

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672  
6653 SENATE STATE AFFAIRS

1057

immediate advantage of these research findings since fish meal is currently available. Presentations and publications of the results will disseminate the research findings. The relatively large number of dairy and beef cattle in states such as California and Washington offer an immediate, viable market for Alaskan and other Pacific coast derived fishmeals.

The general objectives of these studies are to:

1. Contribute to the establishment of a market for fish meal through applied research aimed at fish meal utilization in dairy and beef cattle diets;

2. Further establish the protein value of fish meal in ruminant diets and investigate other potential growth factors that may be present;

3. Define optimum feeding levels and strategies for utilization of fish meal in dairy and feed lot cattle diets.

### Institute of Northern Engineering D. Schell

A proposal entitled *Peat Carbon Accumulation Rates in Arctic Alaskan Tundra* has been submitted to the U.S. Department of Energy.

This project seeks to determine whether peat is still accumulating or is being lost through biological and physical processes on Alaska's North Slope. Cores of peat will be collected on three coast-to-foothill transects and the radiocarbon activity profiled. The information is essential in understanding the role of arctic and subarctic peat in global carbon dioxide fluxes.

### Institute of Marine Science B. Kelly

A proposal entitled *Monitoring of Bowhead Whale Move-*

*ments in the Beaufort Sea* has been submitted to the Amoco Production Company.

This funding request is for extending the monitoring of bowhead whale movements in the Beaufort Sea. Continuation of aerial surveys until the migration was "called" by the National Marine Fisheries Service required more time and support than was covered by the Institute of Marine Science subcontract from Purdue University.

The budget includes additional salary for the P.I. and a technician to complete the aerial surveys, package and ship equipment to Purdue University and Woods Hole Oceanographic Institution, and to collate and distribute the radio-tracking and aerial survey data. Also included are funds necessary to cover data reduction and reporting, travel, telephone and photocopying costs.

### Institute of Marine Science R. Eisner

A proposal entitled *Coronary Flow & Resistance to Cardiac Hypoxia in Seals* has been submitted to the American Heart Association.

Marine mammals possess adaptations for the progressive asphyxia of long underwater submersions. Some seal species are good examples, and their primary defenses against hypoxia, hypercapnia and acidosis include oxygen storage and metabolic conservation by selective distribution of cardiac output, thus assuring oxygen supply to the brain and heart. They can endure a decline in arterial  $PO_2$  to 10 torr and pH of 6.8 with uneventful recovery. Cardiac resistance depends upon enhanced anaerobic capability supported by high glycogen storage and reduced oxygen requirement without major alteration of arterial blood

pressure. Coronary perfusion declines during experimental dives in approximate proportion to the reduced heart rate. However, instantaneous flow is highly variable, and it intermittently ceases entirely, sometimes for 45 sec. The proposed research is directed toward understanding the ability of the seal heart to maintain mechanical function despite severe hypoxemia and intermittent ischemia. Our approach to this problem at this stage will be to study the vascular reactivity and electrophysiology of isolated coronary arteries and cultured tissues from the hearts of seals and terrestrial mammals. Agonists and antagonists of autonomic effects on vascular smooth muscle will be systematically tested for possible regulatory influences on these vessels in a controlled bath preparation. Other substances which have vasoactive effects will be similarly examined. Our primary results indicate that the approach and procedures are likely to be successful. The long-range objective of this research is the elucidation of cardiac protective mechanisms which may be present in seals but not in terrestrial mammals.

### Institute of Arctic Biology R. White

A proposal entitled *Nutritional Effects on Lactation, Nursing Behavior and Breeding Success of Muskoxen, Caribou and Reindeer* has been submitted to the Center for Field Research.

The objective of this study is to assess the influence of nutrition on lactation, maternal-offspring behavior, and reproductive success in muskoxen. A small colony of tame, tractable animals held at the Large Animal Research Station, University of Alaska Fairbanks, will be used. The relationships between planes

of nutrition, adult body condition, milk yield, growth rate of the calf, timing of ovulation, and conception success will be determined. The influence of nutrition on calf behavior will be studied as nursing behavior of the calf is thought to provide a feedback control of offspring fitness on weaning date and breeding activity of the female. These parental investment strategies of muskoxen toward their calves will be compared with the maternal strategies of other sympatric northern ungulates, reindeer and caribou. This research will further our understanding of the breeding biology of muskoxen and will therefore provide a basis for their management. This has particular importance for protection of critical habitat, especially in view of the effects of northern development associated with mineral and petroleum exploration.

Volunteers will assist in making behavioral observations, collecting milk and urine, weighing animals, and providing general animal care. Activity/behavioral changes will be monitored from viewing towers and entered onto a field computer.

### **Geophysical Institute D. Christensen**

A proposal entitled *Spatial and Temporal Stress Variations in the Outer Rise and Subduction Zone* has been submitted to the National Science Foundation.

In a previous study, spatial and temporal variations observed in outer rise earthquakes were related to the coupled and uncoupled nature of the interplate contact zone. The results indicate that in strongly coupled subduction zones the stress orientation from outer rise

focal mechanisms is directly related to the occurrence of large underthrusting earthquakes and thus an integral part of the earthquake cycle. Compressional (thrust) outer rise events occur in locked portions of the subduction zone before large underthrusting events and tensional (normal) outer rise events follow the occurrences of large underthrusting events. While the correlation is compelling, it is nonetheless based on a small and incomplete data set. In this study the data base will be expanded by decreasing the magnitude cutoff and increasing the time window from which the data base is derived. Larger events (>5.5) will be studied in order to determine a complete data set for the years 1963-1988 at that level on a global scale. More detailed studies, including the addition of smaller events (<5.5) and possible expanded time scales will be performed for interesting areas.



# Program Deadlines

The following several pages contain lists of funding sources with deadline dates, program descriptions, addresses, and telephone numbers. The information is listed in alphabetical order by agency or foundation name. When multiple programs occur within an agency, they are listed in chronological order by deadline date.

If you need assistance in getting more information about any of these programs, call Bill Jacobson at 7719. He will have detailed program information and/or application forms for some of the programs announced. If appropriate information is not on file, a request can be made to have the information sent directly to you. Each program has been assigned a reference number for convenience and efficiency; when you call for information about any of these programs, please refer to the reference number.

If you'd like to talk directly to any agency or foundation to get information about the programs listed here or other programs, remember that you are welcome to use the telephone in the resource library (3rd Floor, Signers' Hall).

## Academy of American Poets

April 15      The Lamont Poetry Selection  
212/427-5665

## American Association of Museums

April 28      Museum Assessment Program (MAP 1)  
202/289-1818

## American Honda Foundation

May 1      Institutional Grants for Youth and Science Ed.  
Other Deadline: November 1  
213/781-4090

## American Institute of Certified Public Accountants

April 1      Financial Assistance to Doctoral Candidates Accounting

## American Society for Engineering Education

April 1      Office of Naval Technology/American Society fo Engineering Education - Postdoctoral  
Fellowship Program  
Other Deadline: October 1  
202/293-7080

## Burroughs Wellcome Fund

- April 1 George Herbert Hitchings Award for Innovative Methods in Drug Design  
919/248-4136
- May 1 Wellcome Visiting Professorships in the Basic Medical Sciences  
919/248-4136
- May 1 Wellcome Visiting Professorships in the Microbiological Sciences  
919/248-4136

## Congressional Black Caucus Foundation

- April 30 Congressional Fellows Program  
202/543-8767

## Corporation for Public Broadcasting

- April 21 Open Solicitation  
Other Deadline: January 6  
202/955-5137

## Council on Library Resources

- April 1 Faculty/Librarian Cooperative Research Grants  
Other Dealine: November 1  
202/483-7474

## Department of Agriculture

- April 10 Research Grants: Ozone Depletion (as related to crop productivity)  
202/475-5042

## Department of Commerce

- April 1 NOAA/National Estuarine Reserve Research System Research Opportunities  
202/673-5126

## Department of Education

- May 15 Veterans Education Outreach Program  
202/732-4406

## Dr. Scholl Foundation

- May 15 Dr. Scholl Foundation Grants (write for guidelines: 11 S. LaSalle Street, Suite 2100,  
Chicago, IL 60603)  
312/782-5210
- May 15 Grants (write for guidelines: 11 S. LaSalle Street, Suite May 15 2100, Chicago, IL 60603)  
312/782-5210

## Dreyfus Foundation Inc.

- April 15 Teacher-Scholar Grants in Chemistry, Biochemistry  
212/753-1760

April 15      Chemical Engineering (nominations due)  
212/753-1760

### **Economic History Association**

April 1      Arthur H. Cole Grants-in-Aid for Research in Economic History  
202/994-6052

### **Commission on the Bicentennial of the Constitution**

May 15      Constitution Bicentennial Educational Grant Program  
202/653-5110

### **Food and Drug Administration**

April 15      Scientific Conferences  
Other Deadline: January 15  
301/443-6170

### **Fund for the Improvement of Post-secondary Education**

May 1      Drug Prevention Programs in Higher Education: National College Students  
202/732-5750

May 1      Organizational Network Program  
202/732-5750

### **German Academic Exchange Service**

April 1      Legal Studies & Internship (Young Lawyers)  
212/758-3223

### **German Marshall Fund**

April 30      Fellowship Program for U.S. Environmentalists  
202/745-3950

### **Hagley Museum and Library**

May 1      Hagley/Wintertthur Fellowships in Arts & Industries 302/658-2400  
May 1      Relationship between economic life and the arts - phone extension 244  
302/658-2400

### **Health Resources and Services Administration**

May 17      Maternal/Child Health: Genetic Disease Testing, Counseling, & Info. Projs.  
301/443-2170

### **Henry Luce Foundation**

April 1      Professorship Program (institutional applications)  
212/489-7700

## Hewlett-Packard Company

April 1 Hewlett-Packard Equipment Grants to Community Colleges  
415/857-5197

## J. Paul Getty Trust

April 10 The Getty Grant Program: Architectural Conservation Grants  
Other Deadline: October 10  
213/393-4244

## Jesse B. Cox Charitable Trust

April 15 Institutional Grants in Education  
Other Deadline: July 15  
617/426-7172

April 15 Environment, and Health (for organizations in New England region)  
Other Deadline: July 15  
617/426-7172

## International Research and Exchange Board

April 1 Special Short-Term Travel Grants for Senior Scholars in the Social Sciences  
Other Deadline: October 1  
609/683-9500

April 1 Grants for Independent Short-Term Research (to USSR, E. Europe, Mongolia)  
Other Deadline: October 1  
609/683-9500

## MacDowell Colony

April 15 MacDowell Colony Residencies for Writers, Composers, & Visual Artists  
Other Deadline: January 15  
603/924-3886

## National Endowment for the Arts

April 3 Museums: Special Artistic Initiatives  
202/682-5442

April 3 Visual Arts: Special Projects (Grants to Organizations)  
202/682-5448

April 7 Inter-Arts: Partnerships in Commissioning and Touring, Intent to Apply Due  
202/682-5444

April 7 Music Presenters & Festivals: Chamber Music/New Music Presenters  
202/682-5445

April 14 Arts Administration Fellowship Program  
Other Deadline: January 13  
202/682-5786

April 15 Theater: Distinguished Artist Fellowships in Theater - nominations  
202/682-5425

