

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

7812 HOUSE HEALTH EDUCATION & SOCIAL SERVICES

BILL HB 4114

DATE 3/16/94

TAPE 94-53A

NUMBER 758

SUBJECT OF VOTE TO REMOVE THE WORDS "EXTENSIVE COMMUNITY-BASED" AND INSERT "A" BEFORE THE WORD "PUBLIC" IN AMENDMENT 12

MEMBER	YEA	NAY	ABS
Rep. Gary Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Al Vezey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Pete Kott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Harley Olberg	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Bettye Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Irene Nicholia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Tom Brice	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Cynthia Toohey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Con Bunde	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TOTAL	<u>3</u>	<u>3</u>	<u>0</u>

+++++

BILL HB 4114

DATE 3/16/94

TAPE 94-53A

NUMBER 759

SUBJECT OF VOTE TO ADOPT AMENDMENT 12 AS AMENDED

MEMBER	YEA	NAY	ABS
Rep. Al Vezey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Pete Kott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Harley Olberg	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Bettye Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Irene Nicholia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Tom Brice	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Cynthia Toohey	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Con Bunde	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Gary Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TOTAL	<u>3</u>	<u>3</u>	<u>0</u>

BILL HB 414

DATE 3/16/94

TAPE 94-53A

NUMBER 911

SUBJECT OF VOTE

TO ADOPT AMENDMENT 13

MEMBER	YEA	NAY	ABS
Rep. Pete Kott	—	—	—
Rep. Harley Olberg	—	✓	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	✓	—	—
Rep. Cynthia Toohey	—	✓	—
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	✓	—	—
Rep. Al Vezey	—	—	—
TOTAL	—	—	—

+++++

BILL _____

DATE _____

TAPE 94- _____

NUMBER _____

SUBJECT OF VOTE _____

MEMBER	YEA	NAY	ABS
Rep. Harley Olberg	—	—	—
Rep. Bettye Davis	—	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	—	—	—
Rep. Con Bunde	—	—	—
Rep. Gary Davis	—	—	—
Rep. Al Vezey	—	—	—
Rep. Pete Kott	—	—	—
TOTAL	—	—	—

#19

TO: MARVEEN

FROM: DON LEHMANN, MD

RE: PROPOSED AMMENDMENTS TO CS FOR HB 414

p.2 line 5... add word... "health care for all Alaskans..."

p.13 line 16 add words... "is based on a market based single payor..."

page 14 line 10 Increase commission members from ~~three~~ to seven.

line 11 add word... "for staggered six-year terms."

delete last word in line 11 and lines 12-14 and substitute instead:

Insert "In appointing members of the commission, the governor shall ensure that:

(1) a majority of the members are experts in health care issues and fairly represent the interests of the general public in having access to quality and affordable health care;

(2) the interests of consumers and health care providers are fairly represented;

(3) the member is a resident of the state; and

(4) the commission has a gender and geographic composition that approximates the population of the state."

page 17 add new items 8 and 9.

Insert ":

(8) Consider a program to give incentives to primary care providers to practice in the state, especially in rural and under served areas of the state; incentives may include added premiums on prices for primary care providers, a student loan forgiveness program, an in-state family practice residency program, training and rotations for midlevel practitioners, and other appropriate incentives;

(9) establish advisory committees of experts and others as needed to make recommendations to the commission regarding how to contain the cost of health care, including incorporating a greater emphasis on healthful lifestyles, prevention of disease and injury, promoting effective medical treatments, identifying the optimal provider mix within the state, or other matters determined by the commission."

page 16 Sec 44.19 628 add new item (c).

* Sec. 5. AS 21.54 is amended by adding a new section to read:

CLAIMS PROCESSING. (a) An insurer authorized to transact disability insurance in the state shall

(1) pay each claim within 15 business days after a claim is received or, within that same time period, give the person that submitted the claim notice that the claim is denied; and

(2) adopt a claims grievance procedure and submit the procedure to the division for approval; after the procedure has been approved, the insurer shall follow the procedure.

(b) If a claim form is fully completed and an insurer fails to pay a claim or give notice that the claim is denied within the time specified in (a) of this section, the insurer shall pay interest at the rate specified in AS 45.45.010, from the 16th business day after the claim was received until paid, on the amount finally determined to be due.

(c) If an insurer denies a claim, the notice that the claim is denied must include a statement of the reason for the denial. The statement must be sufficiently clear to allow the provider to understand the reason for the denial and to take corrective action, including resubmission of the claim, if appropriate."

3

page 21 line 4 delete item (9) and substitute :

"market based single payer system" means a system in which a single entity provides health insurance to all residents of the state and the insurance is based on market forces, including provider defined fees, defined patient copayments, sliding scale copayments for the indigent, provider fees that are posted or made otherwise available at the point of services, published or disseminated fees in comparative lists that allow fee comparison by consumers, voluntary expenditure targets, provider peer review and control of volume, utilization, and quality of health services, and a regularly published description of the various types of providers licensed to provide services in the benefit package."

4

There are two other amendments that I would like to see included but am uncertain about the appropriate language and location. The first includes "any willing provider" language for physicians. I have included a copy of HB 476 that has appropriate language for dental providers and could be ammended. Lastly, I hope I am not naive in beleiving that tort reform is an important part of health system reform, supported both by the governor and by the majority. Is the following paragraph modified from HB 273 possible?

Once again, thank you for your help.

15 * Sec. 21. (a) This Act takes effect only if an Act requiring that a civil action against a
 16 health care provider by a person less than six years of age be brought before the claimant's
 17 eighth birthday, limiting noneconomic damages to \$500,000 for each claim, allowing
 18 prejudgment interest on a medical malpractice judgment to bear interest at the prevailing
 19 federal discount rate, prohibiting prejudgment interest on future and punitive damages,
 20 requiring mandatory arbitration in medical malpractice actions, ~~and~~
 21 ~~and~~ requiring periodic
 22 payment of certain future damages, and limiting the liability of hospitals for nonemployees
 23 is passed by the Eighteenth Alaska State legislature during its ^{22nd} Regular Session and is
 24 signed into law by the governor.
 25 (b) If the condition described in (a) of this section is fulfilled, this Act takes effect
 26 July 1, 1994.

HOUSE BILL NO. 476

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE G.DAVIS BY REQUEST

Introduced: 2/14/94

Referred: Labor & Commerce, State Affairs

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to insurance for services performed by a dentist; and providing
2 for an effective date."

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

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

5 Sec. 21.42.390. DENTAL INSURANCE POLICY PROVISIONS. (a) An
6 insurer authorized under AS 21.09 to offer, issue for delivery, deliver, or renew an
7 individual or group disability insurance policy for medical coverage on an expense
8 incurred basis in the state

9 (1) may not

10 (A) prohibit the policyholder from selecting the dentist of the
11 policyholder's choice if the dentist is licensed under AS 08.36 to perform the
12 dental service;

13 (B) deny a dentist the right to participate as a contract provider
14 if the dentist is licensed under AS 08.36 to perform the covered dental service;

6

1 (C) authorize a person to regulate, interfere, or intervene in a
 2 dentist's diagnosis or treatment of a patient's dental illness or injury if the
 3 dentist is licensed to perform the diagnosis or treatment under AS 08.36;

4 (D) require that in treating a dental illness or injury the dentist
 5 make or obtain dental x-rays or other diagnostic aids; this paragraph does not
 6 prohibit a request for existing dental x-rays or other existing diagnostic aids for
 7 the purpose of determining if benefits are payable under the applicable policy;

8 (2) shall

9 (A) if applicable, disclose to each policyholder that the coverage
 10 is limited to the least costly treatment;

11 (B) define and explain the standard on which coverage or
 12 reimbursement for the cost of dental services is based; and

13 (C) provide that coverage or reimbursement for a noncontracting
 14 provider dentist shall be equal to the coverage or reimbursement for a
 15 contracting provider dentist; this paragraph does not require coverage or
 16 reimbursement in an amount greater than allowed under the policy or contract
 17 or greater than charged by the dentist providing the dental care services.

18 (b) This section does not require that particular dental care benefits be
 19 provided under an insurance policy.

20 (c) Notwithstanding the other provisions of this section.

21 (1) a dentist licensed under AS 08.36 may contract directly with a
 22 person to provide dental care services that the dentist is licensed to perform; and

23 (2) an insurer authorized under AS 21.09 to offer, issue for delivery,
 24 deliver, or renew an individual or group disability insurance policy for medical
 25 coverage on an expense incurred basis in the state may

26 (A) make information relating to dental care services, fees,
 27 location, or hours of service available to a policyholder or covered person if the
 28 information is provided after a request by a dentist licensed under AS 08.36;

29 (B) establish an administrative procedure to facilitate payment
 30 for dental care services by an insured or covered person to the dentist of the
 31 insured or covered person's choice; and

1 (C) pay or reimburse, on a nondiscriminatory basis, an insured
2 or covered person for the cost of dental care services by the dentist of the
3 insured or covered person's choice.

4 (d) An individual or group disability insurance policy offered, issued for
5 delivery, or delivered in violation of this section may not be enforced.

6 (e) In this section, "dental care services" means services performed for the
7 purpose of preventing, alleviating, curing, or healing an illness or injury relating to a
8 person's teeth and includes the practices described under AS 08.36.360.

9 * Sec. 2. APPLICABILITY. This Act applies to a policy of insurance entered into or
10 renewed on or after the effective date of this Act.

11 * Sec. 3. This Act takes effect July 1, 1994.

#10

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE BRICE

TO: CSHB 414(HES)

Page 8, lines 24 - 25:

Delete "and the Alaska Health Commission"

Page 9, lines 6 - 11:

Delete all material.

Insert "of the rate or rating factor and is subject to the approval of the director."

Page 9, lines 23 - 24:

Delete "and the Alaska Health Commission"

Page 10, lines 7 - 11:

Delete all material.

Insert "enrollee fee and is subject to the approval of the director."

Page 10, lines 25 - 26:

Delete "and the Alaska Health Commission"

Page 10, line 29:

Delete "and the commission"

Page 11, lines 9 - 13:

Delete all material.

Insert "is subject to the approval of the director."

Page 11, line 18:

Delete "and AS 44.19.629"

Page 15, lines 26 - 27:

Delete all material.

Renumber the following paragraphs accordingly.

Page 16, line 11:

Delete "(b)(6)"

Insert "(b)(5)"

Page 18, lines 3 - 20:

Delete all material.

Page 19, line 15:

Delete "AS 44.19.629 or 44.19.631"

Insert "AS 44.19.631"

Page 21, line 18:

Delete "or actions on filings under AS 44.19.629"

AMENDMENT

OFFERED IN THE HOUSE

TO: HB 414

1-1
Page 3, line 21:

Delete "three"

Insert "seven"

1-1
Page 3, line 23, after "terms.":

Insert "In appointing members of the commission, the governor shall ensure that

(1) a majority of the members are experts in health care issues and fairly represent the interests of the general public in having access to quality and affordable health care;

(2) the interests of consumers and health care providers are fairly represented;

(3) the member is a resident of the state; and

(4) the commission has a gender and geographic composition that approximates the population of the state."

