ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672
5266 SHES SB 255 - SB 331

838

... OF MEDICAID EXPENDITURES
ALLOCATED TO PRESCRIPTION MEDICATION

State	1981	1982	1983	1984	1985
U.S. Total	5.6%	5.3%	5.5%	5.8%	6.1%
Alabama	8.6%	8.4%	8.6%	9.6%	10.0%
Alaska	-	-	-	-	-
Arizona	-	-	-	-	-
Arkansas	8.5%	7.9%	9.0%	10.2%	10.5%
California	6.1%	6.5%	6.0%	5.9%	6.5%
Colorado	5.6%	5.9%	5.8%	5.7%	5.8%
Connecticut	4.7%	4.8%	4.3%	4.6%	4.8%
Delaware	4.4%	4.4%	4.4%	4.5%	5.0%
D.C.	3.8%	3.8%	3.7%	5.0%	3.0%
Florida	9.4%	8.8%	8.9%	10.3%	9.0%
Georgia	10.2%	8.4%	10.1%	11.4%	11.0%
Hawaii	4.3%	4.2%	4.5%	4.9%	5.0%
Idaho	4.1%	3.9%	3.9%	3.7%	3.6%
Illinois	7.5%	6.8%	7.2%	5.9%	6.6%
Indiana	7.4%	7.4%	6.6%	6.9%	7.0%
Iowa	5.6%	5.6%	6.1%	6.6%	6.9%
Kansas	6.6%	6.7%	6.3%	6.9%	7.2%
Kentucky	4.6%	4.6%	4.7%	5.8%	6.3%
Louisiana	10.6%	9.0%	8.5%	9.0%	9.6%
Maine	6.5%	5.8%	6.0%	6.3%	7.0%
Maryland	5.5%	6.0%	6.4%	6.7%	6.4%
Massachusetts	4.2%	4.1%	3.9%	4.3%	4.5%
Michigan	5.9%	5.5%	5.5%	5.5%	6.5%
Minnesota	6.0%	3.7%	3.5%	3.8%	4.2%
Mississippi	11.5%	10.8%	12.3%	12.7%	13.2%
Missouri	8.4%	6.0%	5.5%	5.9%	6.4%
Montana	4.8%	4.8%	4.6%	5.5%	5.8%
Nebraska	7.1%	7.1%	7.3%	7.5%	8.5%
Nevada	3.7%	3.7%	3.6%	4.5%	5.3%
New Hampshire	4.6%	3.9%	4.6%	4.5%	4.4%
New Jersey	6.1%	6.2%	6.2%	6.2%	6.8%
New Mexico	6.9%	7.0%	7.4%	7.3%	7.5%
New York	2.3%	2.3%	2.8%	3.0%	3.3%
North Carolina	7.2%	6.5%	6.3%	6.5%	7.0%
North Dakota	5.4%	5.2%	4.8%	4.8%	4.8%
Ohio	9.2%	7.9%	8.0%	8.8%	9.5%
Oklahoma	3.4%	3.7%	4.0%	4.1%	4.3%
Oregon	5.2%	6.1%	6.4%	6.7%	6.8%
Pennsylvania	5.1%	4.6%	5.1%	5.5%	6.6%
Rhode Island	4.8%	4.8%	4.5%	4.8%	5.0%
South Carolina	8.2%	6.0%	6.6%	7.7%	8.0%
South Dakota.	3.2%	3.8%	4.0%	3.9%	4.4%
Tennessee	10.4%	10.4%	9.4%	9.9%	11.0%
Texas	6.5%	6.6%	6.4%	6.9%	7.4%
Utah	4.5%	3.7%	4.0%	4.9%	5.4%
Vermont	5.5%	4.9%	5.2%	5.8%	6.6%
Virginia	6.3%	6.3%	6.4%	7.3%	7.8%
Washington	4.5%	4.6%	5.1%	5.2%	5.2%
West Virginia	8.7%	6.9%	4.2%	6.3%	7.3%
Wisconsin	4.9%	4.5%	4.6%	5.0%	5.0%
Wyoming	-	-	-	-	-

d255

STEVE COWPER
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 9, 1987

The Honorable Jan Faiks
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that will add coverage of prescribed drugs to the medicaid program. The effect of this is to transfer from the general relief medical assistance (GRM) program funding for pharmaceuticals for medicaid-eligible people. This transfer will make payment of these benefits eligible for 50 percent federal financial participation instead of being paid entirely from the state general fund.

Sections 1 -- 4 of the bill provide coverage of "prescribed drugs" in the medicaid statutes. Section 5 provides a July 1, 1988 effective date because FY88 is a year of transition between medical claims payment systems and a savings cannot be effected immediately.

Currently, prescribed drugs for eligible needy persons are provided under the state general relief medical assistance program (AS 47.25.120, et seq.) wholly from state money. Because federal financial participation for the cost of prescribed drugs is available to the state if it instead offers prescribed drugs through the state medicaid program, a substantial cost savings to the state will be realized by simply offering prescribed drugs through another assistance mechanism.

The benefit of this bill is the substantial cost savings to the state with no adverse effect on needy persons served. Your favorable action on this measure will significantly improve the financial handling of this service and relieve the burden on the general fund -- a necessity at this time of state fiscal crisis.

Sincerely,

Steve Cowper
Governor

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST:

Bill Version : SB255
Publish Date :

Revision Date:
Title : An Act relating to pharmaceutical Med. Assist. for needy persons; efd.
Sponsor :
Requestor :

Agency Affected : Health and Social Services
BRU : Medical Assistance
Components : General Relief Medical

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		48.6				
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS		1,100.0	1,166.0	1,235.9	1,310.1	1,388.7
MISCELLANEOUS						
TOTAL OPERATING		1,148.6	1,166.0	1,235.9	1,310.1	1,388.7
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
GENERAL FUND		1,124.3	1,166.0	1,235.9	1,310.1	1,388.7
FEDERAL FUNDS		24.3	1,166.0	1,235.9	1,310.1	1,388.7
OTHER						
TOTAL		1,148.6	2,332.0	2,471.8	2,620.2	2,777.4

POSITIONS:

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
FULL-TIME		1.0				
PART-TIME						
TEMPORARY						

ANALYSIS :

SEE ATTACHED

Nancy Bennett for
Prepared by : Kim Busch, Acting Director
Phone : 465-3355
Division : Medical Assistance
Date : 4/9/87

Approved by Commissioner : Myra M. Munson
Date : Apr 9, 1987
Agency : Health and Social Services

Distribution (by preparer):
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

SB255

ANALYSIS

"An Act relating to pharmaceutical medical assistance for needy persons, and providing for an effective date"

With a move of prescription drugs from the General Relief Medical Component to the Medicaid Component, Medicaid funds would become available at a 50/50 federal financial participation ratio. However, attendant to the federal funds would come mandatory federal regulations defining which pharmaceuticals are allowable and the prices to be paid for each.

The July 1, 1988 effective date of the bill would preclude any federal financial participation for prescription drug reimbursement for FY 88, but will capture federal matching funds related to the new position.

6% is assumed as annual inflation for prescription drugs.

Division of Medical Assistance

Personal Services:
1 - New Chief Pharmacist position
at Range 18A $3,113 x 12 months x 30% benefits = $48,562

The position costs are matched 50/50 with federal dollars.

SB2-55

FISCAL NOTE ANALYSIS

Background

The governor first introduced legislation for the addition of coverage for prescription drugs under the Medicaid program in 1985. In the past, this change was depicted as an immediate cost savings with the state claiming federal dollars for fifty-percent of every Medicaid pharmacy claim.

It is certain that this legislation will still result in a substantial cost savings to the state. However, as depicted in the fiscal note, since FY88 is a year of transition between medical claims payment computer systems and contractors, the savings could not be effected immediately. This change in the fiscal note and delay in general fund savings is due to the three transitional factors described below. In FY89, these factors will no longer be relevant and full savings will be achievable.

The Department is in the initial phase of designing, developing, and implementing a new Medicaid Management Information System (MMIS). The current contractor, Computer Science Corporation, is completing their final year as the fiscal intermediary for medical claims payment. The new contractor will be The Computer Company, and the new MMIS system is tentatively scheduled to be operational April 1, 1988.

Based on the minimum estimated time for design and implementation of a Medicaid drug program (6 months), we do not believe the current contractor is capable of cost-effective implementation of the highly complex changes which are described below. A work order costing at least $20,000 would be necessary to change the current payment system to make payments under a

SB255

federally approvable methodology. Further, we do not believe it would be cost effective for the state to implement a new drug payment system twice in one fiscal year.

Implementation of a Medicaid drug program requires the following actions:

A. The state must establish a federally-approvable methodology for determining the ingredient cost of each covered prescribed drug. The ingredient cost must be no more than the estimated actual cost of what the pharmacist pays the wholesaler for the drug. This methodology must be approved by the federal government and programmed into the claims payment system.

B. The state must establish a dispensing fee. A survey of Alaska pharmacies to gather cost data on dispensing costs must be completed prior to establishing the fee. The fee may allow for geographical differentials and differentials in the volume of business conducted by the pharmacies.

C. The state must use "Blue Book" computer tapes at least monthly to keep drug prices current in the payment system. The new MMIS will use "Blue Book" tapes which the contractor will buy. The current payment system uses "Blue Book" tapes but is programmed only to update national drug codes (NDC) and not average wholesale prices.

58255

D. A pharmacist must be hired to conduct the research necessary to establish ingredient costs, conduct the survey necessary to establish dispensing fees and provide maintenance of the on-going system. Maintenance requirements include:

1. ensuring that the federal maximum allowable costs for specific generic drugs are not exceeded;

2. trouble shooting between the payment system and the pharmacists on individual claims;

3. establishing codes and payments for FDA approved compounded drugs (drugs which are not included on the Blue Book tape and which do not have a national drug code);

4. working as liasion with Health Care Financing Administration to ensure that federal changes in Medicaid payment for drugs are made accurately and timely; and

5. working as a liasion with the Alaska Pharmacy Association members to ensure that Medicaid and General Relief Medical Assistance recipients continue to have adequate access to pharmacy services.

The design, development, and implementation of the $10 million MMIS will require the dedication of a substantial portion of current division staffs' time. A Medicaid drug program can be made part of the current work plan

for MMIS. However, there is not sufficient staff to also develop a Medicaid drug program for the current payment system prior to April 1, 1988, which is the date on which the new MMIS should be fully operational.

The federal government is likely to issue new guidelines this fiscal year which will alter Medicaid drug payments. In August, 1986, the federal government published proposed regulations which described three separate methodologies which may substantially change the requirements for coverage of drugs under Medicaid. The Health Care Financing Administration does not have information on when the final regulations will be published. However, they intend to publish the regulations prior to October 1, 1987. The new MMIS can be flexibly programmed to adapt to the proposed federal changes.

Even with the coverage of drugs under Medicaid, the Department still intends to continue coverage of drugs for indigent people who are not eligible for Medicaid. Therefore, a portion of the budget must still be allocated to provide payment for drugs for General Relief Medical Assistance recipients.

Summary

The Department believes that the coverage option for prescribed drugs should be added to Alaska's Medicaid program. Further, the Department assures that with the new MMIS and sufficient staff this change can be made efficiently and save the state fifty-percent of the annual expenditure for drugs for Medicaid-eligible people.

SB
264

Department of Commerce & Economic Development / POSITION PAPER

SB 264: An Act relating to the practice of chiropractic; and providing for an effective date.

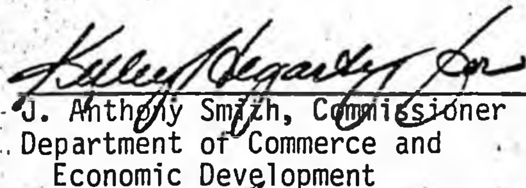
SB 264 amends the chiropractic statutes, AS 08.20, by increasing regulation responsibilities of the board, revising requirements for licensure, adding a new provision allowing specialty designations and further defining the practice of chiropractic.

