years by savings on the steam heat and current disposal costs for waste. The incinerator is not patient related. There will be no additional operational costs due to the purchase of the machine. We will purchase the machine with cash, and there will be no impact on daily patient charges.

We would like to ask you for a determination of a need for a Certificate of Need and guidance on the process and timing.

Sincerely,

Al M. Camosso
Administrator

cc: Susan Callan
Mary Walters

alaska state hospital association

319 Seward St., Juneau, Alaska 99801 • (907) 586-1790

REPRESENTING ACUTE, LONG TERM AND OUTPATIENT FACILITIES

March 18, 1982

The Honorable Charles H. Parr
Alaska State Senate
Pouch V, State Capitol Building
Juneau, AK 99811

Dear Senator Parr:

The Alaska State Hospital Association wishes to indicate its support for Senate Bill 760.

It is our understanding that the prime reason for its introduction was to increase the threshold for certificate of need reviews. In its present form, however, it makes other alterations in the program as well, such as review of acquisition of a health facility and exemptions from review for qualified health maintenance organizations. By the time the federal government finishes its regulatory process, the impact of SB 760 is anybody's guess.

We believe however, that there is a much simpler and direct method of obtaining the increased thresholds. I have attached 3 options for your consideration. Option 1 adopts a simple across the board threshold of $1,000,000. This would likely not be opposed by the HSA's and might even secure some support. Option 2 uses the federal numbers increased by 25% to reflect Alaska's cost differential. Option 3 simply uses the federal numbers. Options 2 and 3 are on the same page with option 3 numbers in parenthesis.

As to the need for conformity to federal law, we believe that this is no longer an issue. At least two of our western neighbors, California and Oregon, have adopted $1,000.000 thresholds and fail the conformity test in other areas. They are not alone as a sizable number of states will not be in conformity. With the advent of block grants and the reduction in applicable federal grant money against which any sanctions could be placed, the ominous nature of any potential sanctions fade.

I would be pleased to discuss this issue with you at your convenience.

Sincerely,

Dennis L. DeWitt
President

DLD:bf
Encls.

Proposed Committee Substitute for SB 760

Option 1

Section 1 AS 18.07.031 is repealed and reenacted to read:

Section 18.07.031 Certificate of Need required. No person may undertake the following unless authorized under the terms of a Certificate of Need issued by the office.

1. Any increase within a two year period in the licensed bed capacity of a health facility amounting to 10 beds or 10 percent, whichever is less.

2. A capital expenditure in excess of $1,000,000 adjusted January 1 of each year by the Cost of Living Index published by the Bureau of Labor Statistics of the U.S. Department of Labor for the City of Anchorage for:

   a. construction of a health facility;

   b. addition of a category of health facility services provided by a health facility.

Proposed Committee Substitute for SB 760

Options 2 & 3

Section 1 AS 18.07.031 is repealed and reenacted to read:

Section 18.07.031 Certificate of Need required. No person may undertake the following unless authorized under the terms of a Certificate of Need issued by the office.

1. Capital expenditure related to the construction of a health facility at a cost in excess of $750,000; ($600,000);

2. Capital expenditure for major medical equipment to to be used in a health facility at a cost in excess of $500,000; ($400,000); or

3. Creation of new service in a health facility which would have an annual operating cost in excess of $325,000; ($250,000).

The dollar thresholds set forth in Section 1 shall be adjusted January 1 of each year by the Cost of Living Index published by the Bureau of Labor for the City of Anchorage.

PROVIDENCE
HOSPITAL

3200 PROVIDENCE DRIVE - POUCH 6604
ANCHORAGE, ALASKA 99502
PHONE: (907) 276-4511

SISTERS OF
PROVIDENCE

SERVING IN THE WEST SINCE 1856

January 26, 1982

Mr. Randolph Berry
CON Coordinator
Department of Health & Social Services
Pouch H-01A
Juneau, AK 99811

Dear Mr. Berry:

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We would like to ask you for a determination of a need for a Certificate of Need and guidance on the process and timing.

Sincerely,

Al M. Camosso
Administrator

cc: Susan Callan
Mary Walters

Bill Analysis Senator Charlie Parr

CS for SB 760

Section 1

Brings this section of the statute in compliance with PL96-79 and the Omnibus Reconciliation Act.