14 27-31
Page 4, lines 5-9:

Delete all material and insert:

"Sec. 44.19.624. COMPENSATION AND EXPENSES. A commissioner is entitled to receive compensation at the rate of \$400 for each day spent in performing duties as a board member and to travel and per diem expenses authorized by law for boards and commissions under AS 39.20.180."

15
Page 4, line 14:

Delete "Two"

Insert "Four"

A M E N D M E N T

19

OFFERED IN THE HOUSE

TO: HB 414

20 16

Page 1, after line 22:

Insert a new section to read:

"Sec. ⁶ 4.19.63~~2~~. REQUIRED PUBLIC INVOLVEMENT PROCESS. The commission shall design, implement, and maintain an extensive community based public involvement process for the purpose of providing residents with an ongoing opportunity to participate in decisions made by the commission's members regarding

- (1) health care services residents want included in a benefit package;
- (2) financing options;
- (3) revenue sources that should be used to finance a health plan;
- (4) cost-sharing options; and
- (5) administration of a health care plan."

ALD

#13

AMENDMENT

OFFERED IN THE HOUSE

TO: HB 414

16
Page 3, line 6: 5:10

Delete "."

Insert ";

(6) develop a plan that comprehensively addresses the needs of residents of the state for long-term care."

15

A M E N D M E N T

OFFERED IN THE HOUSE
TO: CSHB 414(HES)

BY REPRESENTATIVE OLBERG

Page 1, line 2:

Delete "review and approval of"

Page 2, line 5:

Delete "establishing a mechanism for the review of health insurance rate filings,"

Page 8, line 23, through page 9, line 11:

Delete all material and insert:

"Sec. 21.51.350. PREMIUM RATES AND RATING FACTORS. A disability insurer

(1) shall file with the director rates or rating factors for disability insurance before the intended effective date of the rate or rating factor;

(2) may not use a rate or rating factor that has not been filed with the director; and

(3) may file a new rate or rating factor at any time."

Page 9, line 22, through page 10, line 11:

Delete all material and insert:

"Sec. 21.86.075. PREMIUM RATES AND CHARGES. A health maintenance organization

(1) shall file with the director rates, rating factors, premiums, fees for services, and enrollee fees, including a change to a rate, rating factor, premium, or fee, used in providing health care services to enrollees of the health maintenance organization;

(2) may not use a rate, rating factor, premium, or fee that has not been

filed with the director; and

(3) may file a new rate, rating factor, premium, or fee at any time."

Page 10, line 19, through page 11, line 13:

Delete all material and insert:

"Sec. 21.87.190. RATES AND CHARGES. A service corporation

(1) shall file with the director subscription rates, rating factors, fees, and payment charges, including a change to a rate, rating factor, fee, or payment charge, to be charged to or on account of the service corporation's subscribers;

(2) may not use a rate, rating factor, fee, or payment charge that has not been filed with the director; and

(3) may file a new rate, rating factor, fee, or payment charge at any time."

Page 13, line 10:

Delete "approval of"

Page 15, lines 26 - 27:

Delete all material.

Renumber the following paragraphs accordingly.

Page 16, line 11:

Delete "(b)(6)"

Insert "(b)(5)"

Page 18, lines 3 - 20:

Delete all material.

Page 19, line 15:

Delete "AS 44.19.629 or 44.19.631"

Insert "AS 44.19.631"

Page 21, line 18:

Delete "or actions on filings under AS 44.19.629"

16

8-GH2024E.4 ✓
Ford
3/18/94

A M E N D M E N T

OFFERED IN THE HOUSE
TO: CSHB 414(HES)

BY REPRESENTATIVE TOOHEY

Page 1, line 2, after "care;"

Insert "relating to disability insurance claims processing;"

Page 9, after line 16:

Insert a new bill section to read:

"* Sec. 8. AS 21.54 is amended by adding a new section to read:

Sec. 21.54.025. CLAIMS PROCESSING. (a) An insurer authorized to transact group or blanket disability insurance in the state shall

(1) pay each claim within 15 business days after a claim is received or, within that same time period, give the person that submitted the claim notice that the claim is denied; and

(2) adopt a claims grievance procedure and submit the procedure to the division for approval; after the procedure has been approved, the insurer shall follow the procedure.

(b) If a claim form is fully completed and an insurer fails to pay a claim or give notice that the claim is denied within the time specified in (a) of this section, the insurer shall pay interest at the rate specified in AS 45.45.010, from the 16th business day after the claim was received until it is paid, on the amount finally determined to be due.

(c) If an insurer denies a claim, the notice that the claim is denied must include a statement of the reason for the denial. The statement must be sufficiently clear to allow the provider to understand the reason for the denial and to take corrective action, including resubmission of the claim, if appropriate."

Renumber the following bill sections accordingly.

Page 21, line 26.

Delete "sec. 16"

Insert "sec. 17"

Page 21, line 30:

Delete "sec. 16"

Insert "sec. 17"

Page 22, line 23:

Delete "Section 20"

Insert "Section 21"

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE TOOHEY

TO: CSHB 414(HES)

Page 13, line 16:

Delete "single payor"

Insert "market based single payer"

Page 20, after line 30:

Insert a new paragraph to read:

"(7) "market based single payer system" means a system in which a single entity provides health insurance to all residents of the state and the insurance is based on market forces, including provider defined fees, defined patient copayments, sliding scale copayments for the indigent, provider fees that are posted or made otherwise available at the point of services, published or disseminated fees in comparative lists that allow fee comparison by consumers, voluntary expenditure targets, provider peer review and control of volume, utilization, and quality of health services, and a regularly published description of the various types of providers licensed to provide services in the benefit package;"

Renumber the following paragraphs accordingly.

Page 21, line 3:

Delete ";

Insert ".

Page 21, lines 4 - 6:

Delete all material.

18

A M E N D M E N T

OFFERED IN THE HOUSE
TO: CSHB 414(HES)

BY REPRESENTATIVE B.DAVIS

Page 13, after line 11:

Insert a new paragraph to read:

"(4) promoting consumer confidence in the health care system by requiring insurers and managed care plans to fully disclose the health care benefits provided under the policy or plan and explain any exclusions or restrictions on benefits; disclosure should include an explanation of limitations on

- (A) referral to a specialty physician or other provider;
- (B) the insured's choice of provider;
- (C) diagnostic tests, including mammography;
- (D) prescription drugs;
- (E) dental services;
- (F) laboratory tests;
- (G) mental health services; and
- (H) reproductive tests;"

Renumber the following paragraphs accordingly.

19

8-GH2024NE.6
Ford
3/17/94

A M E N D M E N T

OFFERED IN THE HOUSE
TO: CSHB 414(HES)

BY REPRESENTATIVE B.DAVIS

Page 16, line 10:

Delete "."

Insert ";

(8) design a program to give incentives to primary care providers to practice in the state, especially in rural and under served areas of the state; incentives may include added premiums on prices for primary care providers, a student loan forgiveness program, an in-state family practice residency program, training and rotations for midlevel practitioners, and other appropriate incentives;

(9) establish advisory committees of experts and others as needed to make recommendations to the commission regarding how to contain the cost of health care, including incorporating a greater emphasis on healthful lifestyles, prevention of disease and injury, promoting effective medical treatments, identifying the optimal provider mix within the state, or other matters determined by the commission."

#20

8-GH2024E.7
Fcrd
3/17/94

A M E N D M E N T

OFFERED IN THE HOUSE
TO: CSHB 414(HES)

BY REPRESENTATIVE B.DAVIS

Page 14, line 10:

Delete "three"

Insert "five"

Page 14, lines 11 - 14:

Delete "Not more than one member of the commission may be

(1) a health care provider; or

(2) employed by a health insurance company."

Insert "In appointing members to the commission, the governor shall ensure that a majority of the members of the commission represent the interests of health care consumers and are not health care providers or employed by a health insurer."

Page 15, line 4:

Delete "Two"

Insert "Three"

#21

8-GH2024VE.S ✓
Ford
3/18/94

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 414(HES)

Page 22, line 2:
Delete "(a)"

Page 22, lines 14 - 16:
Delete all material.

#22

8-GH2024E.9 ✓

Ford

3/18/94

A M E N D M E N T

OFFERED IN THE HOUSE
TO: CSHB 414(HES)

Page 22, line 10:

Delete "and"

Insert ";

(3) by July 1, 1995, the director of the division of insurance shall"

Renumber the following paragraph accordingly.

23

AMENDMENT NO.
CSHB 414 (HESS)
VERSION 8-GH2024/E

OFFERED BY REP. B. DAVIS

Page 16, line 11

delete "may"
insert "shall"

MEMORANDUM

State of Alaska Department of Law

TO: Honorable Nancy Bear Usera
Commissioner
Department of Administration

DATE: March 21, 1994

FILE: 773-94-0024

TEL.NO.: 465-3600

SUBJECT: HB 414: Governor's bill
on Alaska Health
Commission

Deborah E. Behr
FROM: Deborah E. Behr
Assistant Attorney General
Legislation/Regulations Section

You have asked the Department of Law to briefly comment on the legal issues raised by Legislative Counsel Michael F. Ford's memorandum of March 11, 1994, concerning provisions of the governor's bill on the Alaska Health Commission (HB 414).

While we agree with the legislative counsel that these issues merit a discussion of these constitutional principles, we disagree that the provisions of the bill would not withstand a constitutional challenge. A further discussion may be helpful.

The March 11, 1994 memo first raises the issue of whether the bill's provision authorizing the governor to extend statutory deadlines for good cause shown for Alaska Health Commission activities or reports violates constitutional limits on the delegation of legislative authority or the constitutional separation-of-powers doctrine. We do not believe that it does. You will recall that the provision to allow the governor to grant extensions was included in the bill to recognize that the commission would likely be considering and responding to certain plans currently pending before Congress. Since the commission (and the legislature) would have no way of knowing when Congress would pass a proposal, or of knowing whether the states would have to comply with it, it seemed prudent to provide a legal way for the deadlines in the bill to be extended to address this contingency when the legislature was not in session.

The provision is similar to various ministerial duties that the legislature typically delegates to the executive branch in order to accomplish the day-to-day administration of programs. For example, it is not unusual for the legislature to require an annual report from an executive branch agency without setting a statutory deadline for the report. The agency is free to select a submission date. The bill's provision is more limited in that it merely allows extension of the stated deadline, under specified circumstances; the commission must still produce the activity and reports according to statute.