April 24 Media Arts: Media Arts Centers  
202/682-5452

April 28 Music Presenters & Festivals  
202/682-5445

- April 28 Music Presenters & Festivals: Multi-Music Presenters  
202/682-5445
- April 28 Music Presenters & Festivals: Jazz Presenters  
202/682-5445
- April 28 Music Presenters & Festivals: Solo Recitalist Presenters  
202/682-5445
- April 28 Music Presenters & Festivals: Jazz Management  
202/682-5445
- April 28 Music Presenters & Festivals: Jazz Special Projects  
202/682-5445
- May 12 Inter-Arts: Partnerships in Commissioning and Touring  
202/682-5444
- May 18 Dance Program: General Services to the Field  
202/682-5435
- May 19 Inter-Arts: Services to Presenting Organizations, Applications  
202/682-5444
- May 19 Media Arts: National Services  
202/682-5452
- May 26 Opera - Musical Theater: Professional Companies  
202/682-5447
- May 26 Opera - Musical Theater: Regional Touring  
202/682-5447
- May 26 Opera - Musical Theater: Services to the Art  
202/682-5447
- May 26 Opera - Musical Theater: Special Projects, Concert Opera  
202/682-5447
- May 26 Opera - Musical Theater: Special Projects, Artistic Associates  
202/682-5447
- May 30 Design Arts: Design Advancement/Project Grants for Organizations  
202/682-5437
- May 30 Design Arts: Design Program Grants to State and Regional Arts Agencies  
202/682-5437

### National Endowment for the Humanities

- April 1 Higher Education in the Humanities  
Other Deadline: October 1  
202/786-0380
- April 1 Institutes for College and University Faculty (institutional applications)  
202/786-0384
- April 1 Summer Seminars for School Teachers  
202/786-0463
- April 1 Division of Research Programs/Texts: Publication Subvention  
202/786-0207

### National Institute of Health

- May 10 Nat'l Rsch. Service Awards - Predoctoral & Postdoctoral Nurse Fellowships  
Other Deadline: January 10  
301/496-7441
- May 10 Fogarty Internat'l Center: Senior Fellowship Program (nominations due)  
Other Deadline: September 10  
301/496-6688
- May 10 Fogarty Internat'l Center: Finland Postdoctoral Research Fellowships  
301/496-6688
- May 10 Fogarty Internat'l Center: Irish Health Research Board Fellowships  
301/496-6688

- May 10 Fogarty Internat'l Center: Norwegian Science & Humanities Postdoctoral  
301/496-6688
- May 10 Fogarty Internat'l Center: French National Institute of Health and Medical  
301/496-6688
- May 10 Research Postdoctoral Fellowships  
301/496-6688
- May 10 Fogarty Internat'l Center: Swiss National Science Foundation Postdoctoral  
301/496-6688
- May 10 Fogarty Internat'l Center: Swedish Medical Research Council Postdoctoral  
301/496-6688
- May 10 Fogarty Internat'l Center: National Institute of Health French CNRS Program for  
Scientific Collaboration.  
301/496-6688
- May 10 Fogarty Internat'l Center: Israeli Ministry of Health Postdoc Rsch. F'ships  
301/496-6688
- May 10 Fogarty Internat'l Center: Japan Society for the Promotion of Science  
301/496-6688
- May 10 Postdoctoral Research Fellowships  
301/496-6688

### National Institute of Justice

- April 19 Offender Classification and Prediction of Criminal Behavior  
Other Deadline: January 18  
800/851-3420
- April 25 Violent Criminal Behavior  
Other Deadline: February 1  
800/851-3420
- May 3 Drugs, Alcohol, and Crime  
Other Deadline: January 25  
800/851-3420
- May 5 White Collar and Organized Crime  
Other Deadline: January 6  
800/851-3420
- May 12 Punishment and Control of Offenders  
Other Deadline: January 13  
800/851-3420
- May 15 Forensic Science and Criminal Justice Technology  
800/851-3420
- May 19 Victims of Crime  
Other Deadline: January 20  
800/851-3420
- May 26 Public Safety and Security  
Other Deadline: January 27  
800/851-3420

### National Research Council

- April 15 Senior and Postdoctoral Research Associateships (December 15 deadline for NASA)  
Other Deadline: January 15  
202/334-2760

### National Science Foundation

- April 1 Conference Board of the Math. Sciences: National Science Foundation-CBMS Regional  
Conferences  
202/293-1170

April 1 Computer Research: CISE Institutional Infrastructure - Minority  
 202/357-7349

April 1 Institutions Continuing Grants  
 202/357-7349

April 1 U.S./Australia Cooperative Science  
 202/357-9558

April 1 Materials Development and Research: Informal Science Education  
 Other Deadline: December 1  
 202/357-7076

April 1 Studies and Analyses Program/Assessment Studies Program - target dates  
 Other Deadline: October 1  
 202/357-7425

April 15 Teacher Preparation and Enhancement: Teacher Preparation  
 Other Deadline: October 15  
 202/357-7069

April 17 Design, Manu. & Computer Engin.: Strategic Manufacturing Initiative  
 202/357-5167

May 1 Advanced Sci. Computing: Networking and Communications Research  
 Other Deadline: December 1  
 202/357-7558

May 1 Biotic Systems & Resources: Land-Margin Ecosystems Research  
 202/357-9600

May 1 Biotic Systems & Resources: Doctoral Dissertation Research Improvement  
 Other Deadline: October 15  
 202/357-9734

May 1 Instrumentation and Instrument Development Program  
 Other Deadline: November 1  
 202/357-7652

May 1 Atmospheric Sciences: Climate Dynamics Research - target dates  
 Other Deadline: August 1  
 202/357-9892

May 1 U.S./Argentina Cooperative Science  
 Other Deadline: November 1  
 202/357-9563

May 1 U.S./Brazil Cooperative Science  
 Other Deadline: November 1  
 202/357-9563

May 1 U.S./East European Cooperative Science - Bulgaria, Hungary, and Romania  
 202/357-7494

May 1 U.S./France Cooperative Science - Cooperative Research and Joint Seminars  
 202/357-7554

May 1 U.S./Latin America & Caribbean Cooperative Science  
 Other Deadline: November 1  
 202/357-9563

May 1 U.S./Mexico Cooperative Science  
 Other Deadline: November 1  
 202/357-9563

May 1 U.S./Venezuela Cooperative Science  
 Other Deadline: November 1  
 202/357-9564

May 1 Materials Development and Research: Applications of Advanced Technologies  
 Other Deadline: September 1  
 202/357-7064

May 15 U.S./Japan Cooperative Science: Cooperative Research  
 Other Deadline: July 1  
 202/357-9558

- May 15 U.S./Japan Cooperative Science: Joint Seminars Program  
Other Deadline: July 1  
202/357-9558
- May 15 U.S./Japan Cooperative Science: Photoconversion & Photosynthesis  
Other Deadline: July 1  
202/357-9558
- May 15 Materials Development & Rsch: Instructional Materials Development  
Other Deadline: November 15  
202/357-7066

### Organization of American States

- April 30 Organization of American States: Fellowships - Regular Training Program August 31  
202/458-3902

### Research Corporation

- May 1 Research Opportunity Awards (nominations due)  
Other Deadline: October 1  
602/296-6771

### Russian and East European Center

- April 1 University of Illinois Russian and E. European Center: Summer Research Laboratory  
217/333-1244
- April 1 Univ. of Ill. Russian and E. European Center: Visiting Scholars Program  
217/333-1244

### Smithsonian Institute

- April 1 United States Institute of Peace: Solicited Grants Program - Regional  
202/457-1700
- April 1 Conflict Management and Resolution  
202/457-1700
- May 1 Sigma Xi, The Scientific Research Society: Grants-in-Aid of Research  
Other Deadline: November 1  
203/624-9883

### Society of Nuclear Medicine

- May 1 Society of Nuclear Medicine: Pilot Research Grants in Nuclear Medicine  
Other Deadline: December 15  
212/889-0717

### Wenner-Gren Foundation

- May 1 Anthropological Research Small Grants Program  
212/957-8750

**FYI**

# Vice Chancellor for Research and Dean of the Graduate School



## Office of the Graduate School

Thirty two graduate students were awarded degrees at the end of the 1988 fall semester. Among the graduates were one Ph.D., one Ed.S, and thirty master's degrees (20 M.S., 5 M.Ed., 4 M.A., 1 M.F.A.) Graduates should have received their diplomas by mid-January and are invited to participate in the May commencement ceremony.

Graduate Resource Fellowship applications were due on March 1, and announcements of awards will be made on April 21. The 1989-90 stipends, \$6500 for masters students and \$10,000 for doctorates, will start on July 1. Two doctoral and three masters fellowships will be awarded this year.

Mary Ann Borchert  
Coordinator  
305 Signers' Hall  
474-7464



## Office of Sponsored Programs

The following is a list of the publications available for your use in the Proposal Office. If you have any questions about any of the titles listed, please contact Bill Jacobson (7719) and he can answer your questions.

The current staff in the offices under Dr. Proenza's direction are listed in the table below for your reference.

Luis Proenza	Vice Chancellor for Research and Dean of the Graduate School (7314)
Kathy Webb	Administrative Assistant (7314)

### Office of Sponsored Programs:

Dorothy Yates	Executive Officer (7394)
Diane McLean	Program Manager (7937)
Marsha Wendt	Research Development Officer (7938)
Bill Jacobson	Proposal Coordinator (7719)

### Office of the Graduate School:

Mary Ann Borchert	Coordinator (7464)
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### University of Alaska Press:

Debbie Van Stone	Marketing/Sales Manager (6389/7798)
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## PERIODICALS

Commerce Business Daily  
Federal Grants & Contracts Weekly  
Federal Register  
Federal Research Report  
Foundation News  
Higher Education & National Affairs  
N.S.F. Bulletin  
Office of Technology Assessment Newsletter  
The Grant Advisor  
The Taft Non-profit Executive

States Vol. 1  
Catalog of Federal Domestic Assistance\*  
Corporate 500  
Directory of Grants in the Humanities  
Directory of Research Grants\*  
Education Guide 1987 Vol I & II  
Evaluation Handbook  
Federal Education Grants Directory  
Federal Fast Finder  
Federal Grants: A Basic Handbook  
Federal Yellow Book\*  
Financing and Managing University Research Equipment  
Foundation Grants for Individuals

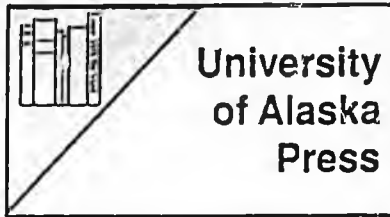
## BOOKS

Alaska Regional Studies Plan—Minerals Management Service  
America's Newest Foundations  
Arctic Research of the United

Foundation Grants Index 10th Edition  
 Funding for Anthropological Research  
 Getting Grants  
 Grant Proposals That Succeeded Grants  
 Grantsmanship Training Program  
 How to Get Corporate Grants  
 How to Get Government Grants  
 How to Raise Funds From Foundations  
 How to Write Successful Foundation Presentations  
 Information U.S.A.  
 Needs Assessment Handbook  
 New Research Centers  
 N.S.F. Grants for Scientific & Engineering Research  
 N.S.F. Grants for Scientific Research  
 Proposal-Writers Swipe File  
 Research Centers Directory  
 Source Book Profiles\*  
 Successful Fund Raising Techniques  
 The Complete Guide to Corporate Fundraising  
 The Corporate 1000  
 The Foundation Directory 11th Edition\*  
 The Grantsmanship Book  
 The Hold Harmless Agreement  
 The "How to" Grants Manual  
 The International Corporate 1000  
 The New Grants Planner  
 The Quick Proposal Workbook  
 The Raising of Money  
 The Thirteen Most Common Fund Raising Mistakes & How to Avoid Them  
 Total Proposal Building  
 University-Connected Research Foundations  
 United States Arctic Research Plan  
 Where America's Large Foundations Make Their Grants  
 Writing With Precision

\*Not to be removed from library. All others may be checked out.