Section 2

More clearly delineates the functions of the state health planning agency. (as amended). Subsections (3) and (4) are functions currently in place but not specifically outlined in statute.

Section 3

Clarification of requirement for C.O.N. Subsections (4) and (5) are new, making reference to acquisition of facilities and major medical equipment purchases which have been referenced in regulations but not in statute. References to HMO's are for the purposes of bringing state law in compliance with federal law.

Section 4

A new section dealing with exemptions from C.O.N. grants more flexibility to the department in delineating conditions that do not require the C.O.N. process. Once again, references to HMO's are required for federal compliance.

Section 5

The only change is in the wording. "Office" was made "department" for continuity.

Section 6

Language clean up only for continuity in the statutes.

Section 7

Adds ambulatory care facility and HMO to current statute. Defines emergency situations for which an emergency C.O.N. can be granted - the elimination of safety hazards and compliance with licensure and accreditation.

Section 8

Clarification of 18.07.081. Protects certificate holders from arbitrary legal action to suspend or revoke a C.O.N. by a potential competitor.

Section 9

Language clean up for continuity.

Section 10

Language clean up in subsection (a). (b) is new. Defines the extent to which the Commissioner Cannot adopt regulations: for emergency certificates and for HMO's. (c) compliance with federal requirements for osteopathic facilities.

Section 11
Language clean-up amending PL 93-641

Section 12
Adds rehabilitation facility to the definition of health care facility for compliance purposes.
(A) is new, shows exemption of Pioneers Homes from CON.

(B) same reference as current Statute in new subsection.

Section 13
Language clean up amending PL 93-641

Section 14
All new definitions for terms used in this section and to conform with federal requirements.
(42 USC 1395 is the Social Security Act)

Section 15
Language clean up, amending PL 93-641

Section 16
Amending PL 93-641 in reference to the Advisory Board on Alcoholism.

Section 17
Language clean up amending PL 93-641 in reference to the grant in aid program in Alcoholism Statute.

Section 18
Repeals definitions of "office" and "secretary" because they are not longer used in the statute

Section 19
Effective date.

C.O.N. Thresholds

Old threshold was $150,000 for any construction, services and equipment purchase.

New Thresholds

$600,000 - Capital expenditures for construction.
$400,000 - Major medical equipment.
$250,000 - New services (annual operating costs).

AMENDMENT #1

TO: CSSB 760(HESS)

By Parr

Page 2, line 8, after "facility" insert:

"at a cost of $600,000 or more, or at a cost exceeding a minimum dollar amount established by the United States Secretary of Commerce under 42 U.S.C. sec. 300n(6);"

Page 2, line 9, after "facility" insert:

"at a cost of $600,000 or more"

Page 2, line 10:

Delete "addition or"

Page 2, following line 11, insert:

(4) addition of a category of health services by a health care facility that increases the annual operating cost of the facility by $250,000 or more;

Page 2, line 12:

Delete "(4)" and insert "(5)"

Page 2, line 13:

Delete "(5)" and insert "(6)"

alaska state hospital association

319 Seward St., Juneau, Alaska 99801 • (907) 586-1790

REPRESENTING ACUTE, LONG TERM AND OUTPATIENT FACILITIES

Nancy
please see me
C

April 9, 1982

The Honorable Charles M. Parr
Alaska State Senate
Pouch V, State Capitol Building
Juneau, AK 99811

Dear Senator Parr:

I have had an opportunity to quickly review the amendments proposed to SB 760 by Ms. Phoebe Lindsay on behalf of the Department of Health & Social Services, dated April 1, 1982 and have the following specific comments:

1. The proposed amendment (page 4) to AS 18.07.71(1) authorizes the issurance of an emergency certificate of need for a project "needed and consistent with the state health plan". We believe this to be overly broad as all projects which receive a certificate of need could qualify under that language to receive an emergency certificate of need.

2. The proposed amendment (page 5) to AS 18.07.071(d) references "a temporary certificate of need granted under (a) of this section..." On review we note that (a) of section .071 grants emergency certificates of need, not temporary certificates of need, which are granted under subsection (b). OK changed

3. The proposed addition (page 6) of subsection (c) to AS 18.07.111 is somewhat bewildering. That section excises one section of federal regulation CFR 123.412(a)(21) Criteria for State Agency Review, which includes some 20 other subsections, for specific reference in our state statute. We must question where federal conformity requires inclusion of 42 CFR 123.442(a)(21) and not 42 CFR 123.412(a)(5) which discusses the special needs of low income, racial and ethnic minorities, women, handicapped persons, and other underserved groups and the elderly. not referring to

4. The proposed amendment (page 6) to AS 18.07.111 relating to major medical equipment uses the amount of $150,000 rather than $400,000 as a threshold of review. This is not consistent with testimony or your expressed intent. OK changed.