Hence, we believe that the provision in the bill to extend deadlines is likely to withstand a constitutional challenge on these grounds. We note that statutory provisions authorizing executive or judicial branch agencies to extend a statutory deadline are not unusual. We have found several such statutory provisions in our research. E.g., AS 06.30.060(g); AS 21.86.020(b); AS 22.05.080(b); AS 22.07.070(b); AS 22.10.100(b); AS 22.15.170(e); AS 27.09.030(b); AS 27.21.260(b); AS 28.35.110(b); AS 38.05.250(d); and AS 38.09.040(a) (3).

The March 11, 1994 memorandum also raises concerns about proposed AS 44.19.628(b), authorizing regulations adopted under proposed AS 44.19.628(a) to supersede provisions of AS 21 if a conflict or an inconsistency arises. You will recall that the provision was included to address the possible situation of the commission recommending "uniform claim form, uniform standards, and uniform procedures for processing" of health care data that would meet the needs of Alaska and would be responsive to federal health care reform proposals, but the director of insurance not being able to follow the recommendations due to technical inconsistencies with existing provisions of AS 21. With the provision in proposed AS 44.19.628(b) to allow the director of insurance to adopt the regulations under AS 44.19.628(a), notwithstanding a conflicting or an inconsistent provision of AS 21, the legislature is allowing the director to implement health care reforms by regulation, without waiting until the next session of the legislature to pass the technical revisions to AS 21. As such, the provision of AS 44.19.628(b) just provides that AS 44.19.628(a) has priority over other provisions of law, and therefore regulations adopted under AS 44.19.628(a) would have priority as well.

Such a provision is not unusual and does not violate constitutional limits on delegation of legislative power. We note that many comparable statutes already exist in Alaska law. See, e.g., AS 18.50.230(a) and (c), 18.50.240(a) and (c), 18.50.250(d), 18.50.310(a) and (c), 18.50.900(b) (2); AS 21.36.122; AS 26.20.120(b); AS 27.21.130, 27.21.150(a), 27.21.170(a) and (g), 27.21.240(c) and (g), 27.21.250(c); AS 35.10.190(b); AS 36.30.160(b); AS 43.23.015(c); and AS 46.14.170(a). Therefore, we believe that the court would likely find the bill's provision constitutional and not an impermissible delegation.

Finally, the March 11, 1994 memo recommends the addition of two court rule changes to the bill. We have no legal objection to that recommendation.

If you have questions, please let me know.

DEB:prm

cc: Raga Elim, Legislative Liaison
Office of the Governor

MEMORANDUM

State of Alaska

Department of Law

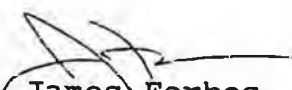
TO: Nancy Bear Usera
Commissioner
Department of Administration

DATE: March 15, 1994

FILE NO.:

TEL. NO.: 269-5206

SUBJECT: Antitrust Issue Regarding Health
Care Bill: HB 414; SB 270

FROM:  James Forbes
Assistant Attorney General
Fair Business Practices Section
Anchorage

I have reviewed the proposed amendment to HB 414/SB 270 that would add new Sec. AS 44.19.635, requiring health care providers to post their prices. I do not perceive any antitrust problems with this proposed section.

Let me know if I can be of additional assistance.

cc: Deborah Behr
Raga Elim
David Stebing

PREVIOUSLY FAXED

JF/



Alaska State Legislature
 House of Representatives
 COMMITTEE ON HEALTH, EDUCATION
 AND SOCIAL SERVICES

SUBJECT OF MEETING:
 HB 414: COMPREHENSIVE HEALTH CARE

DATE: 3/12/94

PLACE: Capitol Room 106

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Reed Stoops	Actna	240 92nd St Suite 600 ^{Juneau}		463 4633223		(Y) N	HB 414
Jack Phelan	Rep Kost				377	Y N	
Gordon Evans	HIAA	318 4th St.	99801		586-3210	(Y) N	HB 414
JACK HEESCH	ALASKA NURSES ASSOC.	Bx 201608 ANCHORAGE	99520	463-3257	4633257 ANCHORAGE 2790428 ANCHORAGE	Y N	HB 414
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

**** ORDER SUMMARY ****

SPONSOR: HHS HOUSE HEALTH, EDUCATION AND SOCIAL SERVJ CHAIRS: TOOHEY
 PURPOSE: PUB PUBLIC HEARING LEGISLATIVE BUNDE
 CONTACT: LYNNE SMITH TEL#: (907)465-6825
 CHAIRING SITE: JUNEAU CAPITOL CAP106

SPONSOR REMARKS(PUB): TESTIMONY:Y ALLOWED 5 MINUTE LIMIT
 TESTIMONY WILL BE TAKEN WITH A 5 MINUTE LIMIT.
 ICM REQUESTED ON 03/12/94 AND HAS 1 UPDATES

**** AGENDA ****

1 HB 414 COMPREHENSIVE HEALTH CARE

**** PARTICIPATING LTDS ****

ANC ANCHORAGE 716 W 4TH, #200 LOCATION STAFF
 * JNU JUNEAU CAPITOL CAP106 LOCATION STAFF

PARTICIPANTS IN: ANCHORAGE AND

1 BONNIE NELSON AKPIRG TSFY, HB 414
 20615 WHITE BIRCH RD, CHUGIAK AK 99567 (907)688-3017

PARTICIPANTS IN: JUNEAU JNU

1	REP	CON	BUNDE	HHS	JUNEAU	AK	TSFY, HB 414 (907)000-0000
2	REP	CYNTHIA	TOOHEY	HHS	JUNEAU	AK	TSFY, HB 414 (907)000-0000
3	REP	BETTYE	DAVIS	HHS	JUNEAU	AK	TSFY, HB 414 (907)000-0000
4	REP	GARY	DAVIS	HHS	JUNEAU	AK	TSFY, HB 414 (907)000-0000
5	REP	HARLEY	OLBERG	HHS	JUNEAU	AK	TSFY, HB 414 (907)000-0000
6	MR.	REED	STOOPS	LOBBIEST	JUNEAU	AK	TSFY, HB 414 (907)000-0000
7		TO	OBSERVE				OBSV, ALL ITEMS
8		TO	OBSERVE				OBSV, ALL ITEMS
9		TO	OBSERVE				OBSV, ALL ITEMS
10		TO	OBSERVE				OBSV, ALL ITEMS
11		TO	OBSERVE				OBSV, ALL ITEMS
12		TO	OBSERVE				OBSV, ALL ITEMS
13		TO	OBSERVE				OBSV, ALL ITEMS
14		TO	OBSERVE				OBSV, ALL ITEMS
15		TO	OBSERVE				OBSV, ALL ITEMS
16		TO	OBSERVE				OBSV, ALL ITEMS
17		TO	OBSERVE				OBSV, ALL ITEMS
18		TO	OBSERVE				OBSV, ALL ITEMS
19		TO	OBSERVE				OBSV, ALL ITEMS
20		TO	OBSERVE				OBSV, ALL ITEMS
21		TO	OBSERVE				OBSV, ALL ITEMS
22		TO	OBSERVE				OBSV, ALL ITEMS
23		TO	OBSERVE				OBSV, ALL ITEMS
24		TO	OBSERVE				OBSV, ALL ITEMS
25		TO	OBSERVE				OBSV, ALL ITEMS
26		TO	OBSERVE				OBSV, ALL ITEMS

5
REP. TOOTHEY

PROPOSED AMENDMENT TO HB 414

Delete Sections 7, 9, and 11

Section 7 establishes health insurance rate regulation of private insurers as a power and duty of the new Alaska Health Commission .

Section 9 gives the same power and duty for Health Maintenance Organizations

Section 11 gives the same power and duty for service corporations (ie Blue Cross).

H

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE KOTT

TO: HB 414

#1

Page ¹⁴ 3, line ⁹ 33, after "terms.":

Insert "In appointing members to the commission, the governor shall ensure that a majority of the members are not health care providers or employed by a health insurance company."

#7

js

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 414(HES)

BY REPRESENTATIVE KOTT

#3

Page 14, line 9, after "terms.":

Insert "Only one health care provider may serve on the commission and only one person employed by a health insurance company may serve on the commission."

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE KOTT

TO: HB 414

2

Page ¹³ ~~2~~, line ²⁰ ~~27~~, after "~~1996~~",
"state;"

Insert "a benefit package ~~may not limit~~ the covered health care services on the basis
of a preexisting condition:"

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. CS HB 414 (HESS)

Revision Date: _____

Department Affected: Office of the Governor

Title: "An Act creating the Alaska Health Commission..."

BRU: Commissions and Special Offices

Component: Alaska Health Commission

Sponsor: House Rules Committee

Requestor: Governor

COMPONENT SERIAL NO. _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES	640.2	734.3	749.9	766.6	783.3	801.3
TRAVEL	23.3	30.5	30.5	30.5	30.5	30.5
CONTRACTUAL	330.7	336.6	336.6	336.6	336.6	336.6
SUPPLIES	8.5	9.0	9.0	9.0	9.0	9.0
EQUIPMENT	78.5	.5	.5	.5	.5	.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1081.2	1110.9	1126.5	1143.2	1159.9	1177.9

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

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

FUND SOURCE

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	1081.2	1110.9	1126.5	1143.2	1159.9	1177.9
1006 GF/MHTIA						
OTHER						
TOTAL	1081.2	1110.9	1126.5	1143.2	1159.9	1177.9

POSITIONS

FULL-TIME	11	11	11	11	11	11
PART-TIME						
TEMPORARY						

Estimate of any current year (FY94) cost: 0

ANALYSIS: (Attach a separate page if necessary.)
See attached analysis

Prepared by: Michael A. Nizich, Director
Division: Division of Administrative Services

Phone: 465-3876
Date: 3/11/94

Approved by Commissioner: Patrick P. Ryan, Chief of Staff
Agency: Office of the Governor

Date: 3/11/94

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
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Fiscal impact of proposed amendments to HB414:

Amendment 1: Public Health Committee

Assumptions:

Committee has six members
 Assume staff work done by Health Commission staff and Division of
 Public Health employees
 Committee meets 3 times per year in person (2 in FY95)
 Committee has 4 additional teleconference meetings per year

	FY95	FY96 - 00
Personal Services:		
1 Research Analyst	30,000 (6 mos.)	59,000 (inflate 5% annually)
Travel:	4,800	10,500
Contractual:		
Public Notices	1,000	3,500
Equipment:	12,100	-0-

Amendment 2: Single Payor Analysis

No cost - already assumed in original fiscal note

Amendment 3: Erisa Waiver:

Assumptions: contracting for specialized assistance

	FY95	FY96 - 00
Contractual:	100,000	100,000 (each year)

Amendment 4: Pooling

No additional cost anticipated

Amendment 5: Disclosure of Prices

Assumptions: One research analyst is required to monitor
 compliance; travel included

	FY95	FY96 - 00
Personal Services:		
1 Research Analyst	30,000 (6 mos.)	59,000 (inflate 5% annually)
Travel:	1,500	3,000
Supplies:	500	1,000
Contractual:	3,400	6,800
Equipment:	12,100	-0-

PERSONAL SERVICES

580.2

Fiscal note assumes Commissioners appointments on 7/1/94 and provides for 11 months of staff within first year. Subsequent years include merit increases for staff.