The department can support most of the bill but has concerns on the following sections:

Section 5: The concern is that the specific hour requirements in subsection (3) may be too restrictive for the experienced chiropractors who are licensed and have practiced for many years in another state, and who now seek licensure to practice in Alaska. If an individual's curriculum is not essentially equivalent as required by the credentials statute, AS 08.20.140, the board may be required to deny the practitioner licensure because of Alaska's strict requirements in statutes.

Section 7: The current examination is not adequate to determine specialty designations. How specialties will be determined should be clarified. If the exam is to be administered by the board, this provision may impact the zero fiscal note by the department.

In summary, the department would support SB 264 if the two concerns noted above are clarified.



J. Anthony Smith, Commissioner
Department of Commerce and
Economic Development

Date: 5/6/87

JS/wfs0142o
5687a

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST:

Bill Version : SB 264
Publish Date : 4/17/87

Revision Date:

Agency Affected : Commerce & Economic Dev.

Title : An Act relating to the practice of chiropractic; and providing for an effective date.

BRU : Occupational Licensing

Sponsor : Senators Josephson and Abood

Components :

Requestor : Senate HESS

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

Prepared by : Jennifer Strickler, Management Analyst

Phone : 465-2144

Division : Occupational Licensing

Date : 5/5/87

Approved by Commissioner : J. Anthony Smith

Date : 5/ /

Agency : Commerce and Economic Development

Distribution (by preparer):
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

Alaska Chiropractic Society

P.O. Box 111507 • Anchorage, Alaska 99511

May 3, 1987

Senator Paul Fischer
Chairman HESS Committee
Alaska State Senate
Pouch V
Juneau, AK 99811

RE: Senate Bill 264

Dear Senator Fischer:

I wish to summarize some facts regarding SB264 and chiropractic in general.

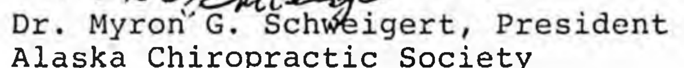
The Alaska Chiropractic Society which represents a majority of chiropractors in the state of Alaska, felt the need to update the current chiropractic law. We formed what we titled the "Blue Ribbon Committee" made up of all former presidents of the ACS, a current State Board of Chiropractic Examiners member, and the state representative from both the American Chiropractic Association and the International Chiropractic Association.

The primary reason to update the law was to clarify the difference between Physical Therapists, Naturopaths, Osteopaths and Chiropractors. The definitions of each sounded too similar and seemed to blend. It was toc confusing legally to determine which profession was responsible for what kind of ailments and what procedures fall within their educatior.

The new law does not alter the entrance requirements and does not suppress new applicants for D.C. licensure nor does SB 264 restrict any current practicing chiropractors. It does not over-stake any territory that might be claimed by other professions. One point that may be of concern is the school physicals. Thirty-seven states already allow Doctors of Chiropractic to perform school examinations and fourty-six states allow D.C.'s to issue excuses from school or gym.

Please find material attached which I'm sure will be of benefit to your committee.

Sincerely,



Dr. Myron G. Schweigert, President
Alaska Chiropractic Society

FACTS YOU SHOULD KNOW ABOUT CHIROPRACTIC

ALASKA

- Chiropractors are licensed as "PHYSICIANS" in the State of Alaska (AS 23.30.265 (18))

- Chiropractors are PRIMARY HEALTH CARE PROVIDERS.

- The Department of Health and Human Services (U.S.A.) classifies Doctors of Chiropractic (D.C.'s) as CATEGORY 1 PROVIDERS, such as Doctors of Medicine (M.D.'s), Doctors of Osteopathy (D.O.'s), and Doctors of Dental Science (D.D.S.'s).

- CHIROPRACTIC BENEFITS are provided for in health insurance policies of virtually every major insurance carrier and State Workers' Compensation. A substantial number of major international, national, and local labor unions provide Chiropractic services in their health and welfare plans as do many major industrial employers.

- MEDICAID (Alaska) and MEDICARE (Federal) recognize and include Doctors of Chiropractic as primary health care providers.

- Fees paid to Doctors of Chiropractic are ALLOWABLE DEDUCTIONS as expenses for "medical care" for Federal income tax purposes.

- Alaska law requires a minimum of SIX YEARS OF COLLEGE study and clinic internship prior to entering private Chiropractic practice. CONTINUING EDUCATION is also required to keep the doctor abreast of current knowledge and technology.

- The U.S. Department of Education officially recognizes the COUNCIL OF CHIROPRACTIC EDUCATION (C.C.E.) as the accrediting agency for Chiropractic Colleges.

- The "ALASKA CHIROPRACTIC PEER REVIEW COMMITTEE" was established in Alaska in 1983 with its basic purpose to protect the consumer.

- The Chiropractic profession has established a high standard of ETHICS and encourages its members to adhere to them; thereby insuring the consuming public of high professional standards.

- The Chiropractic profession has always insisted that a patient has the right to obtain health services from any licensed provider that they so choose. This right was guaranteed by Congress in Section 1802, "FREEDOM OF CHOICE".

- An INSURANCE EQUALITY LAW (SCSHB 403.AS 21.36 090 (d)) became effective in Alaska on January 1, 1984. The law prohibits discriminiation by insurance companies (carriers) with reference to variously licensed health practitioners.

Facts You Should Know About Chiropractic

"NATIONAL"

- The chiropractic profession was established in 1895.
- Chiropractic is the second largest of the three primary health care providers in the U.S. in their order of size, based on number of practitioners and public utilization, they are allopathic or medical, chiropractic and osteopathic branches of the healing arts.
- There are approximately 25,000 doctors of chiropractic serving millions of patients. According to a study made by the American Chiropractic Association, there has been a 77% increase in utilization of chiropractic during the 10 year period of 1964-1974. The growth pattern indicates that the figures are substantially higher today.
- All 50 states, Puerto Rico, the District of Columbia, and the Virgin Islands have statutes recognizing and regulating the practice of chiropractic as an independent health service.
- Chiropractic is officially recognized, acknowledged or regulated in nine provinces of Canada, Switzerland, West Germany, New Zealand, Australia, Bolivia, the Scandinavian countries, France, Italy, The United Kingdom, South Africa, Rhodesia, Japan, Venezuela, and Peru.
- Board-qualified and licensed chiropractors are entitled by law to use the title "Doctor of Chiropractic," "D.C." and/or "Chiropractic Physician."
- Chiropractic health care is provided for in such federal programs as Medicare, the Government Employees Hospital Association Benefit Plan, The Mailhandlers Benefit Plan, and the Postmasters Benefit Plan.
- State Medicaid Acts in most states recognize and include doctors of chiropractic as primary health providers.
- Chiropractic benefits are provided for in health insurance policies of virtually every major insurance carrier, and State Workers' Compensation. A substantial number of major international, national and local labor unions provide chiropractic services in their health and welfare plans, as do many major industrial employers.
- All Federal agencies accept sick-leave certificates signed by doctors of chiropractic, and fees paid to doctors of chiropractic are allowable deductions as expenses for "medical care" for Federal income tax purposes.
- The doctor of chiropractic's training requires a minimum of six years of college study and clinic internship prior to entering private practice. The areas of science studies are those pertinent to health care of human beings, including anatomy, bacteriology, pathology, physiology, biochemistry, pediatrics, geriatrics, spinal manipulation, X-ray, nutrition, physical therapeutics and many other appropriate subjects.
- The professional accrediting agency for chiropractic colleges is the Commission on Accreditation of the Council on Chiropractic Education (CCE). The Accrediting Commission of the CCE is recognized by the U.S. Department of Education and the Council on Post-secondary Accreditation. It is included in the department's list of nationally recognized accrediting agencies and associations.
- The G.I. Bill of Rights covers education in chiropractic colleges for qualified veterans.
- Peer review protects the consumer. Legislation passed in 1974 includes chiropractic review in the quality and efficiency of services ordered by members of the chiropractic profession.
- Wide acceptance and rapidly increasing population make the future of chiropractic a boundless one. There is approximately one chiropractor for every 12,000 persons in the United States. A more desirable ratio would be one D.C. for every 7500 persons. Career opportunities are unlimited for young men and women desiring to enter the healing arts.
- The chiropractic profession has a high standard of ethics. Members of both major national associations, as well as state associations, attempt to educate their members to adhere to a code of ethics thereby insuring the consuming public of high professional standards.

For additional information on chiropractic, write:
American Chiropractic Association
1916 Wilson Blvd.
Arlington, VA 22201

International Chiropractors Association
1901 L Street, N.W.—Suite 800
Washington, D.C. 20036

For information on chiropractic colleges and educational requirements:
Council on Chiropractic Education
3209 Ingersoll Avenue
Des Moines, IA 50312

For information on chiropractic licensing requirements:
Federation of Chiropractic Licensing Boards
501 E. California Ave.
Glendale, CA 91206

For information on chiropractic research:
Foundation for Chiropractic Education and Research
1916 Wilson Blvd.
Arlington, VA 22201

For information on chiropractic licensure examination:
National Board of Chiropractic Examiners
1610 29th Avenue Place
Greeley, CO 80631

THE CHIROPRACTOR, PRIMARY CARE AND HIGH-LEVEL WELLNESS: CURRENT PERSPECTIVES, EXPENDITURES, AND DEMOGRAPHICS

BY CHARLES R. BAFFI, PhD, ASST. PROF. and KERRY J. REDICAN, PhD, ASSOC. PROF.
Virginia Tech Blacksburg, VA 24060
AND LARRY K. OLSEN, PhD, PROF. Pennsylvania State University

INTRODUCTION

The purpose of this paper is to document the role of the chiropractor as a primary care provider, functioning as an important health professional in the United States Health Care Delivery System. This documentation will be accomplished through an analysis of the following: the chiropractor's role in promoting high-level wellness; health care costs and the chiropractor; current perspectives regarding acceptance of chiropractic; demographic characteristics of chiropractors; and utilization patterns of chiropractic health services.

HIGH-LEVEL WELLNESS

The foundations of many primary care practitioners support, directly or indirectly, the concept of high-level wellness. In order to observe the relationship between the activities of primary care providers and the concept of high-level wellness it is important to consider these necessary components:

1.) A direction in progress forward and upward toward a higher potential of functioning.

2.) An open-ended and ever expanding tomorrow, with its challenge to live at a fuller potential.

3.) The integration of the whole being of the individual, of the total individual—his body, his mind, and his spirit—in the functioning process. (Dunn, 1980)

Any primary care provider supporting these components, in turn supports the concept of high-level wellness.

A group of primary care providers who endorses the concept of high-level wellness both in spirit and in practice is chiropractors. Increasingly, health care providers and consumers are becoming more aware of the holistic nature of chiropractic and have begun to seriously reconsider the chiropractor's role as a member of the primary health care team.

To this end, the American Medical Association and the American Public Health Association have recently revised their policies regarding chiropractic. Also, the American Chiropractic Association maintains working relationships with associations representing other health professions, i.e. optometry, podiatry and psychology.

The policy of the Joint Commission on Accreditation of Hospitals no longer prohibits chiropractors from working in hospitals. While presently there are relatively few chiropractors actually working in hospitals, a number of hospitals do offer chiropractors staff privileges.

In addition, use of chiropractic services by health care consumers has increased in the 17 years between 1963 to 1980. Data from the National Health Interview Survey (NHIS) for visits to selected medical practitioners from July 1963 through June 1964 show that the average number of visits per year, per person with visits to chiropractors was 4.7. Data from the National Medical Care Utilization and Expenditure Survey (NMCUES) show that for 1980 the average number of visits per person with visits to chiropractors was 8.3. This represents a marked increase over the 1963-64 data, and perhaps supports the current popularity that chiropractic has among many health care consumers.