Bill Jacobson  
 Proposal Coordinator  
 3rd Floor Signers' Hall  
 474-7719



At the midway point of fiscal year 1989, the University of Alaska Press is thriving as never before.

"We're so successful it's terrifying," said Carla Helfferich, managing editor for the Press and science writer at the Geophysical Institute. "With so many new books coming out, manuscripts arriving from all over the world, and a really high-powered editorial board over-seeing it all, we've edged into the big leagues. It's right on the brink of what we can handle—exhilarating but nerve-racking.

The University of Alaska Press publishes scholarly nonfiction relevant to Alaska, the circum-polar north, and the North Pacific Rim. The Press also undertakes marketing and distribution tasks for university departments and other small and non-profit publishers.

During the past six months, we took on the Spirit Mountain Press biography series, lent a hand with some titles from the Alaska Native Languages Center (ANLC), and helped the Alaska State Council on the Arts to publish the literary collection *Inroads*," said Debbie Van Stone, sales and marketing manager for the Press. "In the coming months, we'll be working more with ANLC and with professor Richard Pierce of the history department at UAF. We intend to distribute his Limestone Press titles and possibly co-publish some new volumes with Limestone.

Among the titles the Press has in the works are *King Island Tales: Eskimo History and Legends from the Bering Strait*, a joint publication of the ANLC and the

Press; *Birds of the Seward Peninsula*, by Dr. Brina Kessel; *From the Writings of the Greenlanders*, text in English and West Greenlandic compiled and edited by Dr. Michael Fortesque of the University of Copenhagen, Denmark; *Enjoying a Life in Science*, the posthumous autobiography of Per Scholander, a pioneering famous for his work in the Arctic and elsewhere; *Chills and Fever*, a history of medicine in Alaska Native communities from pre-contact times to 1900, by Dr. Robert Fortune of Anchorage; an as yet untitled biography of Waldo Bodfish, prepared by William Schneider of Rasmuson Library as the second contribution in the Oral Biography series; *Native Plants of Southern Alaska*, a comprehensive guide by Paul and Judy Hall Alaback of Juneau; *William D. Berry: 1954 - 1956 Alaskan Field Sketches*, a selection of the famous artist's work in Alaska, compiled by Elizabeth Berry.

"The Berry book especially has been a major undertaking for us," said Van Stone. "It's the first art book the Press has attempted and will include 48 pages of color sketches, so it's much more expensive than most of the things we do." The Press issued a calendar featuring Berry's work as a fundraiser for the book, and has opened an account with the University of Alaska Foundation to accept donations in support of the book project.

This past fall saw the addition of several new members to the Press editorial board. They include Dr. Kenneth Coates, an associate professor of history at the University of Victoria in British Columbia and a noted scholar of northern history; Sitka resident Dr. Richard Nelson, well-known ethnologist and author; Dr. Willy Weeks, glaciologist and chief scientist for the Alaska Synthetic Aperture Radar Facility at UAF, and recent recipient of the Seligman Crystal

from the International Glaciological society for his career accomplishments in the field; Dr. Robert Forbes, State Geologist and chief of the Alaska Division of Geological and Geophysical Surveys; Stanton Patty, Seattle journalist and lifelong student of Alaska matters; and Dr. Gordon Harrison, a political scientist formerly with the Institute of Social and Economic Research of the University of Alaska Anchorage, now living in Juneau.

They join the present board members, including Dr. Marianne Stenbaek, codirector of the Centre for Northern Studies and Research at McGill University in Montreal; Gary Holthaus, executive director of the Alaska Humanities Forum; Merritt Helfferich, associate director of

the UAF Geophysical Institute and member of the Alaska Women's commission; Nancy Lesh, of the Consortium Library at the University of Alaska Anchorage and editor of the circumpolar *Northern Libraries Consortium Newsletter*; and Dr. Neil Davis, emeritus professor at UAF and chairman of the Board of Directors of the Alaska Power Authority. Davis was the first executive director of the University of Alaska Press; he traded positions with former board member and now executive director Dr. Claus M. Naske, head of the UAF history department.

"It's an impressive group," said managing editor Helfferich. "The Press needs the range they bring— both geographically and

by topic—so we can do the job properly. Going by the reviews our books have received, and by sales, we're doing well so far. But it's always a challenge, and we don't see the challenge letting up.

The Press expects gross sales to come close to \$100,000 this year approximately 30% of its sales are to purchasers outside the state. A new catalogue of Press publications should be available in February and there are at least another half-dozen titles in the works for publication in fiscal 1990.

*Debbie Van Stone*  
Room 202, Eielson Building  
Marketing/Sales Manager  
474-6389

*UAF Research Support News*  
Office of the Vice Chancellor for Research  
and Dean of the Graduate School  
Room 301, Signers' Hall  
University of Alaska Fairbanks



Pat Pourchot  
House Fin Comm  
AK Legislature  
PO BOX V  
Juneau AK 99311



CHALLENGING THE MIND  
AND THE SPIRIT...  
 UNIVERSITY OF ALASKA  
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**S B**

**252**

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SB 252

SPONSOR Judiciary Committee

BILL TITLE Exempting amounts held in the judicial retirement system from execution

DATE REFERRED 3-31-89

HEARING SCHEDULED 4-19-89

FISCAL NOTE PREPARED req 4-14 noon - DOA zero

SPONSOR CONTACTED Chris 4523

INTERESTED PARTIES CONTACTED

Art will testify

✓ Jan Strandberg 463-4770  
Courts

✓ Bob Stalnaker 4460  
On Retirement

OTHER

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: An Act exempting amounts held in  
the Judicial Retirement System.  
Sponsor: Judiciary Committee  
Requestor: \_\_\_\_\_

Agency Affected: Department of Administration  
BRU: Retirement and Benefits  
Components: Retirement and Benefits

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER 1034	0	0	0	0	0	0
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)

Please refer to page 2 for discussion of financial implications..

Prepared By: Sally Smith, Director  
Division: Retirement and Benefits  
Approved by Commissioner: John M. Andrews  
Agency: Department of Administration

Phone: 465-4470  
Date: April 17, 1989  
Date: 4/18/89

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

Senate Bill 252  
Analysis of the Fiscal Implications to the Retirement Fund  
Prepared by Division of Retirement & Benefits  
Department of Administration  
April 14, 1989

Analysis: Passage of this bill will have no impact on the judicial retirement fund. There would be no effect on the funding ratio and the unfunded liability.



Alaska Court System  
State of Alaska  
OFFICE OF ADMINISTRATIVE DIRECTOR

JANALEER STRANDBERG  
Staff Counsel

303 K Street  
Anchorage, AK 99501  
(907) 264-8228

April 18, 1989

Senator Pat Pourchot  
Senate  
P. O. Box V  
Juneau, AK 99811


Re: cs for SB 252 An Act exempting amounts held in the judicial retirement system or the elected public officers' retirement system from execution.

Dear Senator Pat Pourchot:

The court system supports this bill that would amend AS 9.38.015. Presently, this law exempts from execution funds held in the Teachers' and Public Employees' Retirement Systems. The amendments would add the Judicial Retirement System and the Elected Public Officers' Retirement System to this list.

I am enclosing a copy of the resolution supporting this amendment, passed in 1986 by the Conference of Alaska Judges. If you have any questions about this proposed amendment, I would be very happy to answer them.

Very truly yours,

  
Jan Strandberg  
Staff Counsel

JS:gb

Encl

cc: Senator Jan Faiks, Chair  
Senate Judiciary Committee

CONFERENCE OF ALASKA JUDGES

Resolution No. 86 - 03

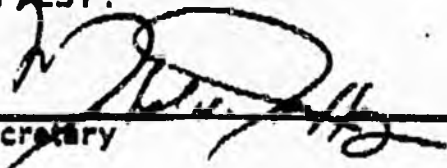
A RESOLUTION SUPPORTING EXEMPTION OF JUDICIAL RETIREMENT FUNDS FROM EXECUTION

IT IS HEREBY RESOLVED by the Conference of Alaska Judges that the Court Administration propose the amendment of Alaska Statutes Section 09.38.015 to exempt funds held in the Judicial Retirement System from execution.

PASSED this 2nd day of July, 1986, at Anchorage, Alaska, by the members of the Conference of Alaska Judges.

  
HERSCHEL "ED" CRUTONFIELD  
President

ATTEST:

  
Acting Secretary

creditor's claim. If the individual does not exercise the repurchase right under this subsection, the clerk of the court shall first remit an amount determined to be exempt to the individual from the proceeds of sale and the balance less the cost of the sale to the creditor. For the purpose of collecting an amount remaining unpaid on a judgment after repurchase of property by an individual under this subsection, the creditor or the creditor's assignee may not make another levy on the property repurchased.

(d) Upon entry of the order of confirmation under (c) of this section and expiration of the time period for repurchase, the clerk may execute a deed to the property and when delivered it shall be sufficient to convey all title of the individual in the premises sold to the purchaser at the sale. (§ 2 ch 62 SLA 1982; am §§ 1, 2 ch 135 SLA 1988)

Cross references. — For current exemption amounts, see 8 Alaska Administrative Code § 95.030.

Effect of amendments. — The 1988 amendment substituted "the individual"

for "that individual" twice in subsection (a) and once in the last sentence in subsection (b), and "\$54,000" for "\$27,000" in subsection (a) and in the last two sentences in subsection (b).

NOTES TO DECISIONS

Avoidance of judicial lien to extent of impairment of homestead exemption. — Section 522(f) of the Bankruptcy Code provides that "... the debtor may avoid the fixing of a [judicial] lien on ... property to the extent that such lien impairs an exemption ...". To determine whether there is such an impairment of a homestead exemption, the following steps are taken by the court: (1) all liens are ranked in order of priority (and equity, if any) to the extent of the value of the prop-

erty; (2) the gross amount of the homestead exemption is subtracted from the value of the property; and (3) from the remainder left, each lien is subtracted, one at a time, beginning with the most senior lien, until a judicial lien is reached. Then the judicial lien is subtracted. To the extent that all or any portion of the judicial lien exceeds the remainder derived in (2), above, it is voidable. In re Duncan, 43 Bankr. 833 (Bankr. D. Alaska 1984).

*except for child support under 09.65.132*

Sec. 09.38.015. Property exempt without limitation. (a) An individual is entitled to exemption of the following property:

- (1) a burial plot for the individual and the individual's family;
- (2) health aids reasonably necessary to enable the individual or a dependent to work or to sustain health;
- (3) benefits paid or payable for medical, surgical, or hospital care to the extent they are or will be used to pay for the care;
- (4) an award under AS 18.67 (Violent Crimes Compensation Board) or a crime victim's reparations Act of another jurisdiction;
- (5) benefits paid or payable as a longevity bonus under AS 47.45;
- (6) compensation or benefits paid or payable and exempt under federal law;
- (7) liquor licenses granted under AS 04;
- (8) limited entry permits granted under AS 16.43, except as provided in that chapter.