3	Commissioners	Rg. 26C	290.7
1	Special Assistant	Rg. 23A	70.9
3	Research Analysts	Rg. 18A	155.9
1	Secretary I	Rg. 10A/B	32.9
1	Clerk Typist III	Rg. 08A/B	29.8

TRAVEL

17.0

Travel costs and per diem associated with Commission activities -- research, investigation, public hearings

CONTRACTUAL

226.3

Professional Services:

technical/legal assistance contracts	150.0
--------------------------------------	-------

Communication:

Telephone (toll costs, base/local fixed costs, fax postage) 900/mo x 12	10.8
---	------

Advertising, Printing:

Public hearing advertising, report printing	5.0
---	-----

Transportation:

Freight and express charges 75/mo x 12	.9
--	----

Minor Repair, Maintenance:	.8
----------------------------	----

Equipment rental:

Photocopier 600/mo x 12	7.2
-------------------------	-----

Rental for space:

1433 sq. ft. x \$3.00/ft x 12 mos.	<u>51.6</u>
	226.3

SUPPLIES

8.0

Data processing and office supplies

EQUIPMENT

54.3

Communication:

Phone system	4.0
Fax Machine	2.8
Mailing equipment	3.0

Data Processing Equipment:

PCs, system printer, software for 9 work stations	26.0
--	------

Furniture/Office equipment:

9 offices/work stations file cabinets, bookcases and miscellaneous office equipment	<u>18.5</u> 54.3
--	---------------------

H/HESS ROLL CALL FORM

BILL HB 414 DATE 3/12/94
 TAPE 94-46 NUMBER 805
 SUBJECT OF VOTE TO ADOPT AMENDMENT #5

MEMBER	YEA	NAY	ABS
Rep. Cynthia Toohey	—	✓	—
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	✓	—	—
Rep. Al Vezey	✓	—	—
Rep. Pete Kott	—	✓	—
Rep. Harley Olberg	✓	—	—
Rep. Bettye Davis	—	✓	—
Rep. Irene Nicholia	—	✓	—
Rep. Tom Brice	—	—	—
TOTAL	<u>3</u>	<u>5</u>	—

+++++

BILL _____ DATE 3/12/94
 TAPE 94-47 NUMBER _____
 SUBJECT OF VOTE TO AMEND PROPOSED AMENDMENT

#6 TO INCLUDE THE CATEGORIES OF ATTORNEYS AND LEGISLATORS

MEMBER	YEA	NAY	ABS
Rep. Con Bunde	—	✓	—
Rep. Gary Davis	—	✓	—
Rep. Al Vezey	—	✓	—
Rep. Pete Kott	✓	—	—
Rep. Harley Olberg	✓	—	—
Rep. Bettye Davis	—	—	—
Rep. Irene Nicholia	—	✓	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	—	✓	—
TOTAL	<u>2</u>	<u>5</u>	—

BILL HB 414

DATE 3/12/94

TAPE 94-47

NUMBER 293

SUBJECT OF VOTE TO ADOPT AMENDMENT #6

MEMBER	YEA	NAY	ABS
Rep. Gary Davis	—	✓	—
Rep. Al Vezey	—	✓	—
Rep. Pete Kott	✓	—	—
Rep. Harley Olberg	✓	—	—
Rep. Bettye Davis	—	—	—
Rep. Irene Nicholia	—	✓	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	—	✓	—
Rep. Con Bunde	—	✓	—
TOTAL	<u>2</u>	<u>5</u>	—

+++++

BILL HB 414

DATE 3/12/94

TAPE 94-47

NUMBER 600

SUBJECT OF VOTE AMENDMENT #7, TO ADOPT

MEMBER	YEA	NAY	ABS
Rep. Al Vezey	—	✓	—
Rep. Pete Kott	✓	—	—
Rep. Harley Olberg	✓	—	—
Rep. Bettye Davis	—	—	—
Rep. Irene Nicholia	—	✓	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	✓	—	—
Rep. Con Bunde	✓	—	—
Rep. Gary Davis	—	✓	—
TOTAL	<u>4</u>	<u>3</u>	—

BILL HB 4114

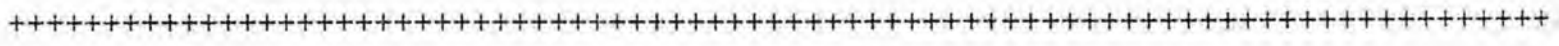
DATE 3/12/94

TAPE 94-47

NUMBER 819

SUBJECT OF VOTE TO ADOPT AMENDMENT # 8 AS AMENDED

MEMBER	YEA	NAY	ABS
Rep. Pete Kott	✓	—	—
Rep. Harley Olberg	—	✓	—
Rep. Bettye Davis	—	—	—
Rep. Irene Nicholia	✓	—	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	✓	—	—
Rep. Con Bunde	✓	—	—
Rep. Gary Davis	✓	—	—
Rep. Al Vezey	—	✓	—
TOTAL	<u>5</u>	<u>2</u>	—



BILL _____

DATE _____

TAPE 94- _____

NUMBER _____

SUBJECT OF VOTE _____

MEMBER	YEA	NAY	ABS
Rep. Harley Olberg	—	—	—
Rep. Bettye Davis	—	—	—
Rep. Irene Nicholia	—	—	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	—	—	—
Rep. Con Bunde	—	—	—
Rep. Gary Davis	—	—	—
Rep. Al Vezey	—	—	—
Rep. Pete Kott	—	—	—
TOTAL	—	—	—

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

March 11, 1994

SUBJECT: Health care reform - (CSHB 414(HES))

TO: Representative Cynthia Toohey

FROM: Michael F. Ford *M.F.F.*
Legislative Counsel

The attached work draft committee substitute contains the changes you requested to HB 414. The work draft also raises the following constitutional issues that the committee should carefully consider:

1. In sec. 25(b), the governor is permitted to extend certain deadlines on reports, recommendations and regulations. This provision probably constitutes an impermissible delegation of legislative authority, as well as a violation the constitutional separation of powers doctrine. Under our constitution, the legislature is given the power to legislate and the governor the power to execute law created by the legislature. Allowing the governor to change a deadline created by law may be a delegation of legislative authority that is not permissible under the state constitution.
2. In sec. 44.19.628(b), in sec. 16, the director of the division of insurance is allowed to adopt regulations that supersede a conflicting statutory provision in AS 21. This is also an unconstitutional delegation of legislative power. Again, the state constitution vests legislative power in the legislature, and the power to supersede existing law cannot be delegated to the director of the division of insurance.

Also please note that we have added court rule changes for AS 09.55.536(e) and (f). when AS 09.55.536 was enacted, changes to the discovery rules were noted, but since we are changing the panel to a single advisor and repealing the discovery limitation currently found in Civil Rule 72.1(g), we risk having AS 09.55.536(f) be ineffective without a court rule change. The change to the Evidence Rules 802 refers to statutory enactments, but because we are not sure whether that reference is to statutes enacted by a simple majority or only to statutes enacted by two-thirds, we are taking the cautious approach. In both cases, however, we have allowed the changes to become law, even if the two-thirds vote fails, because the need to change court rules is not absolutely certain in this case.

Please contact me if you have further questions.

JBC:gc
94-207.glc

8-GH2024NE ✓
Ford
3/11/94

CS FOR HOUSE BILL NO. 414(HES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act creating the Alaska Health Commission; relating to the delivery, quality,
2 access, and financing of health care; relating to review and approval of rates and
3 charges of health insurers; relating to certain civil actions against health care
4 providers and health insurers; amending Alaska Rules of Civil Procedure 26 and
5 27 and Alaska Rules of Evidence 802, 803, and 804; repealing Alaska Rule of
6 Civil Procedure 72.1; and providing for an effective date."

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

8 * Section 1. FINDINGS AND INTENT. (a) The legislature finds that the access to
9 quality and affordable health care and maintenance of the public's health are vital to the public
10 interest. The legislature further finds that health care costs have grown at a rate far in excess
11 of the overall inflation rate in the economy due to several factors, including variations in
12 treatment practices of providers, cost shifting by health care providers, administrative costs
13 of insurance claims practices, unavailability of affordable insurance, costs of increasing claims

1 and liability for medical malpractice, and lack of coordination of population based public
2 health services. The legislature therefore finds a present need for long-term reform of the
3 health care system in the state.

4 (b) It is the intent of the legislature to promote access to affordable, quality health
5 care for Alaskans by establishing a mechanism for the review of health insurance rate filings,
6 the implementation of health care reform measures, the stabilization of health care service
7 costs, the collection and analysis of information and data concerning health care services, and
8 the making of recommendations based on that data to the governor and the legislature.

9 * Sec. 2. AS 08.64.326 is amended to read:

10 Sec. 08.64.326. GROUNDS FOR IMPOSITION OF DISCIPLINARY
11 SANCTIONS. (a) The board may impose a sanction if the board finds after a hearing
12 that a licensee

13 (1) secured a license through deceit, fraud, or intentional
14 misrepresentation;

15 (2) engaged in deceit, fraud, or intentional misrepresentation while
16 providing professional services or engaging in professional activities;

17 (3) advertised professional services in a false or misleading manner;

18 (4) has been convicted, including conviction based on a guilty plea or
19 plea of nolo contendere, of

20 (A) a felony or other crime if the felony or other crime is
21 substantially related to the qualifications, functions, or duties of the licensee;
22 or

23 (B) a crime involving the unlawful procurement, sale,
24 prescription, or dispensing of drugs;

25 (5) has procured, sold, prescribed, or dispensed drugs in violation of
26 a law, regardless of whether there has been a criminal action;

27 (6) intentionally or negligently permitted the performance of patient
28 care by persons under the licensee's supervision that does not conform to minimum
29 professional standards even if the patient was not injured;

30 (7) failed to comply with this chapter, a regulation adopted under this
31 chapter, or an order of the board;

1 (8) has demonstrated

2 (A) professional incompetence, gross negligence, or repeated
3 negligent conduct; the board may not base a finding of professional
4 incompetence solely on the basis that a licensee's practice is unconventional or
5 experimental in the absence of demonstrable physical harm to a patient;

6 (B) addiction to, severe dependency on, or habitual overuse of
7 alcohol or other drugs that impairs the licensee's ability to practice safely;

8 (C) unfitness because of physical or mental disability;

9 (9) engaged in unprofessional conduct or in lewd or immoral conduct
10 in connection with the delivery of professional services to patients;

11 (10) has violated AS 18.16.010;

12 (11) has violated any code of ethics adopted by regulation by the board;

13 or

14 (12) [HAS DENIED CARE OR TREATMENT TO A PATIENT OR
15 PERSON SEEKING ASSISTANCE FROM THE PHYSICIAN IF THE ONLY
16 REASON FOR THE DENIAL IS THE FAILURE OR REFUSAL OF THE PATIENT
17 TO AGREE TO ARBITRATE AS PROVIDED IN AS 09.55.535(a); OR

18 (13)] has had a license or certificate to practice medicine in another
19 state or territory of the United States, or a province or territory of Canada suspended
20 or revoked unless the suspension or revocation was caused by the failure of the
21 licensee to pay fees to that state, territory, or province.