As general comments, we would point out that the legislature has no quarantee that the adoption of SB 760 will, in fact, raise the thresholds for certificate of need reviews. That increase becomes permissive in that the federal language permits the state to use the current figure adjusted for inflation.

Finally we would point out that without the inclusion of Pioneer's Home nursing beds, conformity will not be achieved. I have included pertinent federal law for your review.

Sincerely,

Dennis L. DeWitt
President

DLD:bf
Encls.

health care facility, acquire
e need for that construction,
uipment, or addition of ser-
need for and the availability
or osteopathic and allopathic
gency shall consider the ap-
and proposed institutional
and medicine at the student,

recommendations from
thin State

ions for certificates of need
er such a program, a State
ations made by health sys-
300l-2(f) of this title.
ed Oct. 4, 1979, Pub.L. 96-

Section 117(c) of Pub.L. 96-79
that: "The Comptroller General
duct an evaluation of the exemp-
thority provided by section
f the Public Health Service Act
b) of this section]. In conduct-
valuation, the Comptroller Gen-
determine—
he health maintenance organiza-
ombinations of health mainte-
rganizations, and health care fa-
which have applied to receive an
on under that section,
he services, facilities, and
nt with respect to which appli-
have been submitted under that

he impact of the exemption on
contractual a rangements be-
ealth maintenance organizations
lth care facilities and on plans
organizations respecting such
nents, and
e impact of the exemption on
are delivery systems, including
ct on the cost, availability, ac-
y, and quality of health care.
troller General shall report the
the evaluation to the Commit-
bor and Human Resources of
and the Committee on Inter-
Foreign Commerce of the
Representatives not later than
1, 1982."
ument of Certificate of Need
Promulgation of Regulations.
7(d) of Pub.L. 96-79 provided
in one hundred and eighty
ate of the enactment of this
1, 1979], the Secretary of
ducation, and Welfare shall
such regulations as may be
o enable the States to estab-
ents of need programs which
equirements of section 1527 of
Health Service Act [this sec-

History. For legislative
purpose of Pub.L. 96-79, see
de Cong. and Adm.News, p.

IONS

f this subchapter:
Columbia.
xecutive officer of a State

s an individual—
re (including a physician,
cian assistant, or ancillary

personnel employed under the supervision of a physician) in that the individual's primary current activity is the provision of health care to individuals or the administration of facilities or institutions (including hospitals, long-term care facilities, rehabilitation facilities, alcohol and drug abuse treatment facilities, outpatient facilities, and health maintenance organizations) in which such care is provided and, when required by State law, the individual has received professional training in the provision of such care or in such administration and is licensed or certified for such provision or administration;

(B) who holds a fiduciary position with, or has a fiduciary interest in, any entity described in clause (ii) or (iv) of subparagraph (C) other than an entity described in such clause which is also an entity described in section 501(c)(3) of Title 26 and which does not have as its primary purpose the delivery of health care, the conduct of research, the conduct of instruction for health professionals, or the production of drugs or articles described in clause (iii) of subparagraph (C);

(C) who receives (either directly or through the individual's spouse) more than one-fifth of his gross annual income from any one or combination of—

(i) fees or other compensation for research into or instruction in the provision of health care,

(ii) entities engaged in the provision of health care or in research or instruction in the provision of health care,

(iii) producing or supplying drugs or other articles for individuals or entities for use in the provision of or in research into or instruction in the provision of health care, or

(iv) entities engaged in producing drugs or such other articles;

(D) who is the member of the immediate family of an individual described in subparagraph (A), (B), or (C); or

(E) who is engaged in issuing any policy or contract of individual or group health insurance or hospital or medical service benefits.

An individual shall not be considered a provider of health care solely because the individual is the member of the governing board of an entity described in clause (ii) or (iv) of subparagraph (C).

(4) the term "health resources" includes health services, health professions personnel, and health facilities, except that such term does not include Christian Science sanatoriums operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts.