(b) The right to benefits held by the state on behalf of an individual which may become payable by reason of disability, unemployment or illness, amounts held in the teachers' or public employees' retirement system, and child support collections made by the child support enforcement agency are exempt.

(c) Property of the state, a general law or home rule municipality, the Alaska State Building Authority, the Alaska Municipal Bond Bank Authority, or other state public corporation is exempt.

(d) Real property held by a cemetery association established under AS 10.30 for the purpose of a cemetery and not exceeding 80 acres is exempt. (§ 2 ch 62 SLA 1982)

Cross references. — For the applicability of the exemptions from execution in income assignment orders for child support, see AS 09.65.132(g); for provisions exempting teachers' retirement salaries and certain other amounts from garnishment, execution or levy, see AS 14.25.200; for provisions exempting unemployment compensation benefits from levy to enforce collection of a debt, see AS 23.20.405(e); for provisions exempting workers' compensation benefits from levy to enforce the collection of a debt, see AS 23.30.160(b); for provisions exempting amounts held in the public employee pension fund and public employee retirement

benefits from levy to enforce the collection of a debt, see AS 39.35.505; for provisions exempting longevity bonuses from levy to enforce collection of a debt, see AS 47.45.120(h); for applicability of the exemptions from execution in proceedings to enforce payment of child support, see AS 47.23.250.

Editor's notes. — This section is set out to reflect the change in the name of the former "Alaska State Housing Authority" to the "Alaska State Building Authority" made by § 1, ch. 103, SLA 1986. Implementation of this legislative action is made by the revisor of statutes under AS 01.05.031.

NOTES TO DECISIONS

Cited in Municipality of Anchorage v. Baugh Constr. & Eng'g Co., Sup. Ct. Op. No 3083 (File Nos S-699, S-831), P.2d (1986).

Sec. 09.38.017. Exemption of retirement plan interests and payments. (a) In addition to the exemption under AS 09.38.015(b), the following are exempt from a claim of an individual's creditor:

- (1) the interest of the individual in a retirement plan; and
- (2) the money or other assets payable to the individual from a retirement plan.

(b) The exemptions provided by (a) of this section do not apply to a contribution made by an individual to a retirement plan within 120 days before the individual files for bankruptcy.

(c) The exemptions provided by (a) of this section do not prevent the payment of benefits under a retirement plan to an alternate payee under a qualified domestic relations order. In this subsection, "qualified domestic relations order" has the meaning given in 26 U.S.C. 414(p).

(d) A retirement plan exempt from claims under (a) of this section is conclusively presumed to be a spendthrift trust under this section.

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE 4-13-89  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER

JUD

\*\*FISCAL NOTE(S) MUST BE ATTACHED  
IN ACCORDANCE WITH AS 24.08.035

3/31/89

DATE TURNED INTO OFFICE 4-19-89

Mr. President:

STATE AFFAIRS

Committee considered

SB 252

exempting amounts held in the judicial retirement system from execution

and recommended:

replace with CS SB 252 (st aff)  same title  
 new title

attached amendment(s) and

\_\_\_\_\_ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

FISCAL NOTE(S) attached  zero  
 appropriation no FN attached

fiscal impact  
 Gov. FN introduced w/ bill

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Jan Hill  
Tim Kelly  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Chair signature and recommendation

Committee backup attached

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2

SENATE BILL NO. 252

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act exempting amounts held in the judicial re-  
7 tirement system from execution."

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

9 \* Section 1. AS 09.38.015(b) is amended to read:

10 (b) The right to benefits held by the state on behalf of an  
11 individual that [WHICH] may become payable by reason of disability,  
12 unemployment or illness, amounts held in the teachers', judicial, or  
13 public employees' retirement system, and child support collections  
14 made by the child support enforcement agency are exempt.

*after 15 yrs gets 75% of salary for rest of life, incl. salary increases!*  
Judicial system on same ground as PERS, TRS.  
*less than 100 members*  
members' funds are exempt from execution  
(i.e. can't be attached except as provided  
by law (09.65.132): child support

*= benefits equal to Judicial system - much more lucrative than PERS/TRS*  
EPORS Closed system - only in existence  
*early '80s*  
for 9 months - referendum to repeal *overaged!*  
*only about 40 active, 20 retired*  
so only those elected officials in office during those 9 mo.

FISCAL NOTE

REQUEST: \_\_\_\_\_

Revision Date: \_\_\_\_\_ Agency Affected: Department of Administration  
 Title: An Act exempting amounts held in BRU: Retirement and Benefits  
the Judicial Retirement System.  
 Sponsor: Judiciary Committee Components: Retirement and Benefits  
 Requestor: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER 1034	0	0	0	0	0	0
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)

Please refer to page 2 for discussion of financial implications..

Prepared By: Sally Smith, Director *Sally Smith* Phone: 465-4470  
 Division: Retirement and Benefits *J.P.* Date: April 24, 1989  
 Approved by Commissioner: John M. Andrews *John M. Andrews* Date: 4/25/89  
 Agency: Department of Administration

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

Committee Substitute for Senate Bill 252 (SA)  
Analysis of the Fiscal Implications to the Retirement Fund  
Prepared by Division of Retirement & Benefits  
Department of Administration  
April 19, 1989

Analysis: Passage of this bill will have no adverse impact on the judicial retirement fund or the Elected Public Officers' Retirement System. There would be no effect on the funding ratio and the unfunded liability.

# Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Falks, Vice Chairman  
Sen. Al Adams  
Sen. Tim Kelly  
Sen. Rick Uehling



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

907-465-3712

## Senate State Affairs Committee

### MEMORANDUM

TO: Senate State Affairs Committee Members  
FROM: Senator Pat Pourchot, Chairman  
RE: April 19 Committee Hearing  
DATE: April 18, 1989

On Wednesday, April 19 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hear the following bills:

SB 252, An Act exempting amounts held in the judicial retirement system from execution

SB 252 would protect from execution or attachment funds held in the Judicial Retirement System. Current law provides such an exemption for funds in the Teachers' and Public Employees' Retirement Systems. The current statutory exception to protection for payment of child support would apply.

A draft committee substitute, prepared at the sponsor's request, would provide the same protection from execution for funds held in the elected public officers' retirement system.

CSHB 91(Jud), An Act relating to protection for certain public employees and other persons who report or participate in a proceeding connected with a matter of public concern

HB 91 would prohibit public employers from discharging, threatening, or otherwise discriminating against employees who disclose information of public concern before a public body. The protection would apply only if the disclosure is made in good faith. A violation of the provision would be punishable by a civil fine of not more than \$10,000.

The bill would apply to employees of the state, the federal government, political subdivisions including municipalities and school districts, the University, and public corporations including the Alaska Railroad.

Similar "whistle blower" protection exists on the federal level and under Alaska's long term care ombudsman law.

Committee Memo  
April 18, 1989  
Page 2

CSHB 138(Fin), An Act establishing a state employee incentive  
award system

HB 138 would establish an Incentive Awards Board in the Department of Administration to authorize payment of cash awards to state employees who make superior contributions to the efficiency and economy of state operations. The contribution must result in a net savings to the agency and must have been developed outside normal working hours. The bill establishes a formula for calculating the amount of the award, to a maximum of \$25,000.

6-1075E ✓  
Cramer  
4/11/89

*Sandra*

Original sponsor: Judiciary Committee

*adopted*

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 252 ( )

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act exempting amounts held in the judicial  
7 retirement system or the elected public officers'  
8 retirement system from execution."

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

10 \* Section 1. AS 09.38.015(b) is amended to read:

11 (b) The right to benefits held by the state on behalf of an  
12 individual that [WHICH] may become payable by reason of disability,  
13 unemployment or illness, amounts held in the teachers', judicial, or  
14 public employees' retirement system, or in the elected public offi-  
15 cers' retirement system under former AS 39.37, and child support  
16 collections made by the child support enforcement agency are exempt.  
17  
18  
19  
20  
21  
22  
23  
24

252POOP.TXT  
4/19/89

SB 252 EXEMPTING AMOUNTS HELD IN THE JUDICIAL RETIREMENT  
SYSTEM FROM EXECUTION

TO TESTIFY

SEN. FAIKS (JUDICIARY COMMITTEE IS SPONSOR, AT SNOWDEN'S  
REQUEST)

~~AT SNOWDEN~~, COURTS

*Jan Strandberg*

BOB STALNAKER, DIV. RETIREMENT, D.O.A. (QUESTIONS ONLY)

F.Y.I.

FAIKS PREPARED C.S. AT RODEY'S REQUEST -- PROVIDES SAME BENEFIT  
TO E.P.O.R.S. (YOU PROBABLY KNOW THIS IS A CLOSED SYSTEM, ONLY IN  
EXISTENCE FOR 9 MONTHS IN THE EARLY 1980'S. HAS ABOUT 40 ACTIVE  
MEMBERS AND 20 RETIRED.) SEEMS FAIR -- NOW ALL 4 RETIREMENT  
SYSTEMS ARE ON THE SAME FOOTING IN REGARD TO EXECUTION.

BOTH THE JUDICIAL RETIREMENT SYSTEM AND E.P.O.R.S. ARE MORE  
LUCRATIVE THAN T.R.S. AND P.E.R.S. AFTER 15 YEARS OF SERVICE IN  
THE JUDICIAL SYSTEM YOU GET 75% OF YOUR SALARY FOR LIFE,  
INCLUDING SALARY INCREASES! I SUPPOSE YOU COULD CONSIDER THIS  
"PROTECTION FROM EXECUTION" AS YET ANOTHER BENEFIT.

**S B**

**254**

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SB 254

SPONSOR Duncan - Dale

BILL TITLE Group health insurance

DATE REFERRED 3-31-89

HEARING SCHEDULED

FISCAL NOTE PREPARED - Guy Bell - 2505

SPONSOR CONTACTED - DUNCAN REQUESTED. (1 31 90 Hearing)

INTERESTED PARTIES CONTACTED

- ✓ Read Steps - 463-3223 *Advised*
- ✓ Jeff Malek - (of Arthur Gallagher Co) Contact
- Admin: / Mike Coughlin - 4470
- Commerce: Linda Wild
- HESS - Jay Livey - 3030...
- DOE:
- ✓ UofA: Wendy Redman: (Baronof) 474-7582 (Fax 474-7570)
- OAC: Fran Toland
- Barbara Huff: (FAX 337-6668) # 269-4236
- Scott Burgess: AK. Muni League - 586-1325
- NEA - Bob Manner 586-3090

OTHER

Fiscal Notes:

- ✓ Commerce. Linda Wild
- ✓ Admin: Sioux Plummer - 2200 - Mike
  - ✓ HESS: Jay Livey - 3030
  - ✓ DOE: Steve Hole
- ✓ University: John Doch left message
  - Wendy Redman: 484-1582

STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY  
LEGISLATIVE REFERENCE LIBRARY

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

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

SB 254

Senate State Affairs

1/31/90

SB 254.txt

FRIDAY, MARCH 2

Proposed CS for SB 254, Duncan, GROUP HEALTH INSURANCE

TELECONFERENCE; Anchorage, Fairbanks, others welcome.