22 (b) In a case involving (a)(12) [(a)(13)] of this section, the final findings of
23 fact, conclusions of law, and order of the authority that suspended or revoked a license
24 or certificate constitutes a prima facie case that the license or certificate was suspended
25 or revoked and the grounds under which the suspension or revocation was granted.

26 * Sec. 3. AS 08.68.270 is amended to read:

27 Sec. 08.68.270. GROUND~~S~~ FOR DENIAL, SUSPENSION, OR
28 REVOCATION. The board may deny, suspend, or revoke the license of a person who

29 (1) has obtained or attempted to obtain a license to practice nursing by
30 fraud or deceit;

31 (2) has been convicted of a felony or other crime if the felony or other

1 crime is substantially related to the qualifications, functions or duties of the licensee;

2 (3) habitually abuses alcoholic beverages, or illegally uses controlled
3 substances;

4 (4) has impersonated a registered or practical nurse;

5 (5) has intentionally or negligently engaged in conduct that has resulted
6 in a significant risk to the health or safety of a client or in injury to a client;

7 (6) practices or attempts to practice nursing while afflicted with
8 physical or mental illness, deterioration, or disability that interferes with the
9 individual's performance of nursing functions;

10 (7) is guilty of unprofessional conduct as defined by regulations
11 adopted by the board;

12 (8) has wilfully or repeatedly violated a provision of this chapter or
13 regulations adopted under it;

14 (9) is professionally incompetent [;

15 (10) DENIES CARE OR TREATMENT TO A PATIENT OR PERSON
16 SEEKING ASSISTANCE IF THE SOLE REASON FOR THE DENIAL IS THE
17 FAILURE OR REFUSAL OF THE PATIENT OR PERSON SEEKING ASSISTANCE
18 TO AGREE TO ARBITRATE AS PROVIDED IN AS 09.55.535(a)].

19 * Sec. 4. AS 09.55.535 is repealed and reenacted to read:

20 Sec. 09.55.535. MANDATORY ARBITRATION. (a) A person who files an
21 action for damages against a health care provider resulting from medical malpractice
22 shall also submit the claim to the court for arbitration.

23 (b) When a claim is submitted as required by (a) of this section, the court shall
24 appoint an arbitrator to review the claim. The arbitrator appointed to review the claim
25 shall interview the parties and examine all records or materials relating to the claim
26 and may compel the attendance of witnesses, interview the parties, or consult with
27 medical specialists.

28 (c) An arbitrator appointed under this section shall conduct a prehearing
29 settlement conference within 30 days after the appointment. The arbitrator shall
30 establish a period for discovery and a date for a hearing. The hearing date may not
31 be more than 120 days after the settlement conference.

1 (d) An arbitrator shall render a decision within 30 days after hearing a claim
2 under (c) of this section. The decision must contain findings of fact and conclusions
3 of law. The decision of the arbitrator may be rejected by a party.

4 (e) If the decision of the arbitrator is rejected by a party, the action may
5 proceed in the appropriate court. The arbitrator's decision is admissible evidence in
6 that action and may be used by a party to support or oppose a claim of damages.

7 (f) The provisions of AS 09.43.010 - 09.43.180 (Uniform Arbitration Act)
8 apply to an arbitration under this section to the extent the provisions do not conflict
9 with the provisions of this section.

10 * Sec. 5. AS 09.55.536 is amended to read:

11 Sec. 09.55.536. EXPERT ADVISOR [ADVISORY PANEL]. (a) In an action
12 for damages due to personal injury or death based upon the provision of professional
13 services by a health care provider [WHEN THE PARTIES HAVE NOT AGREED TO
14 ARBITRATION OF THE CLAIM UNDER AS 09.55.535,] the court shall appoint
15 within 20 days after filing of answer to a summons and complaint an [A THREE-
16 PERSON] expert medical advisor [EXPERT ADVISORY PANEL] unless the court
17 decides that an expert advisory opinion is not necessary for a decision in the case.
18 When the action is filed the court shall, by order, determine the professions or
19 specialties to be represented by [ON] the medical expert [ADVISORY PANEL],
20 giving the parties the opportunity to object or make suggestions.

21 (b) The expert advisor [ADVISORY PANEL] may compel the attendance of
22 witnesses, interview the parties, physically examine the injured person if alive, consult
23 with the specialists or learned works the advisor considers [THEY CONSIDER]
24 appropriate, and compel the production of and examine all relevant hospital, medical,
25 or other records or materials relating to the health care in issue. The advisor
26 [PANEL] may meet in camera, but shall maintain a record of any testimony or oral
27 statements of witnesses, and shall keep copies of all written statements received [IT
28 RECEIVES].

29 (c) Not more than 30 days after selection of the advisor, the advisor [PANEL,
30 IT] shall make a written report to the parties and to the court, answering the following
31 questions and other questions submitted to the advisor [PANEL] by the court:

- 1 (1) What was the disorder for which the plaintiff came to medical care?
- 2 (2) What would have been the probable outcome without medical care?
- 3 (3) Was the treatment selected appropriate for the case?
- 4 (4) Did an injury arise from the medical care?
- 5 (5) What is the nature and extent of the medical injury?
- 6 (6) What specifically caused the medical injury?
- 7 (7) Was the medical injury caused by unskillful care?
- 8 (8) If a medical injury had not occurred, how would the plaintiff's
- 9 condition differ from the plaintiff's present condition?

10 (d) In any case in which the answer to one or more of the questions submitted
11 to the advisor [PANEL] depends upon the resolution of factual questions that
12 [WHICH] are not the proper subject of expert opinion, the report shall so state and
13 may answer questions based upon hypothetical facts that are fully set out in the
14 opinion. The report must [SHALL] include copies of all written statements, opinions,
15 or records relied upon by the advisor [PANEL] and either a transcription or other
16 record of any oral statements or opinions; must [SHALL] specify any medical or
17 scientific authority relied upon by the advisor [PANEL]; and must [SHALL] include
18 the results of any physical or mental examination performed on the plaintiff. The
19 advisor [EACH MEMBER] shall sign the report and the signature constitutes the
20 advisor's [MEMBER'S] adoption of all statements and opinions contained in it. An
21 advisor [; HOWEVER, A MEMBER MAY, INSTEAD OF SIGNING THE REPORT,
22 SUBMIT A CONCURRING OR DISSENTING REPORT WHICH COMPLIES WITH
23 THE REQUIREMENTS OF THIS SUBSECTION. A MEMBER] may not attest to
24 any portion of the report as to which the advisor [MEMBER] is not qualified to give
25 expert testimony.

26 (e) The report of the advisor [PANEL WITH ANY DISSENTING OR
27 CONCURRING OPINION] is admissible in evidence to the same extent as though its
28 contents were orally testified to by the person [OR PERSONS] preparing it. The court
29 shall delete any portion that would not be admissible because of lack of foundation for
30 opinion testimony, or otherwise. Either party may submit testimony to support or
31 refute the report. The jury shall be instructed in general terms that the report shall be

1 considered and evaluated in the same manner as any other expert testimony. The
 2 expert advisor [ANY MEMBER OF THE PANEL] may be called by any party and
 3 may be cross-examined as to the contents of the report [OR OF THAT MEMBER'S
 4 DISSENTING OR CONCURRING OPINION].

5 (f) Discovery [NO DISCOVERY] may not be undertaken in a case until the
 6 report of the expert advisor [ADVISORY PANEL] is received. However, the court
 7 may relax this prohibition upon a showing of good cause by a [ANY] party. If the
 8 advisor [PANEL] has not completed the [ITS] report within the 30-day period
 9 prescribed in (c) of this section, the court may, upon application, grant [IT] an
 10 additional 30 days.

11 (g) The expert advisor is [MEMBERS OF A PANEL ARE] entitled to travel
 12 expenses and per diem in accordance with state law pertaining to members of boards
 13 and commissions for all time spent in preparing the [ITS] report. If an advisor [A
 14 PANEL MEMBER] is called upon as a witness at trial or upon deposition, the advisor
 15 [MEMBER] is entitled to payment of an expert witness fee, which may not exceed
 16 \$150 per day. All expenses incurred by the advisor [PANEL] shall be paid by the
 17 court. However, in any case in which the court determines that a party has made a
 18 patently frivolous claim or a patently frivolous denial of liability, it shall order that all
 19 costs of the expert advisor [ADVISORY PANEL] be borne by the party making that
 20 claim or denial.

21 (h) Parties to the case and their counsel may not initiate communication out
 22 of court with an expert advisor [MEMBERS OF THE PANEL] on the subject matter
 23 of the advisor's [ITS] inquiry and report or cause or solicit others to do so, except
 24 through ordinary discovery proceedings.

25 * Sec. 6. AS 09.55 is amended by adding a new section to read:

26 ARTICLE 5A. CERTAIN CLAIMS AGAINST HEALTH INSURERS.
 27 Sec. 09.55.565. PROCEDURE FOR CERTAIN CLAIMS AGAINST A
 28 HEALTH INSURER. (a) Unless preempted by federal law that provides otherwise,
 29 a person who files an action against a health insurer resulting from a failure to timely
 30 pay a claim or to authorize a health care service under a plan or policy shall also
 31 submit the claim to the court for arbitration.

1 (b) When a claim is submitted as required by (a) of this section, the court shall
2 appoint an arbitrator to review the claim. The arbitrator appointed to review the claim
3 shall interview the parties and examine all records or materials relating to the claim
4 and may compel the attendance of witnesses, interview the parties, or consult with
5 medical specialists.

6 (c) An arbitrator appointed under this section shall conduct a prehearing
7 settlement conference within 30 days after the appointment. The arbitrator shall
8 establish a period for discovery and a date for a hearing. The hearing date may not
9 be more than 120 days after the settlement conference.

10 (d) An arbitrator shall render a decision within 30 days after hearing a claim
11 under (c) of this section. The decision must contain findings of fact and conclusions
12 of law. The decision of the arbitrator may be rejected by a party.

13 (e) If the decision of the arbitrator is rejected by a party, the action may
14 proceed in the appropriate court. The arbitrator's decision is admissible evidence in
15 that action and may be used by a party to support or oppose a claim of damages.