(5) The term "institutional health services" means health services which (A) are provided through private and public hospitals, rehabilitation facilities, nursing homes, and other health care facilities, as defined by the Secretary by regulation, and (B) entail annual operating costs of at least the expenditure minimum. For purposes of this paragraph, the term "expenditure minimum" means $75,000 for the twelve-month period beginning with the month in which this paragraph is enacted and for each twelve-month period thereafter, $75,000 or, at the discretion of the State, the figure in effect for the preceding twelve-month period, adjusted to reflect the change in the preceding twelve-month period in an index maintained or developed by the Department of Commerce and designated by the Secretary by regulation for purposes of making such adjustment.

(6) For purposes of sections 300m-2 and 300m-6 of this title, the term "capital expenditure" means an expenditure—

(A) made by or on behalf of a health care facility (as such a facility is defined in regulations prescribed under paragraph (5)); and

(B)(i) which (I) under generally accepted accounting principles is not properly chargeable as an expense of operation and maintenance, or (II) is made to obtain by lease or comparable arrangement any facility or part thereof or any equipment for a facility or part; and

(ii) which (I) exceeds the expenditure minimum, (II) substantially changes the bed capacity of the facility with respect to which the expenditure is made, or (III) substantially changes the services of such facility.

For purposes of subparagraph (B)(ii)(I), the cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition, improvement, expansion, or replacement of any plant or equipment with respect to which an expenditure described in subparagraph (B)(i) is made shall be included in determining if such expenditure exceeds the expenditure minimum. Donations of equipment or facilities to a health care facility which if acquired directly by such facility would be subject to review under section 300m-6 of this title shall be considered capital expenditures for purposes of sections 300m-2 and 300m-6 of this title, and a transfer of equipment or facilities for less than fair market value shall be considered a capital expenditure for purposes of such sections if a transfer of the equipment or facilities at fair market value would be subject to review under section 300m-6 of this title. For purposes of this paragraph, the term "expenditure minimum" means $150,000 for the twelve-month period beginning with October 1979 and for each twelve-month period thereafter, $150,000 or, at the discretion of the State, the figure in effect for the preceding twelve-month period, adjusted to reflect the change in the preceding twelve-month period in an index maintained or developed by the Department of Commerce and designated by the Secretary by regulation for purposes of making such adjustment.

(7) For purposes of sections 300m-2 and 300m-6 of this title, the term "major medical equipment" means medical equipment which is used for the provision of medical and other health services and which costs in excess of $150,000, except that such term does not include medical equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory services if the clinical laboratory is independent of a physician's office and a hospital and it has been determined under title XVIII of the Social Security Act to meet the requirements of paragraphs (10) and (11) of section 1861(s) of such Act. In determining whether medical equipment has a value in excess of $150,000, the value of studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition of such equipment shall be included.

(8) The term "health maintenance organization" means a public or private organization, organized under the laws of any State, which—

(A) is a qualified health maintenance organization under section 300e-9(d) of this title; or

(B)(i) provides or otherwise makes available to enrolled participants health care services, including at least the following basic health care services: usual physician services, hospitalization, laboratory, X-ray, emergency and preventive services, and out of area coverage; (ii) is compensated (except for copayments) for the provision of the basic health care services listed in clause (i) to enrolled participants by a payment which is paid on a periodic basis without regard to the date the health care services are provided and which is fixed without regard to the frequency, extent, or kind of health service actually provided; and (iii) provides physicians' services primarily (I) directly through physicians who are either employees or partners of such organization, or (II) through arrangements with individual physicians or one or more groups of physicians (organized on a group practice or individual practice basis).

(9) For purposes of paragraph (5) of this section and sections 300m-2(a)(4)(B) and 300m-6 of this title, the term "rehabilitation facility" means an inpatient facility which is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program of medical and other services which are provided under competent professional supervision. For purposes of the reimbursement provisions of this title, the term "rehabilitation facility" means an inpatient facility

123.410 PROCEDURES FOR STATE AGENCY REVIEW, contd.

provided for the corresponding procedure found at 122.308(a) (4) or (5) of this title. The procedures of paragraph (a)(8) of this section shall be considered satisfied if the State Agency delegates the hearing responsibility to the appropriate health systems agency and the health systems agency follows the procedures at paragraph (a)(8) of this section.

Source: Federal Register, Jan. 21, 1977; Apr. 8, 1977; Apr. 2, 1979; Oct. 21, 1980.