HEALTH CARE COSTS AND THE CHIROPRACTOR

According to the National Health Care Expenditure Study (NCHSR, 1985), almost one-fourth of the noninstitutionalized civilian population in the United States had at least one contact with a provider of ambulatory care other than a physician in 1977. These data show that in 1977 $3.9 billion dollars were spent on nonphysician health care providers for ambulatory services.

The aggregate expenditures and number of contacts by type of provider showed that (in rank order), the civilian population in 1977 used nurses, chiropractors, optometrists, physical therapists; podiatrists and psychologists for their nonphysician services. Nurses provided ambulatory care primarily through employment in physician offices, public health clinics and home health agencies. All other nonphysician practitioners usually were part of an independent or group practice(s).

In 1977, civilians who used chiropractors spent a total of $606,277,000 which comprised 15.7% of all ambulatory nonphysician health expenditures. Recent data show that in 1980 an estimated nine million persons made a total of 75 million visits to chiropractors. The total estimated charges for these visits are $1.186 billion. This represents a significant increase in the total health care expenditures for those who visited chiropractors and their insurers. Thus, it is paradoxical that so much time and money is spent on chiropractic health care and yet, very little is known about chiropractors and chiropractic.

CURRENT PERSPECTIVES

Currently, all 50 states and the District of Columbia license and officially recognize chiropractic as a health profession (ACA, 1983). The federal government further recognizes chiropractic through the provision of both Medicare and Medicaid benefits (FCER, 1978). In addition, chiropractic care is also a medical deduction allowed by the Internal Revenue Service. Finally, the GI Bill of Rights covers education in chiropractic colleges (FCER, 1978).

Some other interesting points that reflect a national acceptance of chiropractors include the following: 36 states allow the chiropractor to be covered under the state's Good Samaritan Law; 45 states require that the chiropractor report communicable diseases; 37 states will accept the doctor of chiropractic's report for examining school children; 46 states will accept the doctor of chiropractic report for excuses from school or gym; and 25 states authorize the doctor of chiropractic to sign death certificates (FCLB, 1983).

DEMOGRAPHIC CHARACTERISTICS

There is a large amount of published material that deals with the effects of spinal manipulative therapy on a variety of conditions. Brennan (1982) put together a bibliography consisting of all available chiropractic literature from 1895 to 1981. This bibliography lists both negative and positive articles, and

research studies done at all levels. The major areas lacking in this bibliography as well as other chiropractic literature are information regarding demographic characteristics of chiropractors and utilization information about chiropractic health services. There are many local "in house" studies done of which the results have been somewhat interesting.

The ACA reports in the Chiropractic State of the Art Document (1985) the following profile of the "typical" doctor of chiropractic:

"The doctor is 37 years old, and has a 50% chance of living in a town or city with a population over 50,000. He or she has been in practice for about 9 years."

"Prior to entering chiropractic college, the doctor has attended a college or university for at least two years, majoring in premedicine, or the physical or biological sciences."

"The doctor was 27-years-old at graduation from chiropractic college."

"The majority of doctors of chiropractic are in solo practice, although those involved in some form of group practice now comprise more than ¼ of the total."

"The typical doctor's office is located in a neighborhood district, has been there for 7 years and employs two assistants."

"The typical doctor practices an average of 4 ½ days a week, 50.5 weeks a year."

"Each week the chiropractor attends to the needs of 115 patients."

"The doctor of chiropractic's income, lifestyle, and community standing are equivalent to those enjoyed by other primary health care providers."

Only one other related report at least in part helps to describe the demographic characteristics of the chiropractor. This study was conducted in 1978, dealt with chiropractic students and published by the FCER. Some of the key findings of this study showed that of all the chiropractic college students (ACA, 1983)

"93% are male."

"The mean age is 26.5."

"50% are married with one child."

"87% are United States citizens."

"64% were chiropractic patients."

"65% received information on chiropractic as a career from a doctor of chiropractic."

This data represents the only demographic information on chiropractors or chiropractic students. There have been some community surveys that report demographic information on chiropractors in a particular local community but no study reports demographic data from a national random sample.

UTILIZATION PATTERNS OF CHIROPRACTIC HEALTH SERVICES

Studies focusing on utilization patterns of chiropractic health services have for the most part taken the form of local community surveys, public opinion polls or medical and consumer surveys. As with demographic information, there is a lack of national data regarding utilization patterns of chiropractic health services.

There is an abundance of chiropractic literature that documents the chiropractor as a primary health care provider. Hildebrandt (1980) summarizes this observation by stating in a position paper that "chiropractic physicians are primary health care providers who offer a highly beneficial, conservative approach to treatment of human ailments that is presently underlined in the nation's health care delivery system." From a position standpoint Hildebrandt builds a scholarly and interesting case but it is not supported by utilization pattern data from a national sample.

Data from the National Medical Care Utilization Survey (National Center for Health Statistics, 1980) revealed some interesting information about the utilization of chiropractic health service information. Some of the more pertinent findings of this survey revealed that of the 1980 United States population 17 years-of-age and older:

1.) 4% visited a chiropractor.

2.) Of all males, the 45-64 year-old age group reported using chiropractic services the most (6.1%).

3.) Of all females, the 25-44 year-old age group reported using chiropractic services the most.

4.) Whites (4.4%) used chiropractic health services more than blacks (1.5%) or Hispanics (2.7%).

5.) People with 17 years of education used chiropractic health services the most (6.2%).

6.) People with family incomes of $10,000-$14,999 used chiropractic health services the most (5.0%).

7.) People from the West used chiropractic health services the most (5.6%), followed by the North Central (5.3%), Northeast (3.9%), and South (2.5%).

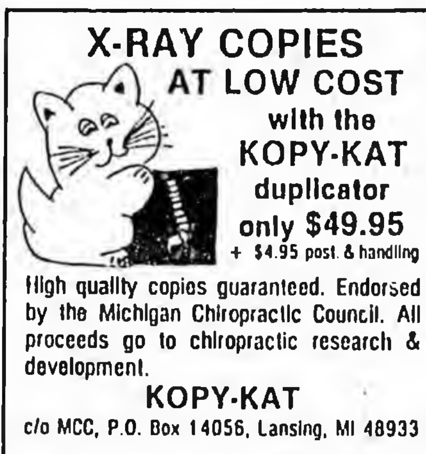
Mugge (1980), through his analysis of the National Medical Care Utilization and Expenditure Survey data, reported that "The percent of the population seeing a nonphysician practitioner at least once during the year varies according to the number of physician visits they had during the year" (p. 51). Mugge further states that "for persons with one or more visits to another practitioner, the average of such visits varies according to the number of times they visited physicians" (p. 51). The findings raise a question as to whether or not there is a supplement or substitute relationship between visits to physicians and nonphysicians.

Through his analysis Mugge concludes that the likelihood of visiting a nonphysician increases with the increasing use of physicians. However, uses of chiropractors showed the weakest relationship of all nonphysicians. Also, 80 percent of all persons who saw chiropractors during the year also saw physicians. Therefore, physicians services and chiropractic services appear to be used in a complementary fashion. Unfortunately, access to services will not be examined in this study.

Yesalis et al. (1980) questioned whether chiropractic utilization was a substitute for less available medical services. In order to answer this question, subjects from a town in rural Iowa were surveyed to determine health service utilization patterns, perceived access to health care, and health status and attitudes. The researchers found that the level of access to physician services was not a significant predictor of chiropractic utilization. Therefore, it does not appear that chiropractic care can substitute for physician care but rather as Mugge (1980) suggested that the two are complementary services.

Kleiman's (1981) article entitled

Continued on Page 39



BAFFI, REDICAN AND OLSEN

From Page 37

"Utilization of Chiropractic in the United States" provides some general information regarding relatively minor points about chiropractic utilization patterns in the United States. It is interesting to note that this nondata based paper about utilization patterns of chiropractic in the United States was published in the **New Zealand Medical Journal.**

It is only recently that the federal government started collecting data on chiropractors. In this phase of public health, appropriately called the health promotion phase, it will be interesting to see the impact of health promotion on chiropractic utilization, since many chiropractors advertise health promotion related services.

SUMMARY

The chiropractor has an established role as a primary care provider in the United States Health Care Delivery System. This role is well-documented through analysis of such things as the chiropractor and high-level wellness, current perspectives, expenditures, and demographic characteristics. It appears that many traditional health care providers, as well as associations such as the American Medical Association and the American Public Health Association are rethinking their views on the role of chiropractic in the health care delivery system. ■

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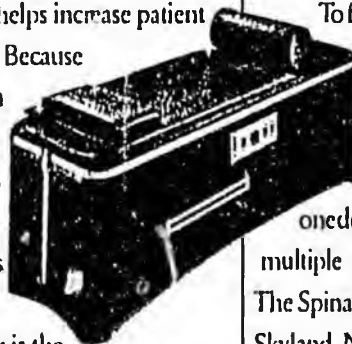

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STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST:

Bill Version: SB 264
Publish Date:

Revision Date:
Title: An act relating to the practice of chiropractic
Sponsor: Josephson & Abood
Requestor: Sen. Fischer

Agency Affected: Alaska Court System
BRU: Trial Courts
Components:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
Personal Services	....	....	....	....	....	....
Travel	....	....	....	....	....	....
Contractual	....	....	....	....	....	....
Supplies	....	....	....	....	....	....
Equipment	....	....	....	....	....	....
Land & Structures	....	....	....	....	....	....
Grants & Claims	....	....	....	....	....	....
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	....	....	....	....	....	....
REVENUE	....	....	....	....	....	....

FUNDING: (Thousands of Dollars)

General Funds	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	....	....	....	....	....	....
Other	....	....	....	....	....	....
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-time	....	....	....	....	....	....
Part-time	....	....	....	....	....	....
Temporary	....	....	....	....	....	....

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: Karla Forsythe, General Counsel
Division: Alaska Court System
Phone: 264-8228
Date: 5-5-87

Stephanie J. Cole

Approved by: Stephanie J. Cole, Deputy Director
Agency: Alaska Court System
Date: 5-5-87

Distribution (by preparer):
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management & Budget
- Impacted Agency(ies)
- Senate Secretary

SB
281

Alaska State Legislature

Senator Paul A. Fischer
Senate District D
Box 784
Soldotna, Alaska 99669
(907) 262-9420 W
262-9269 H

While in Juneau
Pouch V
Juneau, Alaska 99811
(907) 465-3791

State Senate

April 30, 1987

Mildred Brazington
PO Box 71
Sterling, AK 99672

Dear Mildred:

Thank you very much for your letter regarding the wording of HB 205, providing for the licensing of occupational therapists. I agree with you that the listing of "Religious Practitioners of the Healing Arts" is regrettable. I am working to get this language deleted from both the proposed legislation and the Alaska Statutes.

Even though the language does not include specifications for licensing spiritual healers as many fear, it does require religious healers and counselors to report child abuse. Many of the people who have contacted me have expressed the concern that this is also a violation of the confidentiality that is essential for viable healing ministries within the pervue of the church.

It is encouraging to know that Alaskans are getting involved in the governing process on the local level. Too often we just remain silent until all that is left to do is criticize the actions of our representatives in Juneau. I appreciate your taking the time to write me on this important issue. Your support is very helpful as I work to protect our priorities in Alaska.

I hope that you will continue to keep me informed of issues that are of importance to you as we proceed toward the conclusion of this year's legislative session.

Sincerely,

Paul Fischer
Senator

PF:mal

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

M E M O R A N D U M   April 18, 1987

SUBJECT: Persons required to report child abuse and neglect (Work Order 5-1120A)

TO: Senator Paul Fischer

FROM: George Utermohle
Legislative Counsel

Enclosed is the draft bill requested by Ed Oberts of your staff.

The draft bill amends the definition of "practitioner of the healing arts" in AS 47.17 by including occupational therapists and occupational therapy assistants within the definition and by excluding religious healing practitioners from the definition. The effect of the amendment is to include occupational therapists and occupational therapy assistants within the group of persons who are required to report child abuse and neglect under AS 47.17.020 and to eliminate religious healing practitioners from that group.