16 (f) The provisions of AS 09.43.010 - 09.43.180 (Uniform Arbitration Act)
17 apply to an arbitration under this section to the extent the provisions do not conflict
18 with the provisions of this section.

19 (g) In this section,

20 (1) "health care service" has the meaning given in AS 21.86.900;

21 (2) "health insurer" has the meaning given in AS 44.19.639.

22 * Sec. 7. AS 21.51 is amended by adding new sections to read:

23 Sec. 21.51.350. REVIEW AND APPROVAL OF RATES AND RATING
24 FACTORS. (a) A disability insurer shall file with the director and the Alaska Health
25 Commission rates or rating factors for disability insurance, including a change to such
26 a rate or factor. The filing must include detailed information that allows the director
27 and the commission to evaluate the appropriateness of the proposed rate or rating
28 factor. A disability insurer may furnish the following information in support of a
29 filing:

30 (1) actuarial judgment;

31 (2) interpretation of the statistical data relied upon by the disability

1 insurer;

2 (3) the loss and expense experience of the policy or plan or a similar
3 policy or plan; or

4 (4) other information or data requested by the director.

5 (b) A filing shall be made at least 75 days before the intended effective date
6 of the rate or rating factor and is subject to the approval of the Alaska Health
7 Commission. Within 45 days after a filing under this section, the director shall review
8 the filing and make a written recommendation to the Alaska Health Commission as to
9 whether the commission should approve or disapprove the filing. This
10 recommendation is not an order of the director and is not appealable under
11 AS 21.06.230.

12 Sec. 21.51.360. RISK SHARING AND PURCHASING POOLS. After
13 consulting with and considering any reports or recommendations of the Alaska Health
14 Commission, the director shall adopt regulations to allow for the creation of pools,
15 including pools for the primary benefit of children, for the purpose of sharing risks or
16 purchasing insurance under this chapter.

17 * Sec. 8. AS 21.86.070(g) is amended to read:

18 (g) The director may require that additional relevant material considered
19 necessary by the director be submitted in order to determine the acceptability of a
20 filing made under [EITHER] (b) [OR (e)] of this section.

21 * Sec. 9. AS 21.86 is amended by adding a new section to read:

22 Sec. 21.86.075. REVIEW AND APPROVAL OF RATES AND CHARGES.

23 (a) A health maintenance organization shall file with the director and the Alaska
24 Health Commission rates, rating factors, premiums, fees for services and enrollee fees,
25 including a change to such a rate, factor, premium, or fee, used in providing health
26 care services to enrollees of the health maintenance organization. The filing must
27 include detailed information that allows the director and the commission to evaluate
28 the appropriateness of the proposed rates, factors, premiums, and fees. A health
29 maintenance organization may furnish the following information in support of a filing:

30 (1) actuarial judgment;

31 (2) interpretation of the statistical data relied upon by the health

1 maintenance organization;

2 (3) the loss and expense experience of the policy or plan or a similar
3 policy or plan; or

4 (4) other information or data requested by the director.

5 (b) A filing required under this section shall be made at least 75 days before
6 the intended effective date of the rate, rating factor, premium, fee for services, or
7 enrollee fee and is subject to the approval of the Alaska Health Commission. Within
8 45 days after a filing under this section, the director shall review the filing and make
9 a written recommendation to the Alaska Health Commission as to whether the
10 commission should approve or disapprove the filing. This recommendation is not an
11 order of the director and is not appealable under AS 21.06.230.

12 * Sec. 10. AS 21.86 is amended by adding a new section to read:

13 Sec. 21.86.320. RISK SHARING AND PURCHASING POOLS. After
14 consulting with and considering any reports or recommendations of the Alaska Health
15 Commission, the director shall adopt regulations to allow for the creation of pools,
16 including pools for the primary benefit of children, for the purpose of sharing risks or
17 purchasing insurance under this chapter.

18 * Sec. 11. AS 21.87.190 is repealed and reenacted to read:

19 Sec. 21.87.190. REVIEW AND APPROVAL OF RATES AND CHARGES.

20 (a) Subscription rates, fees, and payments to be charged by a service corporation to
21 or on account of its subscribers may not be excessive, inadequate, or unfairly
22 discriminatory. Rates of payments to be made to participant providers and participant
23 hospitals for services rendered under a subscriber's contract must be fair and
24 reasonable.

25 (b) A service corporation shall file with the director and the Alaska Health
26 Commission subscription rates, rating factors, fees, and payments, including a change
27 to a rate, factor, fee, or payment, to be charged to or on account of the service
28 corporation's subscribers. The filing must include detailed information that allows the
29 director and the commission to evaluate the appropriateness of the proposed rates,
30 factors, fees, and payments. A service corporation may furnish the following
31 information in support of a filing:

- 1 (1) actuarial judgment;
- 2 (2) interpretation of the statistical data relied upon by the service
- 3 corporation;
- 4 (3) the loss and expense experience of the policy or plan or a similar
- 5 policy or plan; or
- 6 (4) other information or data requested by the director.

7 (c) A filing required under this section shall be made at least 75 days before

8 the intended effective date of the subscription rate, rating factor, fee, or payment and

9 is subject to the approval of the Alaska Health Commission. Within 45 days after a

10 filing under this section, the director shall review the filing and make a written

11 recommendation to the Alaska Health Commission as to whether the commission

12 should approve or disapprove the filing. This recommendation is not an order of the

13 director and is not appealable under AS 21.06.230.

14 (d) If a subscriber contract to be issued by the service corporation provides for

15 indemnity benefits and is permitted under this chapter, the service corporation shall

16 include in the rate, fee, or payment required of the subscriber an adequate additional

17 charge for the indemnity benefit, and shall separately set out the amount of the

18 additional charge in the filing required by this section and AS 44.19.629.

19 * Sec. 12. AS 21.87 is amended by adding a new section to read:

20 Sec. 21.87.285. RISK SHARING AND PURCHASING POOLS. After

21 consulting with and considering any reports or recommendations of the Alaska Health

22 Commission, the director shall adopt regulations to allow for the creation of pools,

23 including pools for the primary benefit of children, for the purpose of sharing risks or

24 purchasing insurance under this chapter.

25 * Sec. 13. AS 36.30.015 is amended by adding a new subsection to read:

26 (h) The Alaska Health Commission shall adopt regulations to manage the

27 procurement of supplies, services, and professional services necessary for its operations

28 under AS 44.19.620 - 44.19.639. The regulations must be based on principles of

29 competitive procurement, consistent with this chapter, to satisfy the requirements of

30 the Alaska Health Commission as determined by that commission.

31 * Sec. 14. AS 36.30.990(1) is amended to read:

1 (1) "agency"

2 (A) means a department, institution, board, commission,
3 division, authority, public corporation, the Alaska Pioneers' Home, or other
4 administrative unit of the executive branch of state government;

5 (B) does not include

6 (i) the University of Alaska;

7 (ii) the Alaska Railroad Corporation;

8 (iii) the Alaska Housing Finance Corporation;

9 (iv) a regional Native housing authority created under
10 AS 18.55.996 or a regional electrical authority created under
11 AS 18.57.020;

12 (v) the Department of Transportation and Public
13 Facilities, in regard to the repair, maintenance, and reconstruction of
14 vessels, docking facilities, and passenger and vehicle transfer facilities
15 of the Alaska marine highway system;

16 (vi) the Alaska Aerospace Development Corporation;

17 (vii) the Alaska State Pension Investment Board;

18 (viii) the Alaska Health Commission;

19 * Sec. 15. AS 39.25.110(11) is amended to read:

20 (11) the officers and employees of the following boards, commissions,
21 and authorities:

22 (A) Alaska Gas Pipeline Financing Authority;

23 (B) Alaska Permanent Fund Corporation;

24 (C) Alaska Industrial Development and Export Authority;

25 (D) Alaska Commercial Fisheries Entry Commission;

26 (E) Alaska Commission on Postsecondary Education;

27 (F) Alaska Aerospace Development Corporation;

28 (G) Alaska Health Commission;

29 * Sec. 16. AS 44.19 is amended by adding new sections to read:

30 ARTICLE 12. ALASKA HEALTH COMMISSION.

31 Sec. 44.19.620. CREATION OF COMMISSION. The Alaska Health

1 Commission is created in the Office of the Governor.

2 Sec. 44.19.621. PURPOSE OF COMMISSION. The purpose of the
3 commission is to improve health care in this state by

4 (1) establishing and implementing a system for collecting and analyzing
5 information and data relating to the individual and public health care needs of and
6 services provided to residents of the state;

7 (2) promoting the use of electronic data transfer and the implementation
8 of uniform procedures for billing, payment, and claim systems;

9 (3) promoting consumer confidence in the health care system through
10 approval of rate filings by health insurers and disclosure of charges by health care
11 providers;

12 (4) promoting the creation of pools, including pools for the primary
13 benefit of children, for the purpose of sharing risks or purchasing insurance for health
14 care services; and

15 (5) analyzing health care reform proposals, including a proposal that
16 is based on a single payor system; recommending health care reform proposals to the
17 governor and the legislature; and reporting to and making recommendations to the
18 governor and legislature on the following:

19 (A) defining a range of potential benefit packages for universal
20 health care coverage for residents of the state;

21 (B) determining the needs and requirements imposed on the
22 state by federal enactments that affect health care reform; the commission shall
23 make the determination required under this subparagraph within 60 days after
24 each measure is enacted into law;

25 (C) determining the prospective costs for recommended
26 comprehensive health care reform proposals, as requested by the governor or
27 as determined by a majority vote of the commission;

28 (D) determining financing plans for recommended proposals;

29 (E) describing administrative structures necessary to implement
30 recommended proposals;

31 (F) identifying a process to implement statewide expenditure

1 measures for health care goods and services;

2 (G) investigating health care standards of practice and
3 determining their effect on medical tort liability and other aspects of health care
4 delivery; and

5 (H) investigating alternatives to existing hospital licensing
6 requirements to allow for less use of acute care facilities.

7 Sec. 44.19.622. COMPOSITION; QUALIFICATIONS; TERMS; REMOVAL;
8 DESIGNATION OF CHAIR. (a) The commission consists of three members
9 appointed by the governor and confirmed by the legislature for six-year terms.

10 (b) A commission member may serve only one six-year term plus the
11 remainder of any unexpired term to which the member was appointed.

12 (c) The governor may remove a member of the commission only for cause.

13 (d) The governor shall designate a member of the commission to serve, at the
14 pleasure of the governor, as chair of the commission for a term of two years. The
15 governor may reappoint the same member for additional terms as chair.

16 (e) A commission member shall comply with the applicable requirements of
17 AS 39.50, and must be a state resident throughout the person's term as a member of
18 the commission.

19 Sec. 44.19.623. STAFF. The commission may employ staff as necessary to
20 carry out the purposes of this chapter. The staff of the commission is in the exempt
21 service.