TO TESTIFY;

Senator Duncan

Jeff Malek: Arthur J. Gallagher Co./Health Care Cost Containment  
Consultant

Bruce Cummings: Director, Labor Relations

Michelle Castanedo: ASEA

Bob Stalnaker: Division of Retirement and Benefits

NOTIFIED; \*indicates would like to testify

Wendy Redmond: University faxed CS

Reed Stoops: Aetna lobbyist delivered CS

Scott Burgess: Municipal League Mailed CS

NEA: Bob Manners, Mailed CS

School Board Association

Division of Insurance:

HESS: Jay Livey

DOE: Steve Hole

NOTES;

\*The CS is structured on the Phase-In concept which reflects both the Health Care Cost Containment Task Force recommendations to set rate schedules and utilization standards prior to providing health insurance and committee concerns on researching the state's ability to negotiate discounted rates, provider payment system in both rural and urban areas and requires a report to Legislature prior to providing health insurance. It also contains the statement of intent that nothing in this act affects collective bargaining; HOWEVER, LANGUAGE REFERS TO PAST AGREEMENTS. SEE PROPOSED AMENDMENT, Yellow page.

1. In the Bill Analysis by Jim Jordan, Division of Insurance, they recommend that the Group Health Authority be created within another title other than Title 21. He sees conflict in mixing purchasing with regulating. Response: Neither Legal nor Duncans' office can suggest a better title in that it is important not to override current insurance statutes.

concern:  
becomes  
"self-regulating"

2. Division of Insurance also recommends that Sec. 21.77.030 (Page 3, Line 12) GENERAL POWERS, needs clarification so as to exempt the Group Health Authority from having to be formed and licensed as an insurer. If the intent is to allow the Authority to act as the administrator for self-insured plans sponsored by the state, municipalities and school districts, then this section should be amended to reflect that. Jeff Malek agrees with this revision. Response: Dealt with in CS, Page 4, beginning Line 8 states option to purchase or provide.

3. Jeff Malek recommends that Sec. 21.77.050 be revised to allow RFP notification process. Response: Dealt with in CS Page 4, beginning Line 15.

4. Jeff Malek recommends that Sec. 21.77.070 (Page 4, Line 27) be revised to allow the pool to access members and/or issue bonds to fund benefits or establish reserves. Response: Not included in CS as unnecessary at this time. Could be added to Purpose section as task for authority to determine. SEE AMENDMENT #2, yellow page.

5. Self-Insurance issue, Jeff Livey of HESS states that the only advantage is if the state actively manages health care costs or contracts with a company to actively manage. No response as no track record.

CS SB 254 PROPOSED AMENDMENTS;

AMENDMENT 1:

Page 7, Lines 11,12 amended to read:

\*Sec. 7. Nothing in this Act affects a contract or collective bargaining agreement. (in effect on the effective date of this Act)

AMENDMENT 2:

Add language Page 2, Starting line 5 (Under Section 1. Purpose)

(9) Determine the need for the Authority to have access to members and/or issue bonds to fund benefits or to establish reserves.

# Alaska State Legislature



SENATOR JIM DUNCAN

P. O. Box V JUNEAU, ALASKA 99811-3100  
(907) 465-4766

COMMITTEES:  
FINANCE  
VICE CHAIR —  
HEALTH EDUCATION  
& SOCIAL SERVICES  
BUDGET & AUDIT  
BANKING &  
ECONOMIC  
DEVELOPMENT

## MEMORANDUM

TO: Senator Pat Pourchot  
Chairman, Senate State Affairs Committee

FROM: Senator Jim Duncan

DATE: January 9, 1990

SUBJECT: Hearing schedule for SB 254 "An Act relating to group health insurance; and providing for and effective date."

I would like to have a hearing scheduled for Senate Bill 254 to be brought before your committee at your on Wednesday, January 31, 1990. The reason for requesting a specific date is to provide an opportunity for the Health Care Cost Containment Task Force consultant to testify to the committee. Jeff Malek of Arthur J. Gallagher and Company of San Francisco scheduled to be in Juneau on that date for another meeting. I believe his testimony is very important as we begin considering the legislation.

Please let me know if I can provide you with any additional information that may be necessary to get SB 254 scheduled for a hearing before your committee on January 31.

*SB 343 - March 31st wwcbw*

STATE OF ALASKA  
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 12, 1990

SUBJECT: Group health insurance - CSSB 254( )  
TO: Senator Jim Duncan  
FROM: Michael F. Ford *M.F.*  
Legislative Counsel

The attached draft raises a constitutional issue you should consider. Under Sec. 21.77.020(a), members of the legislative and judicial branches of state government will serve on the board of the Alaska State Group Health Insurance Authority. Having legislative and judicial members on the board of an executive agency may violate the separation of powers doctrine. This doctrine requires that government powers not be blended, unless there is an express constitutional provision allowing the mixture. See Bradner v. Hammond, 553 P.2d 1 (Alaska 1976). If you believe you must have legislative and judicial representatives on the board, the separation of powers issue would be minimized if the legislative and judicial members were not voting board members, but were members who only acted in an advisory capacity.

Please contact me if you have further questions.

MFF:p1  
WKP2/031

Enclosure

1.31.90 STATE AFFAIRS

EO'S NO COMMENT

SB 5 - Kelly - Grandfather comment

SB 254

Duncan:

300 mil FY 89 Health Costs  
Increase of 98% in 5 years.  
!health care Cost Containment

Add

Medicaid / Workman's Comp  
Phase IN Authority Responsibilities

GET LANGUAGE OF PHASE

(passed out)

REVISE BOARD MAKE-UP handed  
out at hearing

PAT: Could it include non-governmental  
groups

Response: Possible options.

Malek:

Rural NEEDS / URBAN NEEDS

Problem • Purchase System vs Delivery System  
Est. 134,000 est. in Alaska,  
• 5% saving at a minimum

Phase 1 - create the vehicle

- How do we fund an authority?

Lenn Baker focus

Provider - good record  
 Price - good price

Group  
 11% less than traditional program.  
 Utah has proven that they have given business to hospital, thus able to negotiate lower price

KELLY UNIONS?

Baker response: None in plan - No collective bargaining, public employee unit in Utah.

Kelly: Employer contribution?

Baker: Was 80% - 20% ← employee  
 Now 90% - 10%

Pct: Numbers? state/local

Resp: 23,000 Active 3,500 Retired - 65  
 4000 + 65

Kelly: Does Utah self-insure

Resp: Yes - pay all claims - do not reinsure with other carrier.

5 Risk Pools

Kelly: How many/much to administer

Resps: 3 to 5 enps @ 35 employees.  
3 1/2% cost of premium

Dept. of Admw: Bruce Cummings  
Interested

Concerns as originally proposed.

- A. Collective Bargaining — is an insurance policy a negotiable item under Dept concept
- B. Labor Union Trusts — Pooling Trust  
SB 254 may exclude joining trust

Div. of R; B: Mike Coughlin

Supports

- Fiscal Note, based on assumptions (noted in fiscal note)
  - 1. No operating increase to division.

Pat:

COST SAVINGS?

Response: doubts whether larger group will incur cost savings.

State has had trouble negotiating discounted program.

SHORT TERM SAVINGS

KELLY — would work if run perfectly.  
Why would some i.e. UAA want to join?

DUNCAN:

Bill as is — has some problems.

KELLY: supports phasing conceptMalek: restructure payment to physicians  
(Fed. gov. plan)

1. Balance — Harvard School has provided. Shifts emphasis back to GP.

shift cost to State.

KELLY: Watch fed guidelines as set in 1992 — follow suit?George Matson:

Risk standpoint — probably won't help.

Purchasing Power — maybe effective, Study Ratio of providers to population

Discount — 15% discount may not reflect cost saving — increase in # of visits

Don Valasco: loc. 71

Tailoring (services/insurance) to small groups.

Pro-collective bargaining

Garth Henblin Bartlett

Annual rate: 20% increase in Premiums. Bartlett - 8%

Bob Manners - NEA  
encourage/supportive  
especially for small school districts:

Sitka School District: Beckfort  
left state pool -  
joined Blue Cross - comparable coverage  
at lower premium.

Concerns mandatory plan  
AK very different from Utah -  
one provider

Kelly: ~~Kathy~~ - cap on Premium.  
Response - set cap at \$4800  
split 50% at 50%

Deew: Political Subdivision of State Plan  
Muni Sch. District

# Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Falks, Vice Chairman  
Sen. Al Adams  
Sen. Tim Kelly  
Sen. Rick Uehling



P.O. Box V  
State Capitol  
Juneau, Alaska 99801

907-465-3712

## Senate State Affairs Committee

### MEMORANDUM

TO: Senate State Affairs Committee Members

FROM: Senator Pat Pourchot

RE: Wednesday, January 31 Committee Hearing

DATE: January 30, 1990

TELECONFERENCE: Anchorage, Fairbanks, Barrow, Sitka

On Wednesday, January 31 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hear the following bills:

SB 254. An Act relating to group health insurance: and providing for an effective date.

SB 254, sponsored by Senator Duncan, establishes the Alaska State Group Health Insurance Authority, comprised of 16 members. The Authority is required to purchase group health insurance or to self-insure to provide coverage at the lowest possible cost to the pool of state, municipal and school district employees. Unless granted a waiver, state, municipal and school districts must have their health insurance benefits purchased through the Authority. Jeff Malek, Health Care Cost Containment Task Force consultant with Arthur Gallagher and Co. will testify on the pooling concept. This is the first hearing for SB 254.

SB 366. An Act relating to the Dalton Highway.

SB 366, sponsored by Senator Frank, would open the entire Dalton Highway for year-round public travel from the Yukon River to a terminus near the Arctic Ocean. Individuals, groups and municipalities from the areas along the Dalton Highway will be testifying.

SB 254.txt

Wednesday, March 7

Proposed CS for SB 254, Duncan, GROUP HEALTH INSURANCE

TO TESTIFY;

\*Jeff Malek: Arthur J. Gallagher Co./Health Care Cost Containment  
Consultant

\*Jeff is prepared to defend the omission of the sunset clause from  
the CS.

NOTES;

Changes from the previous CS that may need some explanation:

*P. 2 - Non-voting members*

Page 3, Lines 14,15,16: provide clarification that if the authority  
self-insures they are required to comply with all laws in the state,  
including being licensed and regulated.

Page 3, Lines 23,24,25: moved the collective bargaining wording to  
restriction under general powers.

Page 3, starting line 29 and continues on Page 4: establishes review  
process in place of sunset clause.

ALERT; Jim Baldwin called after packets went out with a recommendation for  
an amendment to the wording under state on Page 7, line 1,2. See last page  
in this notebook.

Sunset amendment is second to last page.

SB 254.txt

SB 254, Duncan, GROUP HEALTH INSURANCE

TELECONFERENCE; Anchorage, Fairbanks, Barrow, Sitka and Linn Baker will be calling in from Utah. Please clarify at beginning of hearing that we will hear SB 254 (Group Health) for approximately one hour and then hear SB 366, Dalton Highway.

SCHEDULED TESTIMONY;

Senator Duncan

Jeff Malek: Arthur J. Gallagher Co./Health Care Cost Containment  
Consultant

Linn Baker: Administrator/Utah State Retirement  
He will be calling in from Utah.

NOTIFIED; \*indicates would like to testify

*Lynn withdraw: Aetna (Seattle) available for questions*

Reed Stoops: Aetna lobbyist

Scott Burgess: Municipal League

NEA

School Board Association

Division of Insurance: Don Koch (available for questions)

University: Wendy Redman

HESS: Jay Livey

DOE: Steve Hole

NOTES;

1. In the Bill Analysis by Jim Jordan, Division of Insurance, they recommend that the Group Health Authority be created within another title other than Title 21. Conflict in mixing purchasing with regulating.