In addition to AS 47.17.070(9), religious healing practitioners are mentioned in AS 47.10.080(k), 47.10.085, and AS 47.17.020(d).

AS 47.10.080(k) provides that a court shall take into consideration the fact that a child was under the treatment by spiritual means of an accredited religious practitioner when the court determines that a child is a child in need of aid under AS 47.10.010 - 47.10.142. The effect of AS 47.10.080(k) is to require the court to consider the First Amendment freedom of religion implications of treatment by religious healing practitioners.

AS 47.10.085 allows the court to take into consideration the fact that a child is being provided treatment by spiritual means by an accredited religious practitioner, when the court decides whether a child is a child in need of aid based on the need for medical care. The effect of

5-1083Aa
Utermohle

A M E N D M E N T

Offered in the SENATE

By Fischer

TO: SB 281

Page 12, line 6:

Delete ", but not"

Insert "and"

5/6/87

THE AMERICAN
OCCUPATIONAL
THERAPY
ASSOCIATION, INC.

MAY 7 1987

May 4, 1987

The Honorable Paul Fischer
Chairman
Health, Education and Social Services Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Mr. Chairman:

I understand that a bill, S. 281 the proposed Occupational Therapy Practice Act, has been introduced in the Senate and assigned to the Health, Education and Social Services, Labor and Commerce and Finance Committees. The American Occupational Therapy Association, Inc. (AOTA) strongly supports the provisions of this bill and urges you to work towards speedy passage of S. 281.

Occupational therapists are now regulated in thirty-five states (Arkansas, California, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Montana, Nebraska, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, and West Virginia), plus the District of Columbia, and Puerto Rico. Occupational therapists are independent health practitioners who work in a variety of health and educational settings to provide therapeutic services to individuals of all ages with both physical and mental diagnoses.

These states which have enacted regulatory laws for occupational therapy personnel have recognized the serious potential for harm to the consumer when unqualified persons attempt to provide occupational therapy services. We believe the average consumer does not have the information to judge whether or not an individual has received the proper training to practice occupational therapy. Certainly the consumer, while suffering from illness or injury, is not in any position to assess credentials and training.

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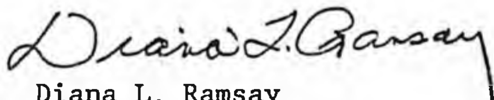
Elnora M. Gilfoyle, OTR, FAOTA, *President* James J. Garibaldi, *Executive Director*

All current occupational therapy regulatory laws as well as AOTA certification require the same qualifications as set forth in S. 281. Occupational therapy personnel must meet specific academic, fieldwork experience, and examination requirements in order to practice. The AOTA believes that these are minimal requirements for the protection of occupational therapy consumers. The consumer and the medical community must be assured, through passage of this bill, that those referred to an occupational therapist will receive services from a qualified practitioner. Therefore, we urge you to vote in favor of S. 281.

Sincerely,



Diana L. Ramsay
Legislative Specialist
Government and Legal Affairs Division

DLR:sn

SB
299

Original sponsor: Uehling

IN THE SENATE

BY THE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

CS FOR SENATE BILL NO. 299 (HESS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIFTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to group disability insurance."

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

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

(d) A person may not practice or permit unfair discrimination against a person who provides a service covered under a group disability policy that extends coverage on an expense incurred basis, or under a group service or indemnity type contract issued by a nonprofit corporation, if the service is within the scope of the provider's occupational license. In this subsection, "provider" means a state licensed physician, dentist, osteopath, optometrist, chiropractor, [OR] nurse midwife, or naturopath.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date :

REQUEST

Bill/Resolution No. : SB 299
Title : Group Disability Insurance

Sponsor : Senator Rick Uehling
Requestor : Senator Rick Uehling
Date of Request : May 13, 1987

FISCAL DETAIL

Agency Affected : HESS
BRU :

Components :

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-

REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-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-

ANALYSIS : Attach a separate page if necessary

Sen Fischer

Prepared by : Senator Paul Fischer, Chairman HESS
Phone : 465-3791
Division : Senate Health, Education & Social Services
Date : 5-13-87

Approved by Commissioner :
Date :
Agency :

Distribution (by Agency preparing fiscal note) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

1530

SB
310

Alaska State Legislature

SENATOR
ARLISS STURGULEWSKI
Chairman, Senate Community and Regional Affairs Committee
Vice-Chairman, Senate Judiciary Committee
Member, Senate Resources Committee

2957 SHELDON JACKSON STREET
ANCHORAGE, ALASKA 99508

While in Juneau
P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3818

Senate

M E M O R A N D U M 09 February 1988

TO: Senator Mitch Abood
Chairman, Senate State Affairs Committee

FROM: Senator Arliss Sturgulewski

RE: Senate Bill 310

I appreciate your scheduling a hearing for Senate Bill 310. As you know, the University of Alaska Foundation is the non-profit fund-raising arm of the University of Alaska. It was established in 1974 to solicit donations, and to hold and manage them for the exclusive benefit of the University of Alaska. In cooperation with the University development officers on the campuses, the Foundation raises funds for the University through a variety of activities including special events, fund drives, contributions from major donors, establishment of support associations, and innovative fundraising ideas.

The goals of the University Foundation are to develop increased income from existing assets through improved management of the Foundation's revenue streams and to develop a targeted fund-raising effort among private individuals and companies.

This fund-raising for the University through private channels is important not only to provide funds for the University but it is an important tool to enable the citizens of the state of Alaska to become informed about the University, its educational mission and relationship to the community and its financial needs.

During the past two years, state appropriations to the University have decreased by nearly 30%. In the wake this budget reduction and the resulting reorganization of the University, Alaskans need to be given an opportunity to financially support it. Private contributions will help establish secure endowments to support the development of program initiatives and enhancements for which the budget levels of the next few years will not allow.

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SB 310
PUBLISH DATE:

FISCAL NOTE

REQUEST

Revision Date:
Title: Contributions from PFDs to University of Alaska Foundation
Sponsor: Sturgulewski, Fahrenkamp
Requestor: Senate State Affairs

Agency Affected: Revenue
BRU: Permanent Fund Dividend Operations
Components: Permanent Fund Dividend Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	21.2	11.2	11.2	11.[illegible]	11.2
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	11.0	11.0	11.0	11 0	11.0
SUPPLIES	-	0.2	0.2	0.2	0.2	0.2
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	32.4	22.4	22.4	22.4	22.4
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
GENERAL FUND	-	32.4	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	22.4	22.4	22.4	22.4
TOTAL	-	32.4	22.4	22.4	22.4	22.4

POSITIONS:

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
FULL-TIME	-	-	-	-	-	-
PART-TIME	-	3	2	2	2	2
TEMPORARY	-	-	-	-	-	-

ANALYSIS: See attached.

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division
Phone: 465-2323
Date: February 10, 1988

Approved by Commissioner: [signature]
Agency: Revenue
Date: 2/10/88

Distribution (by preparer):
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Department of Revenue
Permanent Fund Dividend Division
Fiscal Note Analysis
SB 310
February 10, 1988

Assumptions:

1) The bill will take effect for the 1989 permanent fund dividend year and application. The 1988 dividend application has already been printed.

2) There are currently 17 bills which if signed into law, would result in some form of "check-off" on the 1989 dividend application. The Department of Revenue has no insight as to which, and how many, of these bills will become law. This fiscal note, and all related fiscal notes, is prepared on the assumption that the subject bill is the only bill of this nature which will become law. The passage of multiple bills with varying formulas ($5, $25, half of dividend, all or part of dividend, etc.) will inevitably have a compounding effect. Whereas there may be savings in some areas, there will be increased costs in others.

3) All FY89 costs of administering this law will be borne by the general fund, since no funds will be available to the trust account until October 1, 1989. Funding for administrative costs in FY90 and thereafter will be taken from the trust account as appropriated by the legislature.

4) The incremental cost of computer resources will result in a chargeback by the Department of Administration.

5) Whereas the cost of programming changes will be a one-time cost, the cost of document review, data capture, data processing chargeback, and the extra page in the dividend application will be continuing.

6) Contributions will only be honored to the extent of available funds. Garnishments and assignments will take precedence in the order established by statute. Contributions will then be honored in the order listed on the form schedule, which will be in the order they become law.

Program Summary:

The provision of a new contribution decision on the dividend application will cause additional administrative cost in several areas:

a) An additional page added to each application, a schedule of contribution decisions.

b) The computer system will need to be changed to account for the change in the program, to establish new accounting controls and to provide for the transfer of funds to the trust account (see Attachment A).

c) Each of approximately 540,000 PFD applications will need to be visually reviewed and coded as to decision on the contribution decision. Each application will be data captured with additional attention and keystrokes expended on each positive decision.

d) The accounting for the trust account will be performed by existing staff.

1. <u>Positions</u>

1 PPT Analyst/Programmer V, R21 @ $4,991.72/Mo including salary and benefits for 2 months	=	$10.0

PCN 04-1125 would be funded for an additional two months, in accordance with Attachment A. Ongoing maintenance of new programs would be accomplished by existing staff.

1 PPT Document Processor I, R7 @ $2,212.37/Mo, including salary and benefits for 3 months	=	$6.6

This position would assist in the manual review and coding of 540,000 applications for the new contribution decision. This position represents the equivalent of the additional time and effort.

1 PPT Data Processing Clerk I, R8, @ $2,317.81/Mo, including salary and benefits for 2 months	=	$4.6

This position would assist in the data capture of the additional contribution decisions. The position represents the equivalent value of the additional time and effort.

TOTAL Personal Services	$21.2

2. <u>Other Expenditures</u>:

a) <u>Travel</u>: None.

b) <u>Contractual</u>:

Data Processing Chargeback	$5.0
Add additional page to PFD booklet	$6.0
c) <u>Supplies</u>:	$0.2
d) <u>Equipment</u>: Use existing equipment	<u>0.0</u>
TOTAL COST	<u>$32.4</u>

3. <u>Funding:</u> General Fund.

4. <u>Section Cost Analysis</u>: N/A.

<u>Computations</u>: N/A.

<u>Economic Impact</u>: N/A.

<u>Impact on Local Government</u>: N/A.

<u>Suggested Amendments:</u>

1. Sec. 2, line 20 is amended as follows:

   "*Sec. 2. This act takes effect <u>January 1, 1989</u> [JULY 1, 1987].

<u>Attachments</u>: Attachment A: "Summary of DP Needs"

Department of Revenue
Administrative Services Division
Fiscal Note Analysis
SB 310
Summary of Data Processing Requirements
February 10, 1988

Wang data entry processing		75.0 hours
Includes:	Data entry Batch lists Corrections Wang to IBM transfer	
IBM Update jobs		30.0 hours
Includes:	Edits Batch listings Log sheets	
DMS Online programs for lookup and changes		37.5 hours
Nightly Update of Changes		22.5 hours
Warrant Jobs		90.0 hours
Includes:	Printing warrants with different amounts. Include check stub messages. Modify warrant registers as needed for balancing. Create new program(s) for transferring accumulated contributions to the trust account, and to account for the reserve necessary due to returned and cancelled PFD warrants.	
Miscellaneous		45.0 hours
Includes:	Setting up test files on IBM Systems testing Administrative functions, i.e. paper work required by Admin. DP to add files and programs to tables.	
TOTAL HOURS		300.0 hours

SB
314

STATE OF ALASKA
THE LEGISLATURE

POUCH Y · STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M   February 1, 1988

SUBJECT: Sectional Analysis of SB 314

TO: Senator Jay Kerttula

FROM: Theresa L. Bannister TB
Legislative Counsel

You have requested a sectional analysis of the above described bill.

As a preliminary matter, note that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1 (a) requires the state to assume and make the future payments on certain municipal school construction debts that are outstanding on January 1, 1988.

Section 1 (b) requires the state to reimburse a municipality for the payments that the municipality makes after December 31, 1987, on obligations that have been assumed by the state under (a) of this section.