22 Sec. 44.19.624. COMPENSATION. Members of the commission are in the
23 exempt service and are entitled to a monthly salary equal to Step C, Range 26, of the
24 salary schedule set out in AS 39.27.011(a) for Anchorage, Alaska. Subject to the
25 availability of appropriations, the chair may be placed at a higher step in the same range,
26 if approved by the governor.

27 Sec. 44.19.625. MEETINGS. (a) The commission shall meet publicly not less
28 than quarterly to accomplish its duties under AS 44.19.620 - 44.19.639. The
29 commission shall comply with AS 44.62.310 - 44.62.312.

30 (b) Two members of the commission constitute a quorum for the transaction
31 of business and the exercise of the powers and duties of the commission.

1 Sec. 44.19.626. POWERS AND DUTIES. (a) The commission may

2 (1) enter into contracts and execute instruments necessary for carrying
3 out its business;

4 (2) establish advisory committees to the commission to conduct
5 research or investigation and report back to the commission on findings; an advisory
6 committee must consist of at least one member of the commission and may include
7 other individuals with appropriate expertise appointed by the commission;

8 (3) adopt regulations necessary to interpret or implement
9 AS 44.19.620 - 44.19.639, including regulations establishing reasonable, necessary fees
10 for services provided by the commission.

11 (b) The commission shall

12 (1) conduct public meetings in accordance with AS 44.19.625,
13 including holding public hearings as necessary;

14 (2) collect and analyze data and information from public, private, or
15 other sources relating to the cost, delivery, or financing of health care services
16 provided to state residents;

17 (3) monitor the costs of and the access to health care services to state
18 residents;

19 (4) make reports and recommendations to the governor and legislature
20 in accordance with AS 44.19.620 - 44.19.639;

21 (5) review and either approve or disapprove filings of rates, rate factors,
22 and subscriber and enrollee fees as provided in AS 44.19.629;

23 (6) establish a public health advisory committee that

24 (A) consists of at least one member of the commission and
25 other individuals with significant public health expertise appointed by the
26 commission; the commission shall consider public and private health care
27 professionals, labor organizations, businesses, the education system, the Alaska
28 Public Health Association, the Alaska Mental Health Board, and the Alaska
29 Native Health Board for service on the public health advisory committee, as
30 well as recognizing the need for geographic, ethnic, and cultural diversity;

31 (B) advises the commission on public health matters and the

1 integration of public health services under AS 44.19.621;

2 (C) develops a public health improvement plan as described
3 under (c) of this section;

4 (7) obtain waivers from federal agencies or under applicable federal law
5 to the extent necessary to maximize the collection and analysis of health care data.

6 (c) The plan developed by the committee under (b)(6) of this section may

7 (1) recognize the need for

8 (A) community involvement in health care planning and
9 delivery;

10 (B) attention to local needs that may vary from place to place;

11 (C) accountability for the use of public funds;

12 (D) equity and stability in the distribution of public funds;

13 (E) shared responsibility of all levels of government for
14 administering and financing public health care delivery; and

15 (F) coordination of basic public health services; and

16 (2) include

17 (A) an analysis of the health status of the residents of the state;

18 (B) an assessment of the most appropriate role for various levels
19 of government to play in addressing the health care needs of the residents of
20 the state;

21 (C) a delineation of the standards that should be used in
22 performing assessment, policy development, and quality assurance in the
23 delivery of public health services;

24 (D) documentation of the extent to which the current public
25 health system implements or achieves the standards identified under (C) of this
26 paragraph;

27 (E) identification of interjurisdictional issues involved in health
28 care access and delivery;

29 (F) recommendations, including recommendations for specific
30 legislative action when necessary, pertaining to the following:

31 (i) strategies, time lines, financial needs, and specific

1 sources of stable revenue for bringing the state public health care
2 system up to standards identified by the committee;

3 (ii) appropriate sharing of the responsibility of local,
4 regional, state, and federal government entities to deliver public health
5 care services efficiently and effectively, including recommendations for
6 organization within state government;

7 (iii) integration of the public health care system with
8 state and national health care reform efforts;

9 (iv) the committee's estimate of the optimal share that
10 public health should represent in the total health care delivery system
11 of the state, expressed in terms of a percentage of health care dollars
12 spent or in terms of public dollars per state resident.

13 Sec. 44.19.627. DUTY TO REPORT. At the request of the governor, the
14 commission shall compile and issue to the governor, the legislature, and the public a
15 report concerning its activities.

16 Sec. 44.19.628. UNIFORM DATA AND PROCEDURES FOR HEALTH
17 CLAIMS. (a) The director of the division of insurance, after considering the advice
18 of the commission, shall adopt by regulation uniform claims forms, uniform standards,
19 and uniform procedures for the processing of data relating to billing for and payment
20 of health care services provided to state residents. All health insurers shall comply
21 with the uniform claims forms, standards, and procedures established under this
22 section.

23 (b) To the extent that there is a conflict or inconsistency between a provision
24 of AS 21 that applies to a health insurer and a provision of a regulation adopted under
25 (a) of this section, the regulation governs. The director of the division of insurance
26 shall ensure that regulations adopted by the director under AS 21 that apply to a health
27 insurer are not in conflict or inconsistent with regulations adopted under (a) of this
28 section.

29 Sec. 44.19.629. REVIEW AND APPROVAL OF RATES AND CHARGES.
30 (a) The commission shall review a rate filing and the recommendation of the division
31 of insurance made under AS 21.51.350, AS 21.86.075, or AS 21.87.190. In reviewing

1 a filing, the commission

2 (1) shall collect and analyze information and data from the health
3 insurer that made the filing;

4 (2) may use any information or data collected under AS 44.19.620 -
5 44.19.639; and

6 (3) shall hold a public hearing for comment on the filing and for
7 verifying the basis for the filing.

8 (b) After the commission completes the requirements of (a) of this section, the
9 commission shall issue a decision on the filing. The commission may approve or
10 disapprove a filing reviewed under this section. If the commission fails to issue a
11 decision within 75 days after the filing was made, the filing is considered to be
12 approved by the commission under this section.

13 Sec. 44.19.630. APPEALS OF COMMISSION DECISIONS. A health insurer
14 aggrieved by a decision of the commission under AS 44.19.629 concerning that
15 insurer's filing may appeal the decision to the superior court.

16 Sec. 44.19.631. DISCLOSURE OF INFORMATION; PENALTY. (a) A
17 person providing or insuring health care services in the state shall provide, upon
18 request or order of the commission, reports, data, health information, insurance
19 schedules, statistics, and other information, as determined necessary by the
20 commission, by regulation, to carry out the purposes of AS 44.19.620 - 44.19.639.
21 This subsection applies to the state and to a municipality; as well as to public and
22 private health care facilities and providers, and health care insurers and self-insurers.

23 (b) Information and data obtained or produced by the commission is subject
24 to AS 09.25.110 and 09.25.120 and regulation adopted under AS 09.25.110 and
25 09.25.120. Information or data that identifies a recipient of health care services is
26 considered to be a medical and related public health record that is subject to the
27 exception to public inspection under AS 09.25.120 and shall be kept confidential.

28 (c) A member, an employee, or an agent of the commission, or a member of
29 an advisory committee to the commission, who wrongfully discloses or who uses or
30 permits the use of confidential information or data in violation of (b) of this section
31 is guilty of a class B misdemeanor.

1 Sec. 44.19.632. IMMUNITY FROM LIABILITY. Members of the
2 commission, its employees, its agents, its advisory committee members, and persons
3 providing information and data to the commission as required under AS 44.19.620 -
4 44.19.639 are not liable for civil damages for an act or omission in the execution of
5 their authorized activities or duties under AS 44.19.620 - 44.19.639. This section does
6 not preclude liability for civil damages as a result of reckless or intentional
7 misconduct.

8 Sec. 44.19.633. OATHS; SUBPOENAS. (a) The commission may administer
9 oaths and may issue subpoenas to persons to require testimony or to require the
10 production of records, information, or data under AS 44.19.629 or 44.19.631.

11 (b) If a person disobeys or resists a lawful subpoena issued by the commission,
12 the commission may certify the facts to the superior court, and upon certification the
13 court shall issue an order directing the person to appear before the court and show
14 cause why the person should not be punished for contempt.

15 Sec. 44.19.634. APPROPRIATIONS. The legislature may appropriate a
16 portion of the proceeds of the tax on insurance premiums collected under
17 AS 21.09.210 to the Alaska Health Commission for the commission's operating costs.

18 Sec. 44.19.635. DISCLOSURE OF PROVIDER CHARGES; FINE FOR
19 NONDISCLOSURE. (a) At least annually, a provider shall compile a list of charges
20 for the 20 health care services most commonly provided by that provider. Charges for
21 hospital services may be prepared on the basis of diagnosis-related groups. Upon
22 request of a person who is considering obtaining services from a provider, the provider
23 shall provide the list of charges to the person for use in comparing charges among
24 providers.

25 (b) Upon the request of a patient and before the commencement of a medical
26 procedure, the provider shall disclose to that patient the estimated charge for the
27 procedure. The estimated charge shall be made in good faith and must be based on
28 the provider's history of charges for that procedure. Nothing in this subsection
29 requires a provider to make a charge estimate if the provider does not agree to perform
30 the procedure.

31 (c) A provider shall place the following statement either on a form to be

1 signed by the patient or in a conspicuous location on an easily readable sign: "You
2 are entitled to a charge estimate for a medical procedure before the procedure is
3 performed by your health provider."

4 (d) If the commission, after investigation of a complaint by a patient,
5 determines that a provider has not complied with this section, the commission may
6 impose a fine of up to \$1,000 against the provider. The commission may impose only
7 one fine under this section against a provider in a calendar year. A provider's
8 violation of this section does not preclude the provider from collecting payment for
9 services provided.

10 (e) A provider aggrieved by a decision of the commission under this section
11 may appeal the decision to the superior court.

12 Sec. 44.19.639. DEFINITIONS. In AS 44.19.620 - 44.19.639, unless the
13 context requires otherwise,

14 (1) "commission" means the Alaska Health Commission;

15 (2) "division of insurance" means the division of insurance in the
16 Department of Commerce and Economic Development;

17 (3) "health care services" has the meaning given in AS 21.86.900;

18 (4) "health information" means all information and data relating to
19 access to or delivery or financing of health care services;

20 (5) "health insurance" has the meaning given "disability insurance" in
21 AS 21.12.050;

22 (6) "health insurer" means an entity transacting the business of health
23 insurance, a health maintenance organization under AS 21.86, a hospital service
24 corporation under AS 21.87, a medical service corporation under AS 21.87, or a
25 combined medical service and hospital service corporation under AS 21.87;

26 (7) "pool" means a mechanism to facilitate or provide for sharing risks
27 or the purchase of health insurance in the event coverage is unavailable or
28 unobtainable;

29 (8) "provider" has the meaning given in AS 21.86.900;

30 (9) "single payor system" means a method of financing health care
31 services in a manner that provides every resident a minimum set of uniform benefits

1 and that requires payment for services be made through a single entity.