2. Division of Insurance also recommends that Sec. 21.77.030 (Page 2, Line 19) GENERAL POWERS, needs clarification so as to exempt the Group Health Authority from having to be formed and licensed as an insurer. If the intent is to allow the Authority to act as the administrator for self-insured plans sponsored by the state, municipalities and school districts, then this section should be amended to reflect that. Jeff Malek agrees with this revision.

3. Jeff Malek's report recommends that Sec. 21.77.010 (Page 1, Line 17) be expanded to include Workman's comp, Health and Social Services, medical coverages and payments and uninsurable/uninsured benefits as sub-groups of the pool.

4. Jeff Malek recommends that Sec. 21.77.050 (Page 3, Line 3) be revised to allow RFP notification process.

5. Jeff Malek recommends that Sec. 21.77.080 (Page 3, Line 29) be revised to simplify the requirements to evaluate whether or not a sub-group has an

eligible waiver while not undermining the necessity of as many eligible groups feasible to participate.

6. Jeff Malek recommends that Sec. 21.77.070 (Page 3, Line 22) be revised to allow the pool to access members and/or issue bonds to fund benefits or establish reserves.

7. The University raised the question: Would we be required to participate if we could prove we have a lower cost per employee program?

8. Question posed by Admin: How does collective bargaining fit into the group health authority picture.

9. Self-Insurance issue, Jeff Livey of HESS states that the only advantage is if the state actively manages health care costs or contracts with a company to actively manage.

**FISCAL NOTE**

**REQUEST:**

Revision Date: \_\_\_\_\_  
 Title: Regarding Group Health Insurance Agency Affected: Commerce & Economic Dev.  
 BRU: Insurance  
 Sponsor: Senator Duncan  
 Requestor: Senate State Affairs Components: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
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						

**ANALYSIS :** (Attach a separate page if necessary) No fiscal impact for FY 90.

Prepared by: James J. Jordan, Acting Director Phone: 465-2515  
 Division: Insurance Date: 1/26/90

Approved by Commissioner: Larry Merculieff Date: 1/29/90  
 Agency: Department of Commerce & Economic Development

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

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: An Act relating to group health insurance  
Sponsor: Duncan  
Requestor: Sen. State Affairs

Agency Affected: Administration  
BRU: Retirement and Benefits

Components: Retirement and Benefits

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
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)

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:

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)

Based on assumptions outlined on page 2, it is estimated that there will be no increase to either the operating expense of the division or the group insurance premiums for the State of Alaska.

Prepared by: Sally Smith *Mike Caughlin*  
Division: Retirement and Benefits  
Approved by Commissioner: Frank S. Baxter  
Agency: Department of Administration

Phone: 465-4460  
Date: 1/29/90  
Date: 1/30/90

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

Senate Bill 254  
Analysis of the Fiscal Implications for Employee Benefits  
Prepared by the Division of Retirement and Benefits  
Department of Administration

Analysis: This bill would create the Alaska State Group Health Insurance Authority. The Authority would be required to purchase group insurance for the State of Alaska, municipalities and school districts. Unless granted a waiver, all entities must purchase their group insurance benefits through the Authority. The State would not be allowed a waiver. It is understood the intent of the bill is to create economies of scale and provide low cost group insurance for public organizations throughout the state.

With this purpose in mind, it is estimated that the State of Alaska would not suffer any increase in premiums as a result of this bill based on the following assumptions:

1. that the level of benefits offered by the authority would be no greater than that offered by the State of Alaska now;
2. that each entity would be separately underwritten and the State of Alaska would not be subsidizing higher costs of other, smaller employers;
3. that the administrative costs in support of the Authority would not increase the current overall premium costs;
4. that the administrative and premium costs would be borne equally by each employer and not allocated by employee numbers;
5. that the Authority's selected claims payor would perform as favorably (e.g. financial accounting) as the State's current arrangement; and
6. that staff costs, whether contracted out or through additional State employees, will be borne by the Authority.

FISCAL NOTE

**DRAFT**

REQUEST:

Revision Date: 3/1/90  
Title: An Act relating to group health insurance  
Sponsor: Duncan  
Requestor: Senate State Affairs

Agency Affected: Commerce & Economic Dev.  
BRU: Alaska State Group Health Insurance Authority  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	141.9	141.9				
TRAVEL	50.4	50.4				
CONTRACTUAL	283.1	283.1				
SUPPLIES	4.5	4.5				
EQUIPMENT	32.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	511.9	479.9	*	*	*	*
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	511.9	479.9				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	3.0	3.0				
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

\*Given the nature of this organization, it is not possible to predict the costs for the subsequent fiscal years.

Prepared by: Guy Bell, Director Phone: 465-2505  
Division: Administrative Services Date: 3/5/90

Approved by Commissioner: Larry Mercurieff Date: 3/5/90  
Agency: Department of Commerce & Economic Development

Distribution (by preparer):

Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
6408D-1/3590a

CSSB 254: "An Act relating to group health insurance; and providing for an effective date."

Personal Services:

Executive Director	24A	\$73.2	
Administrative Assistant II	14A	39.3	
Clerk Typist III	8B	29.4	
Total Personal Services			\$141.9

Travel:

Assume board meetings every two months for 17 board members at an average cost of \$400 per trip.

$\$400 \times 17 \times 6 = \$40.8$

Staff travel for Executive Director:

Board meetings	\$400 x 6	\$2.4	
One meeting per month	\$600 x 12	\$7.2	

Total Travel \$ 50.4

Contractual:

Office Space - 500 sq. ft. @ \$1.75 x 12 months	\$10.5	
Telephone - \$300 x 12 months	3.6	
Courier Services - \$250 x 12 months	3.0	
Postage - \$500 x 12 months	6.0	
Advertising and Printing	10.0	
Professional Services Contract(s)	250.0	

which may include:

- Assessment of insurance availability and affordability
- Rate studies
- Financial Advisor
- Options analysis

Total Contractual Services \$283.1

Supplies:

\$1,000 per employee	\$3.0	
Software	1.5	

Total Supply \$ 4.5

**Equipment:**

3 PC's and a printer	\$15.0	
3 bookcases with 3 shelves @ \$120	.4	
3 file cabinets/5 drawers legal @ \$525	1.6	
Management Workstation	4.0	
Technician Workstation	2.5	
Support Workstation	2.5	
Phone system	1.0	
1 calculator desk	.5	
1 chair, executive swivel with arms	.4	
2 chair posture tilt with arms @ \$425	.9	
2 side chairs @ \$275	.6	
Photocopier	2.0	
Telecopier	.6	
Total Equipment		\$ 32.0

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: An Act relating to group health insurance  
Sponsor: Duncan  
Requestor: Senate State Affairs

Agency Affected: Administration  
BRU: Retirement and Benefits  
Components: Retirement and Benefits

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
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)

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:

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)

This bill has no FY 90 impact. It is not expected to affect either the operating budget of the division or the State's group health insurance premium.

Prepared by: Sally Smith, Director  
Division: Retirement and Benefits

Phone: 465-4460

Date: 3-9-90

Approved by Commissioner: Frank S. Baxter  
Agency: Department of Administration

Date: 3/13/90

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

Senate Bill 254  
Analysis of the Fiscal Implications for Employee Benefits  
Prepared by the Division of Retirement and Benefits  
Department of Administration

Analysis: This bill would immediately create the Alaska State Group Health Insurance Authority in the Department of Commerce. The Authority, using appropriate staff and contractual services, would establish and maintain a statewide provider payment system, rate schedules and utilization standards by 2/1/92. Various public entities would be required to implement these in their group insurance plans.

The Authority would offer voluntary participation in a comprehensive group health insurance plan to various public agencies throughout the State after 2/1/92. This coverage would be procured by the Authority or self-insured if this was shown to be less expensive.

Upon participation, a public entity would be required to continue participation unless granted a waiver by the Authority.

This bill allows voluntary participation in the Authority's group plan. It is assumed that the State would take advantage of this plan if appropriate coverage was provided less expensively than through competitive bidding and renewals. For that reason, it is not expected to increase the cost of health insurance for the State and could result in a decrease in cost.

## FISCAL NOTE

**REQUEST:**

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Requestor: Senate State Affairs

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Components: \_\_\_\_\_

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<b>TOTAL OPERATING</b>	<b>511.9</b>	<b>479.9</b>	*	*	*	*

CAPITAL						
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REVENUE						
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FEDERAL FUNDS						
OTHER						
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PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary)

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Division: Administrative Services Date: 3/5/90

Approved by Commissioner: Larry Mercurieff *Guy Bell* Date: 3/5/90  
Agency: Department of Commerce & Economic Development

Distribution (by preparer):

Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)

6408D-1/3590a

CSSB 254: "An Act relating to group health insurance; and providing for an effective date."

Personal Services:

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2 chair posture tilt with arms @ \$425	.9	
2 side chairs @ \$275	.6	
Photocopier	2.0	
Telecopier	.6	
<b>Total Equipment</b>		<b>\$ 32.0</b>

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE \_\_\_\_\_  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER

FIN

\*\*FISCAL NOTE(S) MUST BE ATTACHED  
IN ACCORDANCE WITH AS 24.08.035

DATE TURNED INTO OFFICE \_\_\_\_\_

3/31/89

Mr. President:

STATE AFFAIRS

Committee considered

SB 254

group health insurance; efd

and recommended:

replace with (CS) SB 254  same title  
 attached amendment(s) and  new title

\_\_\_\_\_ letter of intent adopted

do pass

do not pass .

no recommendation

individual recommendations

further referral to \_\_\_\_\_

FISCAL NOTE(S) attached  zero  
 appropriation no FN attached

fiscal impact  
 Gov. FN introduced w/ bill

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Tom Kelly

Bob Adams

Rich Kelly

\_\_\_\_\_

Rich Kelly (No Rec)

Don Fair (Finance)  
(Not absent) No Rec  
Pat Kauter do pass

Chair : signature and recommendation

Committee backup attached

Original sponsor(s): SEN. DUNCAN

CHANGES FROM SB 254 highlighted:

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 254 ( )  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to group health insurance; and  
7 providing for an effective date."

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

9 \* Section 1. PURPOSE. The purpose of this Act is to

10 (1) by February 1, 1992, create a statewide health care provider  
11 payment system, rate schedules, and utilization standards;

12 (2) after February 1, 1992, provide comprehensive group health  
13 insurance for the state, municipalities, school districts, and all eligible  
14 employees of the state, a municipality, or a school district who elect to  
15 participate in the group insurance offered by the Alaska State Group Health  
16 Insurance Authority;

17 (3) expand the pool of subscribers and maximize the opportuni-  
18 ties for cost containment when purchasing group health insurance;

19 (4) maintain an efficient provider payment system to reduce the  
20 cost to providers who are serving employees of participants;

21 (5) maintain statewide utilization standards to control inappro-  
22 priate or improper utilization practices and to reduce the rate of infla-  
23 tion in the cost of health care in the state;

24 (6) create the most comprehensive, cost-effective, and efficient  
25 method of providing a variety of types of health care insurance necessary  
26 to meet the coverage requirements of a participant resulting from negoti-  
27 ated employee contracts;

28 (7) realize the potential savings that will result if approxi-  
29 mately 135,000 active and retired state, municipal, and school district

1 employees and their dependents participate in the group health insurance  
2 program offered by the authority; and

3 (8) determine the need for mandatory participation in the group  
4 health insurance offered by the authority.