123.411 Exceptions to use of procedures.

(a) The Secretary may approve an exception to any of the required review procedures under 123.410 either in response to a written request from a State Agency or as a general exception of which any State Agency may avail itself. In approving a general exception, the Secretary will establish substitute procedures where appropriate.

(b) Before availing itself of a general exception approved by the Secretary, the State Agency shall follow the notice and comment procedures of 123.409(c). Before submitting a written request for an exception under this section, the State Agency shall follow the notice and comment procedures of 123.409(c) and shall submit to the Secretary with its request copies of all comments which it receives. Before approving the request, the Secretary will (1) review copies of the comments submitted by the State Agency and (2) determine that the procedures which will be used are consistent with the purposes of the Act and will not adversely and substantially affect the rights of affected persons.

(c) The State Agency shall, in accordance with the requirements of 123.409(d), distribute a notice of the approved exceptions and of any substitute procedures established under this section.

Source: Federal Register, Jan. 21, 1977; Apr. 2, 1979; Oct. 21, 1980.

123.412 Criteria for State Agency review.

(a) The State Agency shall adopt, and use as applicable, specific criteria for conducting the reviews covered by this subpart. The criteria must be based only on the following general considerations, except that the State Agency may include any additional criteria which it prescribes by regulation in accordance with an authorization under State law. In the case of an HMO or an ambulatory care facility or health care facility controlled, directly, by an HMO or combination of HMOs, the criteria must be based only on the considerations set forth in paragraph (a)(13) of this section.

(a)(1) The relationship of the health services being reviewed to the applicable health systems plan, annual implementation plan, and State health plan.

(a)(2) The relationship of services reviewed to the long-range development plan (if any) of the person providing or proposing the services.

(a)(3) The availability of less costly or more effective alternative methods of providing the services to be offered, expanded, reduced, relocated, or eliminated.

(a)(4) The immediate and long-term financial feasibility of the proposal, as well as the probable effect of the proposal on the costs of and charges for providing health services by the person proposing the service.

(a)(5)

(i) The need that the population served or to be served has for the services proposed to be offered or expanded, and the extent to which all residents of the area,

17 12 CRITERIA FOR STATE AGENCY REVIEW, contd.

and in particular low income persons, racial and ethnic minorities, women, handicapped persons, and other underserved groups, and the elderly, are likely to have access to those services.

(ii) In the case of a reduction or elimination of a service, including the relocation of a facility or a service, the need that the population presently served has for the service, the extent to which that need will be met adequately by the proposed relocation or by alternative arrangements, and the effect of the reduction, elimination or relocation of the service on the ability of low income persons, racial and ethnic minorities, women, handicapped persons, and other underserved groups, and the elderly, to obtain needed health care.

(a)(6) The contribution of the proposed service in meeting the health related needs of members of medically underserved groups which have traditionally experienced difficulties in obtaining equal access to health services (for example, low income persons, racial and ethnic minorities, women, and handicapped persons), particularly those needs identified in the applicable health systems plan, annual implementation plan, and State health plan as deserving of priority. For the purpose of determining the extent to which the proposed service will be accessible, the State Agency shall consider:

(i) The extent to which medically underserved populations currently use the applicant's services in comparison to the percentage of the population in the applicant's service area which is medically underserved, and the extent to which medically underserved populations are expected to use the proposed services if approved;

(ii) The performance of the applicant in meeting its obligation, if any, under any applicable Federal regulations requiring provision of uncompensated care, community service or access by minorities and handicapped persons to programs receiving Federal financial assistance (including the existence of any civil rights access complaints against the applicant);

(iii) The extent to which Medicare, Medicaid and medically indigent patients are served by the applicant; and

(iv) The extent to which the applicant offers a range of means by which a person will have access to its services (e.g., outpatient services, admission by house staff, admission by personal physician).

Note—Where appropriate, the State Agency may also consider other access issues, such as: (1) the extent to which the applicant grants medical staff privileges to physicians who serve the medically underserved; and (2) the extent to which the applicant takes action necessary to remove barriers that limit access to the health services of the applicant. These barriers may include unavailability of public transportation; absence of translation services where a substantial portion of the population of the health service area does not speak English as its primary language; building designs that substantially hinder use of the facility; and financial barriers (e.g., preadmission deposits).