Section 1 (c) directs the commissioner of revenue to administer this section's payment programs and to establish by regulation the procedures necessary for administering the programs.

Section 1 (d) prevents this section from being interpreted to change the rights and duties between the parties to the obligations covered by this section from the way those rights and duties exist on the effective date of this section.

Section 1 (e) makes this section operative only if the state appropriates the funds necessary to make the payments required by this section.

Section 1 (f) requires a municipality to maintain in full force and effect certain property insurance for the facilities for which funds are available under (a) and (b) of this section.

Section 1 (g) requires that the municipal property tax notice required by AS 29.45.020 include certain information relating to the state aid provided by this section.

Section 1 (h) defines terms for the section.

Section 2 directs the state each fiscal year to allocate to a municipality that is a school district 80 percent of the payments made by the municipality during the fiscal year on certain indebtedness incurred by the municipality after December 31, 1987. This allocation is subject to AS 14.11.100(h), (i), and (j) (Sections 3-5 of this bill).

Section 3 provides that the allocation under sec. 2 of this bill is to be reduced by certain listed items and not by other listed items.

Section 4 provides certain guidelines for the application of sec. 2 of this bill.

Section 5 indicates that the allocation under sec. 2 is, with one exception, subject to certain listed conditions.

Section 6 states that the amount of state aid payable under AS 14.11.115(a) may not exceed 80 percent of the cost of the school construction project.

If I may be of further assistance, please advise.

TLB:bb
wkb2/024

MEMORANDUM

State of Alaska

TO: Members, State Board of Education

DATE: December 7, 1987

FILE NO:

TELEPHONE NO: 465-2865

THRU: William G. Demmert
Commissioner
Department of Education

SUBJECT: School Construction
Funding Review
Committee

FROM: Thomas G. Ryan
Facilities Coordinator
Educational Finance and
Support Services
Department of Education

At a meeting in Soldotna on December 2, 1987, the School Construction Funding Review Committee reached an agreement on broad guidelines for proposed legislation.

The group has been seeking administration support for annual appropriations of 100% of entitlement for existing school debt. In exchange, they now propose that there be no new debt retirement projects funded by the State under AS 14.11.100. Instead, the group proposes the development of an improved grant program which would serve all school districts.

We expect the proposal to include: (a) placing all appropriations for school construction in a grant account; (b) annual distribution of grants by the Department of Education based upon documented needs; and (c) scheduling of priority projects over a period of years.

As drafts of the proposal become available, we will share them with you for your review and comment. If you have questions or would like additional information, please contact me at your convenience at 465-2865.

cc: Garrey Peska, Chief of Staff
Office of the Governor
Alison Elgee, Budget Analyst
Office of Management and Budget
Milt Barker, Deputy Commissioner
Department of Revenue
Bill Cummings, Assistant Attorney General
Department of Law
Steve Hole, Deputy Commissioner
Department of Education
Jerald Mikesell, Director
Educational Finance and Support Services
James Tozer, Education Administrator
Educational Finance and Support Services
School Construction Funding Review Committee Members

02.001 (Rev 8/85)

Alaska State Legislature

Senate

Official Business

P.O. BOX V
State Capitol
Juneau, Alaska 99811

2-1-88

From: Senator Jay Kerttula

SB-314: "An Act relating to state payment of municipal school construction debt"

Sponsor Statement

SB-314 will provide 100% state reimbursement for present school construction debt owed by local governments. Passage of this bill will hold the line on local taxes.

Future school projects will require 20% local contribution, paralleling the present law.

With declining student enrollment, the foundation formula fails to cover school operating expenses, part of the local tax effort may be redirected to teaching needs. Redudec

The state has the resource income base, but local governments had the building impact created when the oil fields were being developed and the transportation network built. It is vital that the state pay school construction debts incurred during the impact period.

Boroughs and cities will be tremendously burdened with taxes unless the state equalizes its support for existing school capital debt now. Rural Alaska receives 100% school support and urban areas need equity in order to continue providing quality education.

SB-314 is an effort to provide this needed equity to ensure that Alaskan students receive a good education.

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION : S,B 3,4
PUBLISH DATE :

FISCAL NOTE

REQUEST:

Revision Date:
Title : State payment of municipal school construction debt
Sponsor : Kerttula, Fischer, Szymanski
Requestor : Senate HESS

Agency Affected : DOE
BRU : Debt Retirement
Components : Debt Retirement

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS		117,710.0*	109,694.9*	106,598.3*	103,339.4*	94,882.3*
MISCELLANEOUS						
TOTAL OPERATING		117,710.0*	109,694.9*	106,598.3*	103,339.4*	94,882.3*

CAPITAL						

REVENUE						

FUNDING: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
GENERAL FUND		117,710.0	109,694.9	106,598.3*	103,339.4	94,882.3
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

*FY89-93 totals exclude cash payments and the two new bond issues to be sold in the near future. This fiscal note assumes that the current debt retirement program remains in effect for FY88.

Prepared by : Mary Hakala
Division : Commissioner's Office
Phone : 465-2800
Date : 2-1-88

Approved by Commissioner : William G. Demmert
Agency : Dept. of Education
Date : 2-1-88

Distribution (by preparer) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SB 314
PUBLISH DATE:

FISCAL NOTE

REQUEST:

Revision Date:
Title: State payment of municipal school construction debt
Sponsor: Kerttula, Fischer, Szymanski
Requestor: Senate HESS

Agency Affected: DOE
BRU: Debt Retirement
Components: Debt Retirement

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
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CAPITAL						

REVENUE						

FUNDING: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
GENERAL FUND		117,710.0	109,694.9	106,598.3*	103,339.4	94,882.3
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

*FY89-93 totals exclude cash payments and the two new bond issues to be sold in the near future. This fiscal note assumes that the current debt retirement program remains in effect for FY88.

Prepared by: Mary Hakala
Division: Commissioner's Office
Phone: 465-2800
Date: 2-1-88

Approved by Commissioner: William G. Demmert
Agency: Dept. of Education
Date: 2-1-88

Distribution (by preparer):
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SB

315

Alaska State Legislature

SENATOR
ARLISS STURGULEWSKI
Chairman, Senate Community and Regional Affairs Committee
Vice-Chairman, Senate Judiciary Committee
Member, Senate Resources Committee

2957 SHELDON JACKSON STREET
ANCHORAGE, ALASKA 99508

While in Juneau
P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3818

Senate

M E M O R A N D U M 13 January 1988

TO: Senator Paul Fischer
Chairman, Senate HESS Committee

FROM: Senator Arliss Sturgulewski

RE: Senate Bill 315

As you know, Senate Bill 315 "An Act relating to third party reimbursement for advanced nurse practitioner services" has been referred to the Senate HESS Committee.

In 1982 the nurse practice act was substantially revised. That revision took regulation of the practice of nursing away from the state medical board and put it under a separate board of nursing. Two years later, in 1984, the regulation requiring a collaborative relationship between a nurse and a physician was repealed. That meant that nurses could practice (according to their certifications) independently of physicians.

The changes made in the 1982 revision of the nurse practice act ar[illegible] allowing nurses to practice independently reflect changes in health care policy occurring nationwide and in Alaska. Nurses are beginning to be considered professionals in their own right and are moving into more advanced types of health care. There is a feeling that by allowing nurses to practice indepenaently the cost of health care can be kept down and that it is more efficient to refer up from nurses than down from doctors.

This legislation adds advanced nurse practitioners to the list of health care providers in AS 29.36.090 (d) which are to be paid directly by third party payers (insurance companies) for

services provided within the scope of the provider's occupational license.

I am enclosing charts showing the types and practice settings of Alaskan Nurse Practitioners, a position statement by the organization of Alaskan Nurse Practitioners, and a statement from the American Academy of Nurse Practitioners summarizing findings of studies of nurse practitioners performances.

In addition, I am attaching copies of the statutes and regulations pertaining to the practice of nursing.

I would appreciate your scheduling this legislation for a hearing as soon as is practicable. If there are any questions, please contact Melissa Fouse of my staff at 465-3818.

cc: members of the Senate HESS Committee

Table 1

Type of Nurse Practitioner Licensed and Residing in Alaska, July, 1987*

Type of Practitioner	Number
Family Nurse Practitioner (includes 3 with other NP designations)	48
Certified Nurse Midwife (includes 7 with other NP designations)	25
Women's Health Care Practitioner (includes 3 with other NP designations)	22
Pediatric Nurse Practitioner	13
Adult Nurse Practitioner	9
Neonatal Nurse Practitioner	5
School Nurse Practitioner	5
Geriatric Nurse Practitioner	1
Psychiatric Nurse Practitioner	1
	129

*Each NP was given a single designation, although some were certified in several areas. If an NP was a CNM, this was considered her primary designation. If an FNP was also an ANP, the practitioner was included in the FNP group (since the FNP designation covers a broader age-range in clients).

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SB 315
PUBLISH DATE: 01/11/88

FISCAL NOTE

REQUEST:

Revision Date: 01/11/88
Title: Third party reimbursement for advanced nurse practitioners services
Sponsor: Sturgulewski
Requester:

Agency Affected: Commerce & Econ. Dev.
BRU: Insurance
Components: Public Protection

EXPENDITURES / REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: John L. George, Director
Division: Division of Insurance
Phone: 465-2515
Date: January 25, 1988

Approved by Commissioner: J. Anthony Smith
Agency: Department of Commerce and Economic Development
Date: January 25, 1988

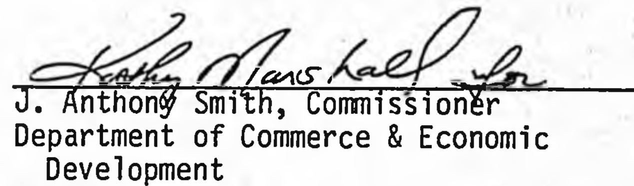
Distribution (by preparer):
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

0642K-3/12588a

Department of Commerce & Economic Development / POSITION PAPER

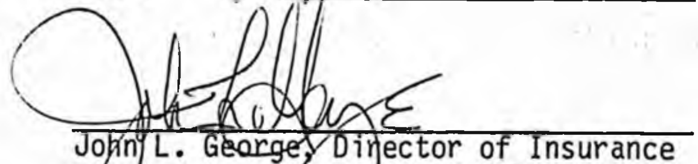
SB 315: "An Act relating to third party reimbursement for advanced nurse practitioner services."

The Administration supports this bill. This bill is aimed at allowing advanced nurse practitioners the ability to bill and receive third party reimbursement for their services. This generally means a disability insurer or a hospital/medical service corporation. The aim is accomplished with a simple modification of AS 21.36.090(d). It is appropriate for a medical practitioner to have access to reimbursement by an insurance company if the coverage provided by the insurer can be performed within the scope of that practitioner's occupational license.



J. Anthony Smith, Commissioner
Department of Commerce & Economic Development

Date: 1/25/88



John L. George, Director of Insurance

Date: 1/25/88

0642K-2
12588a

Position Paper

SB 315

For an Act entitled: "An Act relating to third party reimbursement for advanced nurse practitioner services."

This Act amends Section 1. AS 21.36.090(d) to include the advanced nurse practitioner as a provider eligible for third-party reimbursement for services provided within the scope of the occupational license.

Background

The professional nurse practitioner provides direct patient care to individuals, families, and other groups in a variety of public health settings. In some cases, the nurse practitioner engages in independent decision making about the needs of clients and collaborates with other health professionals such as the physician, psychologist, social worker, and nutritionist in making decisions about other health needs. The nurse practitioner working in an expanded role practices in primary, acute, and chronic health care settings. As a member of the health care team, the nurse practitioner plans and institutes health care programs.

In the past two decades, the number of nurse practitioners and their responsibilities for providing care to patients have increased. Today approximately 15,400 nurse practitioners are practicing in the United States; 170 are certified to practice in Alaska. The use of nurse practitioners affects the quality of care, access to care, productivity of providers, and the costs of care.