5 \* Sec. 2. AS 21 is amended by adding a new chapter to read:

6 CHAPTER 77. STATE INSURANCE.

7 Sec. 21.77.010. AUTHORITY CREATED; REQUIRED PAYMENT SYSTEM, RATE  
8 SCHEDULE, AND UTILIZATION STANDARDS. (a) There is established within  
9 the Department of Commerce and Economic Development a nonprofit incor-  
10 porated legal entity known as the Alaska State Group Health Insurance  
11 Authority.

12 (b) The authority shall, by February 1, 1992, establish and  
13 maintain a health care provider payment system, rate schedule, and  
14 utilization standards. The state, a municipality, or a district shall  
15 use the health care provider payment system, rate schedule, and utili-  
16 zation standards established by the authority.

17 (c) The authority shall, beginning February 1, 1992, provide  
18 group health insurance to eligible employees of the state, a munici-  
19 pality, or a school district if the employer has elected to partici-  
20 pate-in the group health insurance obtained by the authority.

21 Sec. 21.77.020. BOARD OF DIRECTORS; ORGANIZATION. <sup>entire section</sup> (a) The  
22 authority shall be managed by a board of directors composed of 17  
23 members appointed by the governor as follows:

24 (1) two members representing the legislative branch who are  
25 not legislators;

26 (2) two members representing the judicial branch;

27 (3) two members representing the executive branch;

(4) two members representing labor organizations;

29 (5) two members representing school districts;

1 (6) two members representing municipalities;

2 (7) two members representing the Department of Health and  
3 Social Services;

4 (8) two members representing health care providers;

5 (9) one member representing the University of Alaska.

6 (b) A member of the board serves for a term of five years. The  
7 board shall elect from its membership a president, vice-president, and  
8 secretary. Members of the board serve without compensation but are  
9 entitled to receive per diem and travel expenses authorized for boards  
10 and commissions under AS 39.20.180. Members of the board are subject  
11 to AS 39.50.

12 Sec. 21.77.030. GENERAL POWERS. The authority may

13 (1) beginning February 1, 1992, exercise the powers granted  
14 to insurers under the laws of the state;

15 (2) sue or be sued;

16 (3) enter into contracts or agreements;

17 (4) establish administrative or accounting procedures;

18 (5) collect, invest, and disburse funds;

19 (6) adopt necessary regulations and procedures for imple-  
20 mentation of this chapter.

21 Sec. 21.77.040. STAFF AND PROFESSIONAL SERVICES CONTRACTS. <sup>NEW SECTION</sup> The  
22 authority shall employ an executive director who serves at the plea-  
23 sure of the authority as its chief administrative officer. The execu-  
24 tive director may, with the approval of the authority, select and  
25 employ additional staff as necessary. Employees of the authority are  
26 in the exempt service under AS 39.25.110. In addition to its staff of  
27 regular employees, the authority may contract for the services of  
28 consultants and professional, technical, and financial advisors the  
29 authority considers necessary for the purpose of developing

1 information, conducting hearings, studies, investigations, or other  
2 proceedings, or otherwise exercising its powers.

3 Sec. 21.77.050. FIDUCIARY DUTY OF BOARD. In obtaining group  
4 health insurance required under this chapter, the board shall provide  
5 comprehensive coverage at the lowest possible cost per eligible em-  
6 ployee.

7 Sec. 21.77.060. PROCUREMENT OF INSURANCE. (a) The authority  
8 shall, after February 1, 1992, obtain a policy or policies of group  
9 health insurance covering eligible employees of the state, a munic-  
10 ipality, or a district, if the employer has elected to participate,  
11 from an insurer authorized to transact business in the state under  
12 AS 21.09, or act as a self-insurer if the authority determines that  
13 self-insurance can provide the desired insurance coverage and benefits  
14 at a lower cost <sup>per</sup> ~~to~~ eligible employees.

15 (b) Except when acting as a self-insurer, the authority shall  
16 obtain group health insurance in compliance with the provisions of  
17 AS 36.30 and shall make available bid specifications for desired group  
18 health insurance benefits to all insurance carriers licensed in the  
19 state and qualified to provide the desired benefits. The specifica-  
20 tions shall be made available at least once every five years.

21 Sec. 21.77.070. STATE GROUP HEALTH INSURANCE FUND. The state  
22 group health insurance fund is created in the general fund. The fund  
23 consists of money appropriated by the legislature, and premiums col-  
24 lected under AS 21.77.080. The fund shall be managed and invested by  
25 the board. The board may expend money from the fund to carry out the  
26 provisions of this chapter.

27 Sec. 21.77.080. INSURANCE PREMIUMS. (a) The authority shall  
28 provide that sufficient premiums are collected to provide the re-  
29 quired insurance coverage and to pay the expenses of the authority.

1 All premiums shall be deposited in the fund.

2 (b) Reserves remaining at the termination of an insurance con-  
3 tract shall be invested by the authority in the same manner as retire-  
4 ment funds are invested under AS 14.25.180.

5 Sec. 21.77.090. PARTICIPATION; WAIVER. (a) The state, a munic-  
6 ipality, or a district may participate in the group insurance coverage  
7 provided by the authority. If the state, municipality, or district  
8 elects to participate, the state, municipality, or district shall  
9 continue to participate unless a waiver is granted by the board.

10 (b) In determining whether a waiver should be granted, the board  
11 shall establish minimum benefit and financial standards for the de-  
12 sired group health insurance coverage. The minimum benefit and finan-  
13 cial standards and the proposed time schedule for responsive offers  
14 shall be sent to all participants at the time the request for proposal  
15 for the desired group health insurance coverage is issued. A partici-  
16 pant seeking a waiver of coverage shall match the minimum benefit and  
17 financial standards set out in the request for proposal for the de-  
18 sired group health insurance coverage. Participants shall submit  
19 documentation of their insurance coverage matching the board's minimum  
20 benefit and financial requirements before the deadline established by  
21 the board. The board may approve or disapprove a waiver of participa-  
22 tion based on the documentation submitted by the participant regarding  
23 the benefit and financial standards established by the board. Once  
24 the board awards the insurance contract, a participant may not be  
25 granted a waiver during the term of the contract.

26 (c) A participant may separately provide for health insurance  
27 coverage additional to that offered by the authority, and may provide  
for marketing and servicing to be done by licensed insurance agents.

29 Sec. 21.77.100. DEFINITIONS. In this chapter

1 (1) "authority" means the Alaska State Group Health Insur-  
2 ance Authority;

3 (2) "board" means the board of directors of the Alaska  
4 State Group Health Insurance Authority;

5 (3) "district" has the meaning given in AS 14.17.250;

6 (4) "eligible employee" means an employee of a participant  
7 who qualifies for group health insurance benefits as determined by the  
8 participant;

9 (5) "fund" means the state group health insurance fund;

10 (6) "group health insurance" means coverage that <sup>may</sup> includes  
11 life insurance, accidental death and dismemberment, workers' compensa-  
12 tion, medical care and treatment including Medicare and Medicaid,  
13 dental care, eye care, and other group health coverage as determined  
14 by the authority;

15 (7) "municipality" includes a public corporation estab-  
16 lished by a municipality;

17 (8) "participant" means the state, a municipality, or a  
18 district;

19 (9) "state" means the executive, legislative, and judicial  
20 branches of state government, or an organizational unit of a branch,  
21 and includes the University of Alaska, the Alaska State Housing Au-  
22 thority, and the Alaska Railroad Corporation, *and other corporations established  
by the state.*

23 \* Sec. 3. AS 39.25.110 is amended by adding a new paragraph to read:

24 (30) employees of the Alaska State Group Health Insurance  
25 Authority.

26 \* Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:

27 (50) Alaska State Group Health Insurance Authority (AS 21.-  
28 77).

29 \* Sec. 5. STAGGERED INITIAL TERMS. Notwithstanding AS 21.77.020(b),  
CSSB 254( )

1 enacted in sec. 2 of this Act, the terms of the initial members of the  
2 board of directors of the Alaska State Group Health Insurance Authority who  
3 are appointed under AS 21.77.020(a), enacted in sec. 2 of this Act, shall  
4 be staggered by the governor. Three members shall serve for one year, four  
5 members for two years, five members for three years, and five members for  
6 four years.

7 \* Sec. 6. REPORT. The Alaska State Group Health Insurance Authority  
8 shall report back to the Alaska State Legislature by March 1, 1991, on the  
9 progress made by the authority in establishing a health care provider  
10 payment system, rate schedule, and utilization standards.

11 \* Sec. 7. Nothing in this Act affects a contract or collective bargain-  
12 ing agreement in effect on the effective date of this Act.

13 \* Sec. 8. This Act takes effect immediately under AS 01.10.070(c).  
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Original sponsor(s): SEN. DUNCAN

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 254 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to group health insurance; and  
7 providing for an effective date."

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

9 \* Section 1. PURPOSE. The purpose of this Act is to

10 (1) by February 1, 1992, create a statewide health care provider  
11 payment system, rate schedules, and utilization standards;

12 (2) after February 1, 1992, provide comprehensive group health  
13 insurance for the state, municipalities, school districts, and all eligible  
14 employees of the state, a municipality, or a school district who elect to  
15 participate in the group insurance offered by the Alaska State Group Health  
16 Insurance Authority;

17 (3) expand the pool of subscribers and maximize the opportuni-  
18 ties for cost containment when purchasing group health insurance;

19 (4) maintain an efficient provider payment system to reduce the  
20 cost to providers who are serving employees of participants;

21 (5) maintain statewide utilization standards to control inappro-  
22 priate or improper utilization practices and to reduce the rate of infla-  
23 tion in the cost of health care in the state;

24 (6) create the most comprehensive, cost-effective, and efficient  
25 method of providing a variety of types of health care insurance necessary  
26 to meet the coverage requirements of a participant resulting from negoti-  
27 ated employee contracts;

28 (7) realize the potential savings that will result if approxi-  
29 mately 135,000 active and retired state, municipal, and school district

1 employees and their dependents participate in the group health insurance  
2 program offered by the authority; and

3 (8) determine the need for mandatory participation in the group  
4 health insurance offered by the authority.

5 \* Sec. 2. AS 21 is amended by adding a new chapter to read:

6 CHAPTER 77. STATE INSURANCE.

7 Sec. 21.77.010. AUTHORITY CREATED; REQUIRED PAYMENT SYSTEM, RATE  
8 SCHEDULE, AND UTILIZATION STANDARDS. (a) There is established within  
9 the Department of Commerce and Economic Development a nonprofit incor-  
10 porated legal entity known as the Alaska State Group Health Insurance  
11 Authority.

12 (b) The authority shall, by February 1, 1992, establish and  
13 maintain a health care provider payment system, rate schedule, and  
14 utilization standards. The state, a municipality, or a district shall  
15 use the health care provider payment system, rate schedule, and utili-  
16 zation standards established by the authority.

17 (c) The authority shall, beginning February 1, 1992, provide  
18 group health insurance to eligible employees of the state, a munici-  
19 pality, or a school district if the employer has elected to partici-  
20 pate in the group health insurance obtained by the authority.