(a)(7) The relationship of the services proposed to be provided to the existing health care system of the area in which the services are proposed to be provided.

(a)(8) The availability of resources (including health personnel, management personnel, and funds for capital and operating needs) for the provision of the services proposed to be provided and the need for alternative uses of these resources as identified by the applicable health systems plan, annual implementation plan or State health plan.

(a)(9) The relationship, including the organizational relationship, of the health services proposed to be provided to ancillary or support services.

123.412 CRITERIA FOR STATE AGENCY REVIEW, contd.

(a)(10) The effect of the means proposed for the delivery of health services on the clinical needs of health professional training programs in the area in which the services are to be provided.

(a)(11) If proposed health services are to be available in a limited number of facilities, the extent to which the health professions schools in the area will have access to the services for training purposes.

(a)(12) Special needs and circumstances of those entities which provide a substantial portion of their services or resources, or both, to individuals not residing in the health service areas in which the entities are located or in adjacent health service areas. These entities may include medical and other health professions schools, multi-disciplinary clinics and specialty centers.

(a)(13) The special needs and circumstances of HMOs. These needs and circumstances shall be limited to:

(i) The needs of enrolled members and reasonably anticipated new members of the HMO for the health services proposed to be provided by the organization; and

(ii) The availability of the new health services from non-HMO providers or other HMOs in a reasonable and cost-effective manner which is consistent with the basic method of operation of the HMO. In assessing the availability of these health services from these providers, the agency shall consider only whether the services from these providers:

(A) Would be available under a contract of at least five years' duration;

(B) Would be available and conveniently accessible through physicians and other health professionals associated with the HMO. (For example—whether physicians associated with the HMO have or will have full staff privileges at a non-HMO hospital);

(C) Would cost no more than if the services were provided by the HMO; and

(D) Would be available in a manner which is administratively feasible to the HMO.

(a)(14) The special needs and circumstances of biomedical and behavioral research projects which are designed to meet a national need and for which local conditions offer special advantages.

(a)(15) In the case of a construction project—

(i) The costs and methods of the proposed construction, including the costs and methods of energy provision, and

(ii) The probable impact of the construction project reviewed on the costs of providing health services by the person proposing the construction project and on the costs and charges to the public of providing health services by other persons.

(a)(16) The special circumstances of health care facilities with respect to the need for conserving energy.

(a)(17) In accordance with section 1502(b) of the Act, the factors which affect the effect of competition on the supply of the health services being reviewed.

(a)(18) Improvements or innovations in the financing and delivery of health services which foster competition, in accordance with section 1502(b) of the Act, and serve to promote quality assurance and cost effectiveness.

123.412 CRITERIA FOR STATE AGENCY REVIEW, contd.

(a)(19) In the case of health services or facilities proposed to be provided, the efficiency and appropriateness of the use of existing services and facilities similar to those proposed.

(a)(20) In the case of existing services or facilities, the quality of care provided by those facilities in the past.

(a)(21) When an application is made by an osteopathic or allopathic facility for a certificate of need to construct, expand, or modernize a health care facility, acquire major medical equipment, or add services, the need for that construction, expansion, modernization, acquisition of equipment, or addition of services shall be considered on the basis of the need for and the availability in the community of services and facilities for osteopathic and allopathic physicians and their patients. The State Agency shall consider the application in terms of its impact on existing and proposed institutional training progams for doctors of osteopathy and medicine at the student, internship, and residency training levels.

Explanatory note—This provision seeks to ensure that the need for and availability of services and facilities for osteopathic physicians and patients will be considered.

(b) State Agencies shall apply all applicable criteria based on the considerations listed at 123.412. Criteria adopted for reviews in accordance with paragraph (a) of this section may vary according to the purpose for which a particular review is being conducted or the type of health service reviewed.

Source: Federal Register, Oct. 21, 1980.

123.413 Required findings on access.

(a) Under 123.412(a) (5) and (6), the State Agency is required to develop criteria based on considerations relating to the need of the population to be served for the proposed project and the extent to which the residents of the area will have access to the project. For each project it approves, the State Agency shall make a written finding (which shall take into account the current accessibility of the facility as a whole) on the extent to which the project will meet the State Agency's criteria developed based on the considerations in 123.412(a) (5) and (6), except in the following cases:

(a)(1) Where the project is one described in 123.407(a) (projects to eliminate or prevent certain imminent safety hazards or to comply with certain licensure or accreditation standards); or

(a)(2) Where the project is a proposed capital expenditure not directly related to the provision of health services or to beds or major medical equipment; or

(a)(3) Where the project is proposed by or on behalf of an HMO or a health care facility which is controlled, directly or indirectly, by an HMO.