The weight of evidence indicates that within their areas of competencies, nurse practitioners provide care comparable in quality to that provided by physicians. This determination is made by examining patient satisfaction with care provided by nurse practitioners and assessing physicians' acceptance of such care.

In addition to improving access to care in underserved populations and areas, nurse practitioners provide care in certain institutional settings, such as jails, and to specific populations, such the elderly and poor women and their infants. Nurse practitioners also affect access (as well as quality) by providing person-oriented services, such as communicating thoroughly with patients, counseling, promoting self-help, and attending to patients' emotional needs. Nurse practitioners reduce financial barriers to access by providing care at relatively low cost. Productivity studies indicate that nurse practitioners working under physicians' supervision can increase the total practice output by some 20-50 percent.

Although the evidence indicates that nurse practitioners have made positive contributions to the delivery of health care, these practitioners have not been used to their fullest potential. Major obstacles to the greater employment and appropriate use of nurse practitioners have been that

most third-party payers do not cover many services that are typically and characteristically provided by physicians. In these instances, payments are often indirect (i.e., to the employing physician or institution rather than direct to the nurse practitioner).

Impact of Bill

Third-party payment to nurse practitioners for providing services typically and characteristically performed by physicians will dramatically increase the nurse practitioner's ability to establish fee-for-service practices as autonomous providers independent from physicians. Advanced nurse practitioners could provide the full range of services for which they are trained and licensed. Passage of this bill would encourage the employment of advanced nurse practitioners within community mental health centers, particularly in areas of the state in which recruitment of other mental health professionals has been difficult.

The effects of third-party reimbursement of nurse practitioners and paying directly for their services would undoubtedly be influenced by the markets for their services. For example, some third-party payers are paying prospectively for hospital in-patient services (e.g., Medicare is paying on the basis of diagnosis related groups), and capitation is a growing mode of payment. These changes, along with the fact that an increasing proportion of the population is age 65 or older and thus in need of a significant amount of health care services, have major implications for the employment of nurse practitioners and health care costs.

Position

The Department of Health and Social Services supports this bill. Third-party reimbursement for services of advanced nurse practitioners could benefit the health status of certain segments of the population currently not receiving adequate care.

Recommended by: Elizabeth H. Ward
Elizabeth Ward, Director
Division of Public Health

Date: January 22, 1988

Approved by: [signature]
Myra M. Munson, Commissioner
Department of Health and
Social Services

Date: Jan. 22, 1988

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION : _
PUBLISH DATE :

FISCAL NOTE

REQUEST:

Revision Date:
Title : An Act relating to third party reimbursement...
Sponsor : Sturgulewski
Requestor :

Agency Affected : Health & S
BRU : State Health Se
Components : Nursing

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES					
TRAVEL					
CONTRACTUAL					
SUPPLIES					
EQUIPMENT					
LAND & STRUCTURES					
GRANTS, CLAIMS					
MISCELLANEOUS					
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-
CAPITAL					
REVENUE					

FUNDING: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92
GENERAL FUND					
FEDERAL FUNDS					
OTHER					
TOTAL					

POSITIONS:

	FY 88	FY 89	FY 90	FY 91	FY 92
FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS : (Attach a separate page if necessary)

The enactment of SB 315 would have no direct fiscal impact on the of Health and Social Services.

Prepared by : Elizabeth Ward, Director   Phone : 4
Division : Public Health   Date :

Approved by Commissioner : [signature]   Date : 1/2
Agency : Department of Health & Social Services

Distribution (by preparer) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Table 2

Practice Settings of Alaskan Nurse Practitioners

Type of Setting	Number
Currently unemployed	2
Retired	1
Independent Practice (whole or partial)	11
Clinic Setting	
Private Sector (MD on site)	31
Governmental or Native Corporation funded (MD may or may not be on site)	40
Hospital Setting	18
Faculty/Primary Teaching	9
School Nursing	6
Public Health Nursing	3
Corrections	2
Health Care Administration/Consulting	4
Infectious Disease Control Programs	2
	129

Table 3

Highest Nursing Degree of Licensed Nurse Practitioners, 1987

Type of Degree	Number
Diploma or Associate Degree	43
Bachelor's	38
Master's	48

AMERICAN ACADEMY OF NURSE PRACTITIONERS
179 PRINCETON BLVD. LOWELL, MA 01851 617 937-7343

Summarizing the findings of the numerous studies of nurse practitioner's performance in a variety of settings, the Congressional Budget Office concluded: Nurse practitioners have performed as well as physicians with respect to patient outcomes, proper diagnosis, management of specified medical conditions, and frequency of patient satisfaction.[1]

Studies have shown that nurse practitioners rate high in consumer satisfaction.[2]

In a program initiated by the Pittsburgh Veterans Administration, before hiring a Pulmonary Clinical Nurse Specialist, they had 150 patients at home on oxygen. After evaluation by the Clinical Nurse Specialist, 50% of those patients were able to come off the oxygen. Of the remaining 50%, more up-to-date equipment was issued allowing better patient mobility and breathing.[3]

Review of studies comparing nurse practitioners and physicians led the Congressional Office of Technology Assessment to conclude: "NPs appear to have better communication, counseling, and interviewing skills than physicians have."[4]

The OTA study also states: "Malpractice insurance premiums and the incidence of malpractice claims indicate that patients are satisfied with NP care. Although insurance premiums for nurse practitioners are increasing, successful malpractice suits against them remain extremely rare."[5]

In a review of 26 studies comparing nurse practitioner performance to that of physicians, Prescott and Driscoll reported that nurse practitioners received higher scores than physicians on several variables. These included such areas as amount/depth of discussion regarding child health care, preventative health, & wellness; amount of advice, therapeutic listening, and support offered to patients; completeness of history and followup on history findings; completeness of physical examination and interviewing skills, and patient knowledge about the management plan given to them by the provider.[6]

In a review of 15 studies, Record concluded that between 75% and 80% of adult primary care services and up to 90% of pediatric primary care services could be performed by nurse practitioners.[7]

Productivity studies show that if a nurse practitioner is utilized efficiently, s/he could increase the productivity of a solo practice physician by approximately 70%.[8]

A review of several studies shows that the quality of care provided by NPs is as high as the care rendered by physicians for that range of skills which the NPs are trained to use. The quality of care comparison was measured by diagnosis, treatment, and patient outcomes.[9]

Robyn and Hadley report, ". . . it appears that patients respond favorably to the quality of treatment itself, as well as the tendency of nurse practitioners . . . to spend more time with them, to create a more relaxed atmosphere in which they (the patient) feel more comfortable asking questions which they might regard as too trivial for a physician.[10]

The Burlington Randomized Trial Study found that nurse practitioners made appropriate referrals when medical intervention was necessary.[11]

Estimates of increases in the productivity of physician practices that include nurse practitioners range from 20 to 90 percent. The greatest increase in productivity results when the nurse practitioner has primary responsibilities for a subset of patients and refers complicated cases "up" to the physician rather than having the physician delegate routine problems "down" to the nurse practitioner.[12]

In the Burlington Randomized Trial Study, it was found that nurse practitioners were able to provide primary care services as safely and effectively as physicians.[13]

In a federal physician extender reimbursement experiment, it was found that physician/nurse practitioner teams provided a higher quality of care than physicians alone.[14]

References

[1] Congressional Budget Office, US Congress. **Physician Extenders: Their Current and Future Role in Medical Care Delivery.** Washington, D.C.: US Government Printing Office, April 1979.

[2] Kulal, Stephanie, Clever, Linda, "Acceptance of the Nurse Practitioner" **AM.J.Nursing** 1974 March pp 251–256.

[3] Openbrier Diana, **Cost Effectiveness and Quality Report with the use of a Pulmonary Clinical Nurse Practitioner in The Pittsburgh Veterans Administration.** Accepted for publication in the Clinical Nurse Specialist magazine. 1985.

[4] Office of Technology Assessment, US Congress. **Nurse Practitioners, Physician Assistants, and Certified Nurse Midwives: A Policy Analysis.** Washington, D.C.: US Government Printing Office, December 1986, pp. 19.

[5] Ibid. pp 20.

[6] Prescott, P.A. and Driscoll, L. "Evaluating Nurse Practitioner Performance". **Nurse Practitioner** 1980, Vol. 5, PP. 28–32.

[7] Record, J. C. (ed.) **Provided Requirements, Cost Savings and The New Health Practitioner in Primary Care: National Estimate for 1990** Contract 231-77-0077. Washington, D.C.: DEHEW, 1979

[8] Robyn, Dorothy; Hadley, Jack, "National Health Insurance and the New Health Occupations: Nurse Practitioners and Physicians Assistants" **Journal of Health Politics Policy and Law** Vol. 5, No. 3, Fall 1980. pp 451.

[9] Ibid. pp 459.

[10] Ibid. pp 450.

[11] Sackett, D.L. et al. "The Burlington Randomized Trial of the Nurse Practitioners: Health Outcomes of Patients. **Annals of Internal Medicine.** 80:137, 1974.

[12] Smith, K.R., **Health Practitioners: Efficient Utilization and Cost of Health Care.**

[13] Spitzer, W. O. et al "The Burlington Randomized Trial of the Nurse Practitioner" **N.ENG.J.MED.** 290:251–256, Jan. 31, 1976.

[14] System Sciences, Inc. **Nurse Practitioners and the Physicians Assistant Training and Deployment Study: Final Report** Contract No. HRA 230-75-0198. Bethesda, MD: System Sciences, Inc., September, 1975.

NURSE PRACTITIONERS

PROVIDERS OF QUALITY PRIMARY HEALTH CARE

DOCUMENTATION ON QUALITY OF SERVICE

POSITION STATEMENT ON
THIRD PARTY REIMBURSEMENT FOR NURSE PRACTITIONERS
Prepared by P.E.E.R., the Organization
of Alaskan Nurse Practitioners
August, 1987

P.E.E.R.'s Position

P.E.E.R. strongly supports the policy of issuing direct third party payment as reimbursement for professional services rendered by all licensed Nurse Practitioners (NPs) in Alaska. The services offered by NPs are legally recognized by the State of Alaska in specific Nurse Practice Acts, and are equivalent, and in some cases, more holistic in approach, than services provided by physicians in primary care. Reimbursement for NP services would benefit the public by:

1. enabling NPs to establish independent practices and clinics by providing a mechanism to finance their businesses. Currently, most NPs are employed by physicians or other entities, in part because they CANNOT receive direct third party payment.

2. offering more freedom of choice to the public in their selection of competent health care providers.

3. potential reduction in health care costs through competition for provision of services.

4. potential expansion of health care services of NPs in the private sector in under-served areas.

The Significant Contribution of Nurse Practitioners in Alaska

Licensed NPs in Alaska are in sufficient numbers to deserve recognition as an important group of health care providers: as of July, 1987, 129 NPs were licensed and claimed residence in the state. Another 40 NPs are estimated to work in federal governmental agencies (such as Elmendorf Hospital or the Indian Health Service); they are not required to apply for state licences in order to practice. This section describes only the licensed NPs.

Family nurse practitioners outnumber the other eight types of nurse practitioners in Alaska (Table 1). Nurse practitioners impact health care services in Alaska in a variety of work settings (Table 2). Only eleven are in independent practice; of those, six practice in rural settings. Independent practice became an option in December, 1984, with the passing of the new regulations that included placement of NPs under the sole jurisdiction of the Alaska Board of Nursing. Five of the independent practitioners are nurse midwives, who may collect fees from third party payers as stipulated in Alaska Statutes, Sec. 47.07.030--others may not, or do so with difficulty.

The majority of Alaskan NPs hold a Bachelor's or Master's

degree in nursing (86) in addition to their specialized nurse practitioner training, and certification through national certifying bodies (Table 3). In contrast to R.N. degree status for entry into NP training programs in the 1960s, the current national trend is for that training to take place in conjunction with Master's degree preparation, illustrated by the Family Nurse Practitioner program at the University of Alaska's College of Nursing and Health Sciences.