21 Sec. 21.77.020. BOARD OF DIRECTORS; ORGANIZATION. (a) The  
22 authority shall be managed by a board of directors composed of 15,  
23 members appointed by the governor as follows:

24 (1) one nonvoting member representing the legislative,  
25 branch;

26 (2) one nonvoting member representing the judicial branch;

27 (3) two members representing the executive branch;

28 (4) two members representing labor organizations;

29 (5) two members representing school districts;

1 (6) two members representing municipalities;

2 (7) two members representing the Department of Health and  
3 Social Services;

4 (8) two members representing health care providers;

5 (9) one member representing the University of Alaska.

6 (b) A member of the board serves for a term of five years. The  
7 board shall elect from its membership a president, vice-president, and  
8 secretary. Members of the board serve without compensation but are  
9 entitled to receive per diem and travel expenses authorized for boards  
10 and commissions under AS 39.20.180. Members of the board are subject  
11 to AS 39.50.

12 Sec. 21.77.030. GENERAL POWERS. (a) The authority may

13 (1) beginning February 1, 1992, exercise the powers granted  
14 to insurers under the laws of the state; if the authority acts as an,  
15 insurer, the authority shall comply with the requirements applicable  
16 to insurers under this title;

17 (2) sue or be sued;

18 (3) enter into contracts or agreements;

19 (4) establish administrative or accounting procedures;

20 (5) collect, invest, and disburse funds;

21 (6) adopt necessary regulations and procedures for imple-  
22 mentation of this chapter.

23 (b) In exercising its powers under this chapter, the authority  
24 may not participate directly or indirectly in a collective bargaining,  
25 agreement.

26 Sec. 21.77.040. DUTIES OF BOARD; ANNUAL REPORT. The board  
27 shall, in obtaining group health insurance required under this chap-  
28 ter, provide comprehensive coverage at the lowest possible cost per  
29 eligible employee. The board shall provide to the governor and to the

1 legislature an annual report covering the previous fiscal year's  
2 activities of the authority. Every third fiscal year the authority  
3 shall include in the annual report a cost and benefit analysis of the  
4 health insurance required under this chapter.

5 Sec. 21.77.050. STAFF AND PROFESSIONAL SERVICES CONTRACTS. The  
6 authority shall employ an executive director who serves at the plea-  
7 sure of the authority as its chief administrative officer. The execu-  
8 tive director may, with the approval of the authority, select and  
9 employ additional staff as necessary. Employees of the authority are  
10 in the exempt service under AS 39.25.110. In addition to its staff of  
11 regular employees, the authority may contract for the services of  
12 consultants and professional, technical, and financial advisors the  
13 authority considers necessary for the purpose of developing informa-  
14 tion, conducting hearings, studies, investigations, or other proceed-  
15 ings, or otherwise exercising its powers.

16 Sec. 21.77.060. PROCUREMENT OF INSURANCE. (a) The authority  
17 shall, after February 1, 1992, obtain a policy or policies of group  
18 health insurance covering eligible employees of the state, a munic-  
19 ipality, or a district, if the employer has elected to participate,  
20 from an insurer authorized to transact business in the state under  
21 AS 21.09, or act as a self-insurer if the authority determines that  
22 self-insurance can provide the desired insurance coverage and benefits  
23 at a lower cost per eligible employee.

24 (b) Except when acting as a self-insurer, the authority shall  
25 obtain group health insurance in compliance with the provisions of  
26 AS 36.30 and shall make available bid specifications for desired group  
27 health insurance benefits to all insurance carriers licensed in the  
28 state and qualified to provide the desired benefits. The specifica-  
29 tions shall be made available at least once every five years.

1           Sec. 21.77.070. STATE GROUP HEALTH INSURANCE FUND. The state  
2 group health insurance fund is created in the general fund. The fund  
3 consists of money appropriated by the legislature, and premiums col-  
4 lected under AS 21.77.080. The fund shall be managed and invested by  
5 the board. The board may expend money from the fund to carry out the  
6 provisions of this chapter.

7           Sec. 21.77.080. INSURANCE PREMIUMS. (a) The authority shall  
8 provide that sufficient premiums are collected to provide the re-  
9 quired insurance coverage and to pay the expenses of the authority.  
10 All premiums shall be deposited in the fund.

11           (b) Reserves remaining at the termination of an insurance con-  
12 tract shall be invested by the authority in the same manner as retire-  
13 ment funds are invested under AS 14.25.180.

14           Sec. 21.77.090. PARTICIPATION; WAIVER. (a) The state, a munic-  
15 ipality, or a district may participate in the group insurance coverage  
16 provided by the authority. If the state, municipality, or district  
17 elects to participate, the state, municipality, or district shall  
18 continue to participate unless a waiver is granted by the board.

19           (b) In determining whether a waiver should be granted, the board  
20 shall establish minimum benefit and financial standards for the de-  
21 sired group health insurance coverage. The minimum benefit and finan-  
22 cial standards and the proposed time schedule for responsive offers  
23 shall be sent to all participants at the time the request for proposal  
24 for the desired group health insurance coverage is issued. A partici-  
25 pant seeking a waiver of coverage shall match the minimum benefit and  
26 financial standards set out in the request for proposal for the de-  
27 sired group health insurance coverage. Participants shall submit  
28 documentation of their insurance coverage matching the board's minimum  
29 benefit and financial requirements before the deadline established by

1 the board. The board may approve or disapprove a waiver of participa-  
2 tion based on the documentation submitted by the participant regarding  
3 the benefit and financial standards established by the board. Once  
4 the board awards the insurance contract, a participant may not be  
5 granted a waiver during the term of the contract.

6 (c) A participant may separately provide for health insurance  
7 coverage additional to that offered by the authority, and may provide  
8 for marketing and servicing to be done by licensed insurance agents.

9 Sec. 21.77.100. DEFINITIONS. In this chapter

10 (1) "authority" means the Alaska State Group Health Insur-  
11 ance Authority;

12 (2) "board" means the board of directors of the Alaska  
13 State Group Health Insurance Authority;

14 (3) "district" has the meaning given in AS 14.17.250;

15 (4) "eligible employee" means an employee of a participant  
16 who qualifies for group health insurance benefits as determined by the  
17 participant;

18 (5) "fund" means the state group health insurance fund;

19 (6) "group health insurance" means coverage that may in-  
20 clude life insurance, accidental death and dismemberment, workers'  
21 compensation, medical care and treatment including Medicare and  
22 Medicaid, dental care, eye care, and other group health coverage as  
23 determined by the authority;

24 (7) "municipality" includes a public corporation estab-  
25 lished by a municipality;

26 (8) "participant" means the state, a municipality, or a  
27 district;

28 (9) "state" means the executive, legislative, and judicial  
29 branches of state government, or an organizational unit of a branch,

1 and includes the University of Alaska, the Alaska State Housing Au-  
2 thority, and the Alaska Railroad Corporation.

3 \* Sec. 3. AS 39.25.110 is amended by adding a new paragraph to read:

4 (30) employees of the Alaska State Group Health Insurance  
5 Authority.

6 \* Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:

7 (50) Alaska State Group Health Insurance Authority (AS 21.-  
8 77).

9 \* Sec. 5. STAGGERED INITIAL TERMS. Notwithstanding AS 21.77.020(b),  
10 enacted in sec. 2 of this Act, the terms of the initial members of the  
11 board of directors of the Alaska State Group Health Insurance Authority who  
12 are appointed under AS 21.77.020(a), enacted in sec. 2 of this Act, shall  
13 be staggered by the governor. Three members shall serve for one year, four  
14 members for two years, four members for three years, and four members for  
15 four years.

16 \* Sec. 6. REPORT. The Alaska State Group Health Insurance Authority  
17 shall report to the Alaska State Legislature by March 1, 1991, on the  
18 progress made by the authority in establishing a health care provider  
19 payment system, rate schedule, and utilization standards.

20 \* Sec. 7. This Act takes effect immediately under AS 01.10.070(c).  
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A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 254 (State Affairs)

Page 7, after line 8:

Insert a new bill section to read:

"\* Sec. 5. AS 44.66.010(a) is amended by adding a new paragraph to read:  
(17) Alaska State Group Health Insurance Authority (AS 21.-  
77.010) -- June 30, 1995."

Renumber the following bill sections accordingly.

CS SB 254      PROPOSED AMENDMENTS;

AMENDMENT 1:      (Per Jim Baldwin, Asst. Attorney General)  
Page 7, Lines 1,2 amended to read:

and includes the University of Alaska, (the Alaska State Housing Authority,  
and the Alaska Railroad Corporation) and a public corporation of the state  
created within a principal executive department.

SB 254

→ Group Health

3-5-90

Phase 1 : mandates all in

→ Sunset Commission:

FAKS - July 1, 1995 - report back

→ Malek:

Bonds - Task Force Rec's

NO

Bruce Cummings  
changed statement — Now supports

Brian Rogers — Supports  
changes

↳ Definition of Group Health —  
(language should be optional)  
Page 6

⇒ Scott Burgess:

⇒ Political Subdivision — other instruments  
of the State,

Muni. League — pools on Worker's  
Comp.

⇒ Rec — delete worker's comp.

⇒ Minimum benefit and financial  
standards

Page 5 — Concern over waiver  
process

Sen. Duncan

A collective bargaining can opt in  
or opt out.

Financial  
extingency  
clause

Facts: 3 year contract but financial  
crisis at year 2. What if Muni  
has to give up 25% of employees

Disenrollment =

ADAMS: Sunset

KELLY —

6-0623H  
Ford  
3/6/90

Original sponsor(s): SEN. DUNCAN

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE  
 2 CS FOR SENATE BILL NO. 254 (State Affairs)  
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 4 SIXTEENTH LEGISLATURE - SECOND SESSION  
 5 A BILL

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 7 providing for an effective date."

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

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10 (1) by February 1, 1992, create a statewide health care provider  
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 14 employees of the state, a municipality, or a school district who elect to  
 15 participate in the group insurance offered by the Alaska State Group Health  
 16 Insurance Authority;

17 (3) expand the pool of subscribers and maximize the opportuni-  
 18 ties for cost containment when purchasing group health insurance;

19 (4) maintain an efficient provider payment system to reduce the  
 20 cost to providers who are serving employees of participants;

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 22 priate or improper utilization practices and to reduce the rate of infla-  
 23 tion in the cost of health care in the state;

24 (6) create the most comprehensive, cost-effective, and efficient  
 25 method of providing a variety of types of health care insurance necessary  
 26 to meet the coverage requirements of a participant resulting from negoti-  
 27 ated employee contracts;

28 (7) realize the potential savings that will result if approxi-  
 29 mately 135,000 active and retired state, municipal, and school district

1 employees and their dependents participate in the group health insurance  
2 program offered by the authority; and

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5 \* Sec. 2. AS 21 is amended by adding a new chapter to read:

6 CHAPTER 77. STATE INSURANCE.

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8 SCHEDULE, AND UTILIZATION STANDARDS. (a) There is established within  
9 the Department of Commerce and Economic Development a nonprofit incor-  
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10 and commissions under AS 39.20.180. Members of the board are subject  
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23 (b) In exercising its powers under this chapter, the authority  
24 may not participate directly or indirectly in a collective bargaining  
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3 shall include in the annual report a cost and benefit analysis of the  
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21 AS 21.09, or act as a self-insurer if the authority determines that  
22 self-insurance can provide the desired insurance coverage and benefits  
23 at a lower cost per eligible employee.

24 (b) Except when acting as a self-insurer, the authority shall  
25 obtain group health insurance in compliance with the provisions of  
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27 health insurance benefits to all insurance carriers licensed in the  
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