Explanatory note—When a project is approved, then in addition to the written findings required by 123.410(a)(6), to the extent that a project does not fall within one of these exceptions, a written finding under 123.413 regarding the criteria on need and access developed under 123.412(a) (5) and (6) is required. Examples of when the written finding is required as to whether a project satisfied the State Agency's criteria for need and access are as follows: (1) The applicant proposes to make a capital expenditure of $400,000 required solely to comply with State licensure standards. The written finding is not required. (2) The applicant proposes to provide a new coronary care service with annual operating costs of more than the expenditure minimum. The written finding is required if the project is approved. (3) The applicant proposes to make a capital expenditure of $200,000 to repave its parking lot, or to acquire computerized data processing equipment, or to repair or upgrade its heating or air conditioning equipment. The written finding is not required.

Fairbanks Memorial Hospital
1650 Cowles St.
FAIRBANKS, ALASKA 99701

OPERATED BY
LUTHERAN HOSPITALS AND HOMES SOCIETY
FARGO, NORTH DAKOTA 58102

April 13, 1982

Senator Charles H. Parr
Alaska State Legislature
Pouch V - Mail Stop 3100
Juneau, Alaska 99811

Dear Senator Parr:

There is a bill currently pending in the Senate (Senate Bill ~~670~~ 760) which addresses increasing of the certificate of need limits up to the federal standards. We are urging that you not only consider increasing them to the federal standards but also adjusting them on a yearly basis to the cost of living index published by the City of Anchorage.

Enclosed you will find the appropriate language which we are hoping that you adopt.

Thank you for your attention to this matter.

Sincerely,

Tom Mingen

Tom Mingen
Administrator

TM/mw

Enclosure

Certificate of Need Legislation

Section 1 AS 18.07.031 is repealed and reenacted to read:

Section 18.07.031 Certificate of Need required. No person may undertake the following unless authorized under the terms of a certificate of need issued by the office.

1. Capital expenditure related to the construction of a health facility at a cost in excess of $750,000; or

2. Capital expenditure for major medical equipment to be used in a health facility at a cost in excess of $500,000; or

3. Creation of new service in a health facility which would have an annual operating cost in excess of $325,000.

The dollar thresholds set forth in Section 1 shall be adjusted January 1 of each year by the cost of living index published by the Bureau of Labor for the City of Anchorage.

POSITION PAPER/Department of Health & Social Services

POSITION PAPER
SENATE BILL 761

"An Act providing for display of a licensee's blood group on a driver's license."

WHAT THE BILL WOULD DO

This bill would make permissive the entry of a motor vehicle operator's blood type on the driver's license.

DISCUSSION

The presumed rationale for this amendment to AS 28.15 is to facilitate the replacement of blood loss in trauma or other emergency blood loss circumstances. This Department has checked with several providers of emergency medical care and has discovered that this additional information would rarely, if ever, be used. The immediate volume expansion is always with substances that do not require knowledge of the persons blood type. The next step in an emergency blood loss situation is to give "type O negative" blood which is know as the "universal donor" because it does not create problems upon administration to the vast majority (98%) of persons.

Blood banks within hospitals would be very reluctant from a liability standpoint to rely on this information without checking the recipients type and then performing a cross-match. There are the problems of error in recording this data on the license and the possibility of stolen licenses.

In summation, there are no substantial benefits and several drawbacks to this legislation.

Recommended by: E.S. Rabeau
E.S. Rabeau, MD., Director
Division of Public Health

Date: March 8, 1982

Approved by: Helen Beirne
Helen Beirne, Commissioner
Dept. of Health & Social Services

Date: 3-10-82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. Senate Bill 761
Title "An Act providing for display of a licensee's blood group on a driver's licens
Requested by Commissioner's Office Date 3/1/82

II. FISCAL DETAIL
Agency Affected Department of Health and Social Services
Program Category Affected Health/Public Health
BRU, Program, Or Subprogram(s) Affected Child & Family Health
(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 82	FY 83	FY 84	FY 85	FY 86	FY 87
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 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 Instruction, Section III)