No studies have been conducted in Alaska to assess the quality of care provided by nurse practitioners, nor how their care might differ from that of a physician. Numerous studies in the lower 48, however, have shown that . . ."within their areas of competence, nurse practitioners provide care whose quality is equivalent to that of care provided by physicians", and that patients are generally satisfied with their care (US Congress, Office of Technology Assessment, 1986, pages 5-6). The American Academy of Nurse Practitioners provides a summary of the recent studies documenting the quality of services provided by NPs (addendum 1; also cites the OTA study mentioned above).

Alaskan NPs have demonstrated their willingness to work in under-served rural areas in Alaska: 51 of the currently employed 126 state-licensed NPs work in settings other than in Anchorage, Fairbanks, or Juneau. Their jobs entail multiple responsibilities and require high levels of expertise (see addendum 2 for an example of the rural practice of one NP).

The National Trends

Congress continues to consider a variety of proposals to mandate third party reimbursement for NPs. So far, federally mandated payments are limited to a few State Medicaid programs, Champus, and some programs in the Federal Employees Health Benefit Program (refer to Appendix B, US Congress, Office of Technology Assessment, 1986). At least 13 states currently permit direct payment for NP services, including Washington and Oregon, states also supporting the independent practice of NPs.

Conclusion and Our Recommendations

We contend that without direct reimbursement to NPs in the State of Alaska, the practice settings of NPs are limited, which in turn, effectively limits competition among providers, patient choices of providers, and ultimately, adversely impacts upon health care costs. We therefore recommend that:

1. third party insurers voluntarily offer to provide direct reimbursement for NP services, and/or that

2. the state legislature amend the statutes to mandate such reimbursement to <u>all</u> licensed NPs, not just to nurse midwives as is now the case.

Thanks is extended to Gail McGuill, Executive Director, Alaska Board of Nursing, for her assistance in obtaining the NP data.

FROM THE DESK OF

1/18/88

THAD L. WOODARD, M.D., F.A.A.P.
3500 LATOUCHE, SUITE 290
ANCHORAGE, ALASKA 99504
TELEPHONE 561-1138

JAN 22 19[illegible]

To: Paul Fischer, Chairman
From: Thad Woodard & Associates
Concerning: SB315

There are three pediatricians and two nurse practitioners who work in this office. We want to go on record as supporting senate bill 315. We are in favor of third party reimbursement for nurse practitioners.

Sincerely
Thad Woodard & Associates

Roby Marcou MD
Thad Woodard MD
Nancy Ouimet MD

Bonnie Anderson PNP
Mary Lou Hansen SNP

Handwritten annotation (margin): Dandurand[illegible]

January 16, 1988
11060 Birch Road
Anchorage, AK 99516

Senator Paul Fischer
Chairman, HESS Committee
Alaska State Senate
Pouch V (MS 3100)
Juneau, AK 99811

Dear Senator Fischer:

I am pleased that Senate Bill 315, concerning 3rd party reimbursement for all of Alaska's licensed nurse practitioners, will be heard by your committee on January 25th. The bill is being introduced by Senator Arliss Sturgulewski, and I urge you to support it.

The proposed change to the statutes essentially means that all of the licensed nurse practitioners in Alaska (now numbering about 130) would be able to seek direct 3rd party reimbursement for their services. Only nurse midwives among our group may currently do so by law, besides physicians, osteopaths, chiropractors, etc.

I believe that prohibition of the possibility of receiving such payments has hampered the practice of nurse practitioners, who by law are independent practitioners in ambulatory care. Nurse practitioners cannot easily establish offices without the financial underpinnings that direct reimbursement for services represents. This means that the public is denied a choice of care provider, and that underserved areas lose the opportunity of attracting another competent provider. In addition to expansion of numbers of health care providers, the statute change is likely to reduce health care costs through encouraging a more competitive market.

Again, I urge you to support the Bill 315 relating to third party reimbursement for advanced nurse practitioner services.

Thank you for your attention to this matter.

Sincerely,

J. E. Sprott

Julie E. Sprott, R.N., Ph.D.
Advanced Nurse Practitioner and

JAN 2 2 1988

Paul Fischer
Chair Senate HESS Committee
PO Box X V
Juneau AK 99811

15 Jan 88

Dear Mr Fischer:

Support SB315. The change in SB315 is to allow all Nurse Practitioners in Alaska to receive direct reimbursement for health care services. Currently nursing regulations allow for independent practice by Nurse Practitioners. However, many have not sought independent practice because they could not receive insurance reimbursement.

This bill will hopefully increase patient access to health care and increase the patient's options in seeking health care in Alaska. Thank you for your time.

Sincerely

Wendy Than ANP
Nurse Practitioner

2740 Lake Otis Parkway • Anchorage, Alaska 99508 • (907) 338-6162 / 338-6281 (24 Hours)

P.O. Box 200821
Anchorage, AK 99520
January 19, 1988

Senator Paul Fischer
HESS Committee
Alaska State Legislature
Pouch V (MS 3100)
Juneau, AK 99811

JAN 22 1988

Dear Senator Fischer:

I earnestly solicit your endorsement of Senate Bill No. 315 advocating third party reimbursement for Advanced Nurse Practitioner services in the state of Alaska.

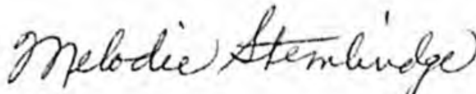
This letter is to encourage you to seriously consider this change so that Nurse Practitioners may offer services legally as independent providers to those citizens in Alaska needing this care.

As you are aware, NPs provide quality care and serve those rural areas in the state that have no other access to medical and nursing services. The lack of direct reimbursement options for NP services have seriously hampered the provision of this care. As a Geriatric Nurse Practitioner, I am very aware of the scarcity of affordable and accessible health care options presently available to the growing elderly population in this state. In the future who will meet their burgeoning needs for careful and consistent monitoring?

At present I am the second GNP in this state. We need many more. Third party reimbursement for NPs and the institution of provider status for NPs in the state Medicaid program will greatly enhance our potential for recruitment of NPs to meet the health care needs of the elderly population in Alaska.

Thank you for your consideration of this matter. I am

Sincerely yours,



Melodie Stembridge, MSN,
Geriatric Nurse Practitioner,
Certified
University of Alaska Anchorage.
3211 Providence Drive
Anchorage, AK 99508

SB
324

SB 324

SENATE BILL NO. 324 by the Rules Committee by request of the Governor, entitled:

"An Act relating to eligibility to serve time in a correctional restitution center."

was read the first time and referred to the Health, Education and Social Services Committee and the Judiciary Committee.

Governor's transmittal letter dated January 11:

Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the eligibility of prisoners for placement in a correctional restitution center.

The bill makes a minor change in existing law which will expand the pool of prisoners who are eligible for placement in a correctional restitution center, thereby facilitating both the rehabilitation process and the repayment of restitution to victims of crimes.

Presently AS 33.30.161(b)(2) precludes placement of a prisoner in a correctional restitution center if the prisoner has ever been convicted of an offense involving violence or the use of force. This bill would amend that paragraph to allow placement in a restitution center of a prisoner who has a criminal history of misdemeanor violence, but not a prisoner who has ever been convicted of a felony offense involving violence. Of course, the Department of Corrections would still make a classification decision that the prisoner does not otherwise present a risk to the community before placement in a restitution center.

This bill is a responsible way to promote rehabilitation of low-risk prisoners, assist victims of crimes, and help address the problem of prison crowding.

Sincerely,

/s/ Steve Cowper
Steve Cowper
Governor

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: O SB 324
PUBLISH DATE:

FISCAL NOTE

REQUEST:

Revision Date:
Title: An Act relating to eligibility to serve time in a correctional restitution center.
Sponsor: RULES
Requestor: GOVERNOR

Agency Affected: Department of Corrections
BRU:
Components:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Susan E. Knighton

Prepared by: Susan E. Knighton
Phone: 465-3376
Division: Administrative Services
Date: 2/24/88

Approved by Commissioner: Susan Humphrey-Barnett
Date: 2/24/88
Agency: Department of Corrections

Distribution (by preparer):
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SB
331

Class A Misdemeanor up to 5000 1 yr.

Class C Felony up to 50,000 + 5 yrs.

5-1498B
Chenoweth
1/29/88

Original sponsor: Fischer

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

2 CS FOR SENATE BILL NO. 331 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to drug paraphernalia; and providing
7 for an effective date."

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

9 * Section 1. AS 11 is amended by adding a new chapter to read:

10 CHAPTER 74. DRUG PARAPHERNALIA.

11 Sec. 11.74.010. USE AND POSSESSION OF DRUG PARAPHERNALIA. A
12 person may not use, or possess with intent to use, drug paraphernalia
13 to plant, propagate, cultivate, grow, harvest, manufacture, compound,
14 convert, produce, process, prepare, test, analyze, pack, repack,
15 store, contain, conceal, inject, ingest, inhale, or otherwise intro-
16 duce into the human body a controlled substance in violation of
17 AS 11.71 or AS 17.30.

18 Sec. 11.74.020. MANUFACTURE AND DELIVERY OF DRUG PARAPHERNALIA.
19 A person may not deliver, possess with intent to deliver, or manufac-
20 ture with intent to deliver, drug paraphernalia, knowing, or under
21 circumstances where one reasonably should know, that it will be used
22 to plant, propagate, cultivate, grow, harvest, manufacture, compound,
23 convert, produce, process, prepare, test, analyze, pack, repack,
24 store, contain, conceal, inject, ingest, inhale, or otherwise intro-
25 duce into the human body a controlled substance in violation of
26 AS 11.71 or AS 17.30.

27 Sec. 11.74.030. ADVERTISEMENT OF DRUG PARAPHERNALIA. A person
28 may not place in a newspaper, magazine, handbill, or other publication
29 any advertisement, knowing, or under circumstances where one

1 reasonably should know, that the purpose of the advertisement, in
2 whole or in part, is to promote the sale of objects designed or in-
3 tended for use as drug paraphernalia.
4 Sec. 11.74.040. EVIDENCE CONSIDERED. In determining whether an
5 object is drug paraphernalia, a court or other authority shall consid-
6 er, in addition to all other logically relevant factors, the follow-
7 ing:
8 (1) statements by an owner or by a person in control of the
9 object concerning its use;
10 (2) prior convictions, if any, of an owner, or of a person
11 in control of the object, under state or federal law relating to a
12 controlled substance;
13 (3) the proximity of the object, in time and space, to a
14 direct violation of AS 11.71 or AS 17.30;
15 (4) the proximity of the object to a controlled substance;
16 (5) the existence of residue of a controlled substance on
17 the object;
18 (6) direct or circumstantial evidence of the intent of an
19 owner, or of a person in control of the object, to deliver it to a
20 person whom the owner or the person in control of the object knows, or
21 should reasonably know, intends to use the object to facilitate a
22 violation of AS 11.71 or AS 17.30; the innocence of an owner, or of a
23 person in control of the object, as to a direct violation of AS 11.71
24 or AS 17.30 does not prevent a finding that the object is intended for
25 use, or designed for use as drug paraphernalia;
26 (7) instructions, oral or written, provided with the object
27 concerning its use;
28 (8) descriptive materials accompanying the object that
29 explain or depict its use;

1 (9) national and local advertising concerning its use;
2 (10) the manner in which the object is displayed for sale;
3 (11) whether the owner, or the person having control of the
4 object, is a legitimate supplier of like or related items to the
5 community, such as a distributor or dealer of tobacco products;
6 (12) direct or circumstantial evidence of the ratio of sales
7 of the object to the total sales of the business enterprise;
8 (13) the existence and scope of legitimate uses for the
9 object in the community;
10 (14) expert testimony concerning its use.
11 Sec. 11.74.050. PENALTIES. (a) Except as provided in (b) of
12 this section, a person who violates this chapter is guilty of a class
13 A misdemeanor.
14 (b) A person 18 years of age or over who violates AS 11.74.020
15 by delivering drug paraphernalia to a person under 18 years of age who
16 is at least three years younger than the person delivering the drug
17 paraphernalia is guilty of a class C felony.
18 Sec. 11.74.060. FORFEITURES. (a) Drug paraphernalia may be
19 forfeited to the state either upon conviction of the defendant of a
20 violation of AS 11.74.010 - 11.74.020 or upon judgment of a court in a
21 separate civil proceeding in rem that an item of drug paraphernalia
22 was used in a violation of AS 11.74.010 - 11.74.020.
23 (b) It is not a defense in an in rem proceeding brought under
24 this section that a criminal proceeding is pending or has resulted in
25 a conviction or acquittal of a person of a violation of AS 11.74.010 -
26 11.74.020, or that a criminal proceeding has been dismissed, or that
27 the item of drug paraphernalia has not been forfeited in any criminal
28 proceeding, or that multiple actions are pending.
29 Sec. 11.74.070. SEIZURE OF DRUG PARAPHERNALIA. (a) Drug

paraphernalia subject to forfeiture under this section may be seized by a peace officer upon an order issued by a court having jurisdiction over the property upon a showing of probable cause that the paraphernalia is subject to forfeiture under AS 11.74.060(a).