IV. DATE March 1, 1982
PREPARED BY David A. Spence, M.D.
AGENCY Public Health/Family Health
PHONE 465-3100

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

SB
767

COMMITTEE REPORT

SENATE

2/16/82

FURTHER:

Date: _____

Mr. President:

The Committee on Health, Ed & Social Servic has had SB 767

relating to the membership of the Alaska Commissionon Postsecondary Education

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

S 60 (Rev. 12/78)

I. REQUEST

Bill/Resolution No. CS SB 767

Title Relating to Membership of Commission on Postsecondary Education

Requested by Senate HESS Date March 26, 1982

II. FISCAL DETAIL

Agency Affected Education

Program Category Affected Commission on Postsecondary Education

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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS,CLAIMS,ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

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

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

IV. DATE March 26, 1982

PREPARED BY Paul Gulyas

AGENCY Commission on Postsecondary Education

PHONE 465-2854

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

NEA - ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

JUNEAU OFFICE
147 SOUTH FRANKLIN #207
JUNEAU, ALASKA 99801
PHONE: (907) 586-3090

ANCHORAGE REGIONAL OFFICE
1411 WEST 33rd
ANCHORAGE, ALASKA 99503
PHONE: (907) 274-0536

FAIRBANKS REGIONAL OFFICE
825 COLLEGE ROAD
FAIRBANKS, ALASKA 99701
PHONE: (907) 456-4435

March 24, 1982

TO: Senator Parr, Chairman
Members of the Senate HESS Committee

RE: SB 767; "An Act relating to the membership of the Alaska Commission on Postsecondary Education"

NEA-Alaska supports this bill and encourages that provision be made for the inclusion of a full-time student as a member of the Commission.

We further recommend that SB 767 be amended in Section 2 to provide a new paragraph (g) which would provide expanding the number of Commission members to include two public school guidance counselors. Amendment to Section 3 by adding a paragraph (f) would provide for appointment by the Governor from lists submitted to him by NEA-Alaska.

The presence of public school guidance counselors on the Commission enhances the Purpose, Intent, as stated in 14.40.901.

In the routine of their normal duties and responsibilities, guidance counselors regularly counsel students on educational career planning and acquire substantial information and data which would be essential to the functions of the Commission. A more direct tie between the Commission and the public secondary schools of the State seems most appropriate.

Thank you for your consideration of this request.

Respectfully submitted:

Robert Manners
Executive Secretary

RM:jw

SB
781

COMMITTEE REPORT

SENATE

2/16/82 FURTHER: FINANCE

Date: _____

Mr. President:

The Committee on HESS has had SB 481

providing free tuition and fees for certain veterans and dependents of certain veterans of the armed forces of the United States

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

[X] do pass [ ] do not pass

[ ] do pass with attached amendments(s)

[X] replace with CS for _____ [X] 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

S 60 (Rev. 12/78)

Introduced: 2/16/82
Referred: Health, Education & Social Services and Finance

BY BRADLEY, BENNETT, DANKWORTH, ELIASON FAHRENKAMP, FERGUSON, FISCHER, GILMAN, PARR, RODEY AND STURGULEWSKI

IN THE SENATE

SENATE BILL NO. 781

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act providing for free tuition and fees for certain veterans and dependents of certain veterans of the armed forces of the United States."

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

* Section 1. AS 14.40.920 is repealed and reenacted to read:

Sec. 14.40.920. FREE TUITION AND FEES AT STATE-SUPPORTED EDUCATIONAL INSTITUTIONS. (a) A person who was an Alaska resident while serving in the armed forces of the United States [during hostilities involving the United States,] and who became ~~70~~ 50 percent or more disabled from service-connected causes may attend a state-supported educational institution without payment of tuition and fees.

(b) A dependent of a person who was an Alaska resident while serving in the armed forces of the United States [during hostilities involving the United States] and who (1) became ~~70~~ 50 percent or more disabled from service-connected causes; (2) was killed in action; (3) was injured and subsequently died from service-connected causes; (4) is a prisoner of war; or (5) was declared missing in action and is still missing in action, may attend a state-supported educational institution without payment of tuition and fees.

(c) Free tuition and fees at a state supported institution under this section are not available for more than 36 months, or eight semesters, or the equivalent of eight semesters, whichever is longer.

(d) In this section "dependent" means a dependent spouse or dependent child.