(b) Seizure without a court order may be made if

(1) the seizure is incident to a valid arrest or search under a valid search warrant;

(2) the paraphernalia subject to seizure has been the subject of a prior judgment in favor of the state in a criminal proceeding or civil proceeding in rem based on a violation of AS 11.74.-010 - 11.74.020; or

(3) there is probable cause that the paraphernalia was or is being used in violation of AS 11.74.010 - 11.74.020 and the property is easily movable; paraphernalia seized under this paragraph may not be held for more than 48 hours or until an order continuing the seizure may be applied for and issued by a court, whichever is earlier.

Sec. 11.74.080. CUSTODY. Paraphernalia taken or detained under AS 11.74.060(a) is in the custody of the Department of Public Safety subject only to an order or decree of the court having jurisdiction over the forfeiture proceedings. If property is seized under this chapter, the Department of Public Safety may

(1) place the paraphernalia under seal;

(2) remove the paraphernalia to a place designated by the court;

(3) take custody of the paraphernalia and remove it to an appropriate location for disposition according to law.

(b) Within 10 days of a seizure under this section, the state shall inventory the paraphernalia seized and its contents and appraise

1 the value of the items seized.

2 Sec. 11.74.090. DISPOSITION OF PARAPHERNALIA. Paraphernalia
3 forfeited under this section shall be disposed of according to court
4 order. The court may order the Department of Public Safety to

5 (1) destroy paraphernalia harmful to the public;

6 (2) take custody of the paraphernalia and use it in the
7 enforcement of this chapter, AS 11.71, or AS 17.30, or transfer it to
8 another agency of the state for a use designated by the court in
9 furtherance of the administration of justice;

10 (3) take custody of the paraphernalia and remove it for
11 disposition in accordance with law; or

12 (4) forward it to the United States Drug Enforcement Admin-
13 istration for disposition.

14 Sec. 11.74.100. DEFINITIONS. In this chapter

15 (1) "controlled substance" has the meaning given in AS 11.-
16 71.900;

17 (2) "drug paraphernalia" and "paraphernalia" mean equip-
18 ment, products, and materials of any kind that are used, designed for
19 use, or intended for use in planting, propagating, cultivating, grow-
20 ing, harvesting, manufacturing, compounding, converting, producing,
21 processing, preparing, testing, analyzing, packaging, repackaging,
22 storing, containing, concealing, injecting, ingesting, inhaling, or
23 otherwise introducing into the human body a controlled substance in
24 violation of AS 11.71 or AS 17.30; "drug paraphernalia" or "parapher-
25 nalia" includes, but is not limited to,

26 (A) kits used, designed for use, or intended for use
27 in planting, propagating, cultivating, growing or harvesting of
28 any species of plant that is a controlled substance or from which
29 a controlled substance can be derived;

1 (B) kits used, designed for use, or intended for use
2 in manufacturing, compounding, converting, producing, processing,
3 or preparing controlled substances;
4 (C) isomerization devices used, designed for use, or
5 intended for use in increasing the potency of a species of plant
6 that is a controlled substance;
7 (D) testing equipment used, designed for use, or
8 intended for use in identifying, or in analyzing the strength,
9 effectiveness, or purity of controlled substances;
10 (E) scales and balances used, designed for use, or
11 intended for use in weighing or measuring controlled substances;
12 (F) diluents and adulterants, such as quinine hydro-
13 chloride, mannitol, mannite, dextrose, and lactose, used, de-
14 signed for use, or intended for use in cutting controlled sub-
15 stances;
16 (G) blenders, bowls, containers, spoons, and mixing
17 devices used, designed for use, or intended for use in compound-
18 ing controlled substances;
19 (H) capsules, balloons, envelopes, and other contain-
20 ers used, designed for use, or intended for use in packaging
21 small quantities of controlled substances;
22 (I) containers and other objects used, designed for
23 use, or intended for use in storing or concealing controlled
24 substances;
25 (J) hypodermic syringes, needles, and other objects
26 used, designed for use, or intended for use in parenterally
27 injecting controlled substances into the human body;
28 (K) objects used, designed for use, or intended for
29 use in ingesting, inhaling, or otherwise introducing cocaine,

1 hashish, or hashish oil into the human body, such as
2 (i) metal, wooden, acrylic, glass, stone, plas-
3 tic, or ceramic pipes with or without screens, permanent
4 screens, hashish heads, or punctured metal bowls;
5 (ii) water pipes;
6 (iii) carburetion tubes and devices;
7 (iv) smoking and carburetion masks;
8 (v) miniature cocaine spoons and cocaine vials;
9 (vi) chamber pipes;
10 (vii) carburetor pipes;
11 (viii) electric pipes;
12 (ix) air-driven pipes;
13 (x) chillums;
14 (xi) bongs;
15 (xii) ice pipes or chillers.
16 * Sec. 2. AS 11.74.100(2), added by sec. 1 of this Act, is amended to
17 read:
18 (2) "drug paraphernalia" and "paraphernalia" mean equip-
19 ment, products, and materials of any kind that are used, designed for
20 use, or intended for use in planting, propagating, cultivating, grow-
21 ing, harvesting, manufacturing, compounding, converting, producing,
22 processing, preparing, testing, analyzing, packaging, repackaging,
23 storing, containing, concealing, injecting, ingesting, inhaling, or
24 otherwise introducing into the human body a controlled substance in
25 violation of AS 11.71 or AS 17.30; "drug paraphernalia" or "parapher-
26 nalia" includes, but is not limited to,
27 (A) kits used, designed for use, or intended for use
28 in planting, propagating, cultivating, growing or harvesting of
29 any species of plant that is a controlled substance or from which

1 a controlled substance can be derived;

2 (B) kits used, designed for use, or intended for use
3 in manufacturing, compounding, converting, producing, processing,
4 or preparing controlled substances;

5 (C) isomerization devices used, designed for use, or
6 intended for use in increasing the potency of a species of plant
7 that is a controlled substance;

8 (D) testing equipment used, designed for use, or
9 intended for use in identifying, or in analyzing the strength,
10 effectiveness, or purity of controlled substances;

11 (E) scales and balances used, designed for use, or
12 intended for use in weighing or measuring controlled substances;

13 (F) diluents and adulterants, such as quinine hydro-
14 chloride, mannitol, mannite, dextrose, and lactose, used, de-
15 signed for use, or intended for use in cutting controlled sub-
16 stances;

17 (G) blenders, bowls, containers, spoons, and mixing
18 devices used, designed for use, or intended for use in compound-
19 ing controlled substances;

20 (H) capsules, balloons, envelopes, and other contain-
21 ers used, designed for use, or intended for use in packaging
22 small quantities of controlled substances;

23 (I) containers and other objects used, designed for
24 use, or intended for use in storing or concealing controlled
25 substances;

26 (J) hypodermic syringes, needles, and other objects
27 used, designed for use, or intended for use in parenterally
28 injecting controlled substances into the human body;

29 (K) objects used, designed for use, or intended for

1 use in ingesting, inhaling, or otherwise introducing marijuana,
2 cocaine, hashish, or hashish oil into the human body, such as
3 (i) metal, wooden, acrylic, glass, stone, plas-
4 tic, or ceramic pipes with or without screens, permanent
5 screens, hashish heads, or punctured metal bowls;
6 (ii) water pipes;
7 (iii) carburetion tubes and devices;
8 (iv) smoking and carburetion masks;
9 (v) miniature cocaine spoons and cocaine vials;
10 (vi) chamber pipes;
11 (vii) carburetor pipes;
12 (viii) electric pipes;
13 (ix) air-driven pipes;
14 (x) chillums;
15 (xi) bongs;
16 (xii) ice pipes or chillers;
17 (xiii) roach clips and similar objects used to hold
18 burning material, such as a marijuana cigarette, that has
19 become too small or too short to be held in the hand;
20 (L) separation gins and sifters used, designed for
21 use, or intended for use in removing twigs and seeds from, or in
22 otherwise cleaning or refining, marijuana.
23 * Sec. 3. Section 2 of this Act takes effect on the later of
24 (1) the effective date of sec. 1 of this Act; or
25 (2) the effective date of an Act making the possession of any
26 amount of marijuana a crime.
27
28
29

Introduced: 1/11/88 5-1498A
Referred: Health, Education and Social Services and Judiciary

IN THE SENATE BY FISCHER

SENATE BILL NO. 331

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIFTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to drug paraphernalia."

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

* Section 1. AS 11 is amended by adding a new chapter to read:

CHAPTER 74. DRUG PARAPHERNALIA.

Sec. 11.74.010. USE AND POSSESSION OF DRUG PARAPHERNALIA. A person may not use, or possess with intent to use, drug paraphernalia to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, prepare, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body a controlled substance in violation of AS 11.71 or AS 17.30.

Sec. 11.74.020. MANUFACTURE AND DELIVERY OF DRUG PARAPHERNALIA. A person may not deliver, possess with intent to deliver, or manufacture with intent to deliver, drug paraphernalia, knowing, or under circumstances where one reasonably should know, that it will be used to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, prepare, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body a controlled substance in violation of AS 11.71 or AS 17.30.

Sec. 11.74.030. ADVERTISEMENT OF DRUG PARAPHERNALIA. A person may not place in a newspaper, magazine, handbill, or other publication any advertisement, knowing, or under circumstances where one reasonably should know, that the purpose of the advertisement, in whole or

COMMITTEE COPY

1 in part, is to promote the sale of objects designed or intended for
2 use as drug paraphernalia.

3 Sec. 11.74.040. EVIDENCE CONSIDERED. In determining whether an
4 object is drug paraphernalia, a court or other authority shall consid-
5 er, in addition to all other logically relevant factors, the follow-
6 ing:

7 (1) statements by an owner or by a person in control of the
8 object concerning its use;

9 (2) prior convictions, if any, of an owner, or of a person
10 in control of the object, under state or federal law relating to a
11 controlled substance;

12 (3) the proximity of the object, in time and space, to a
13 direct violation of AS 11.71 or AS 17.30;

14 (4) the proximity of the object to a controlled substance;

15 (5) the existence of residue of a controlled substance on
16 the object;

17 (6) direct or circumstantial evidence of the intent of an
18 owner, or of a person in control of the object, to deliver it to a
19 person whom the owner or the person in control of the object knows, or
20 should reasonably know, intends to use the object to facilitate a
21 violation of AS 11.71 or AS 17.30; the innocence of an owner, or of a
22 person in control of the object, as to a direct violation of AS 11.71
23 or AS 17.30 does not prevent a finding that the object is intended for
24 use, or designed for use as drug paraphernalia;

25 (7) instructions, oral or written, provided with the object
26 concerning its use;

27 (8) descriptive materials accompanying the object that
28 explain or depict its use;

29 (9) national and local advertising concerning its use;