2 * Sec. 17. AS 44.62.310(d) is amended to read:

3 (d) This section does not apply to

4 (1) judicial or quasi-judicial bodies when holding a meeting solely to
5 make a decision in an adjudicatory proceeding;

6 (2) juries;

7 (3) parole or pardon boards;

8 (4) meetings of a hospital medical staff; or

9 (5) meetings of the governing body or any committee of a hospital
10 when holding a meeting solely to act upon matters of professional qualifications.
11 privileges or discipline; or

12 (6) meetings of the Alaska Health Commission, except for meetings
13 concerning the adoption of regulations or actions on filings under AS 44.19.629.

14 * Sec. 18. AS 44.66.010(a) is amended by adding a new paragraph to read:

15 (20) Alaska Health Commission (AS 44.19.620) -- June 30, 1990

16 * Sec. 19. AS 09.55.560(2), 09.55.560(3); AS 21.86.070(e), and 21.86.070(f) are repealed.

17 * Sec. 20. Alaska Rule of Civil Procedure 72.1 is repealed.

18 * Sec. 21. APPLICABILITY. Sections 4, 5, and 6 of this Act apply to a cause of action
19 accruing on or after the effective date of this Act.

20 * Sec. 22. INITIAL APPOINTMENT OF COMMISSION MEMBERS. Notwithstanding
21 AS 44.19.622(a), enacted by sec. 16 of this Act, the terms of persons initially appointed to the
22 Alaska Health Commission under AS 44.19.622 shall be staggered as provided in
23 AS 39.05.055.

24 * Sec. 23. REAPPOINTMENT OF INITIAL APPOINTEES. Notwithstanding
25 AS 44.19.622(b), enacted by sec. 16 of this Act, a person initially appointed to the Alaska
26 Health Commission under (a) of this section may be reappointed to serve no more than one
27 six-year term as a member of the Alaska Health Commission.

28 * Sec. 24. PHASED TRANSITION PERIOD. (a) Notwithstanding the provisions of
29 AS 44.19.621 - 44.19.639, the Alaska Health Commission shall implement the provisions of
30 AS 44.19.621 - 44.19.639 on a orderly and gradual basis as follows:

31 (1) by January 1, 1996, the commission shall complete the research necessary

1 to report recommendations to the governor and the legislature on the issues described under
2 AS 44.19.621(a)(5)(A), (C), (D), (E), and (G);

3 (2) by July 1, 1996, the commission shall complete the research necessary to
4 report recommendations to the governor and the legislature on the issues described under
5 AS 44.19.621(a)(5)(F) and adopt regulations necessary to implement AS 44.19.628(a);

6 (3) by January 1, 1997, the commission shall complete the research necessary
7 to report recommendations to the governor and the legislature on the issues described under
8 AS 44.19.621(a)(5)(H).

9 (b) Upon request of the commission, and for good cause shown, the governor may
10 grant an extension of a deadline set in (a) of this section. The governor shall inform the
11 legislature of a decision on a request to extend a deadline.

12 * Sec. 25. AS 09.55.536(f), amended by sec. 5 of this Act, amends Alaska Rules of Civil
13 Procedure 26 and 27 by providing that discovery may not be undertaken until the expert
14 advisor's report is received.

15 * Sec. 26. AS 09.55.535(e), amended by sec. 5 of this Act, amends Alaska Rules of
16 Evidence 802, 803, and 804 by providing that the expert advisor's report is admissible in
17 evidence to the same extent as though its contents were orally testified to by the advisor.

18 * Sec. 27. Section 20 of this Act takes effect July 1, 1994, only if that section receives the
19 two-thirds majority vote of each house required by art. IV, sec. 15, Constitution of the State
20 of Alaska.

21 * Sec. 28. This Act takes effect July 1, 1994.

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. CSHB 414 (HESS)

Revision Date: 3/24/94
Title: "An Act creating the Alaska Health Commission..."
Sponsor: House Rules Committee
Requestor: Governor

Department Affected: Office of the Governor
BRU: Commissions and Special Offices
Component: Alaska Health Commission
COMPONENT SERIAL NO. _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES	640.2	820.9	884.0	907.4	931.1	956.6
TRAVEL	23.3	23.3	23.3	23.3	23.3	23.3
CONTRACTUAL	274.8	574.8	374.8	374.8	374.8	374.8
SUPPLIES	9.0	10.5	10.5	10.5	10.5	10.5
EQUIPMENT	65.6	10.0	.5	.5	.5	.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1012.9	1439.5	1293.1	1316.5	1340.2	1365.7

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	1012.9	1439.5	1293.1	1316.5	1340.2	1365.7
1006 GF/MHTIA						
OTHER						
TOTAL	1012.9	1439.5	1293.1	1316.5	1340.2	1365.7

POSITIONS

FULL-TIME	11	13	13	13	13	13
PART-TIME						
TEMPORARY						

Estimate of any current year (FY94) cost: 0

ANALYSIS: (Attach a separate page if necessary.)
See attached analysis

Prepared by: Michael A. Nizich, Director
Division: Division of Administrative Services

Phone: 465-3876
Date: 3/24/94

Approved by Commissioner: Patrick P. Ryan, Chief of Staff
Agency: Office of the Governor

Date: 3/24/94

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PERSONAL SERVICES

640.2

Fiscal note assumes Commissioners appointments on 7/1/94 and provides for 11 months of staff hours and 6 months of two additional research analysts in first year. Subsequent years include merit increases for staff and the addition of a data base manager and a research analyst in FY96.

FY95:

3	Commissioners	Rg. 26C	290.7 (12 mos)
1	Special Assistant	Rg. 23A	70.9 (11 mos)
3	Research Analysts	Rg. 18A	155.9 (11 mos)
1	Secretary I	Rg. 10A/B	32.9 (11 mos)
1	Clerk Typist III	Rg. 08A/B	29.8 (11 mos)
2	Research Analysts	Rg. 18A	60.0 (6 mos)

FY96:

1	Data Base Mngr.	Rg. 22A	55.8 (9 mos)
1	Research Analyst	Rg. 17A	28.8 (6 mos)

TRAVEL

23.3

Travel costs and per diem associated with Commission activities -- research, investigation, public hearings

CONTRACTUAL

274.8

Professional Services:

technical/legal assistance contracts	150.0
data collection contract starting FY96 for 300.0, subsequent years 100.0	

Communication:

Telephone (toll costs, base/local fixed costs, fax postage) 1000/mo x 12	12.0
Teleconference costs assuming all sites for 3 hrs. per month	31.5

Advertising, Printing:

Public hearing advertising, report printing	5.0
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(Contractual - continued)

Transportation:		
Freight and express charges 75/mo x 12	.9	
Minor Repair, Maintenance:	.8	
Equipment rental:		
Photocopier 600/mo x 12	7.2	
Rental for space:		
1873 sq. ft. x \$3.00/ft x 12 mos.	<u>67.4</u>	
	274.8	
SUPPLIES		9.0
Data processing and office supplies		
EQUIPMENT		65.6
Communication:		
Phone system	6.0	
Fax Machine	2.8	
Mailing equipment	3.0	
Data Processing Equipment:		
PCs, system printer, software for 11 work stations	31.8	
additional 2 workstations in FY96 total 6.0		
Furniture/Office equipment:		
11 offices/work stations file cabinets, bookcases and miscellaneous office equipment	22.0	
2 additional workstations in FY 96 total 3.5		
	<u>65.6</u>	



AKPIRG

ALASKA PUBLIC INTEREST RESEARCH GROUP

Post Office Box 101093 / Anchorage, Alaska 99510-1093

(907) 278-3661 FAX (907) 278-9300

HEALTH REFORM PRINCIPLES

Quality and affordable health care is an inalienable right of all Alaskans and the promotion and protection of that right is a responsibility of the state.

All pre-existing condition restrictions result in discrimination, inequality, and prevent "portability." They should be eliminated and made illegal.

Consumer involvement and consumer control are of vital public interest in health policy reform. Because of the complexity and potential impact of health reform, no health care provider or insurer or anyone receiving monetary gain in a health care related industry should be appointed to the proposed Health Commission, Authority, or Corporation, as this would be a conflict of interest.

Mandatory utilization review (volume control) and enforcement of the rates and fees of insurers and health providers is a responsibility of the state.

Mandatory review and enforcement of minimum/appropriate standards of care are a responsibility of the state.

The U.S. Public Interest Research Group as well as the Congressional Budget Office and the General Accounting Office have reported that on the national level the single payer financing proposal has been the only proposal that can result in equitable universal health care as well as reduce costs.

Post-It® brand fax transmittal memo 7671		# of pages	2
To	Adrian NESS	From	ANC. LIO
Co.		Co.	
Dept.		Phone #	
Fax #		Fax #	

There can be no free riders. There has to be a shared sacrifice. Women, children, the elderly and people with disabilities want to pay their fair share; but that fair share should not be more than what is paid by hospital administrators, legislators, Governor Hickel or President Clinton. Mandatory enrollment in a single pool with community rating will be necessary in order to assure a comprehensive benefit package with a low deductible and low co-payments comparable to those in other developed countries. The sick, injured and persons with disabilities must have comprehensive, affordable benefit packages to independently participate in a world where they can work, own their own businesses and pay taxes.

There must be an application of waivers from federal regulations so that Alaska can implement a comprehensive benefit package as good or better than what the citizens of Canada or any other country have, and to assure that Alaska dollars stay in Alaska and federal dollars committed to Alaska health programs continue to come to Alaska.

There must be a state plan to coordinate both private and public facilities and programs so as to assure more efficient delivery of services.

A 1992 Alaska Legislative Research Report reported that malpractice is a problem in Alaska, but that there has been no proof that reducing benefits to persons injured due to negligence would in fact reduce costs to taxpayers. AKPIRG's research instead shows that current tort reform proposals help wrong doers at the expense of civil rights and just compensation to injured citizens, especially women, children, the elderly, people with disabilities and subsistence users.

**Testimony of James E. Hickey,
Aetna Life & Casualty
To the House Health Education and Social Service Committee
Regarding House Bill no. 414
March 9, 1994**

Madam Chairman, my name is Jim Hickey, General Manager for Aetna Life & Casualty. Aetna currently has the largest share of the health insurance market in Alaska, most heavily concentrated in health care benefits for large employers. We typically compete with Blue Cross, Great Western, Mutual of Omaha, United Health Care, Golden Rule as well as other national insurers in both the large and small group market. We serve Alaska from offices in Seattle and Anchorage. Our Anchorage office employs 30 people.

Of the two alternative approaches to health care reform which are represented by HB 414 and HB 451, Aetna believes that the general direction of the Governor's bill (HB 414) is the right path for the committee to take this session. We take this position for the following reasons:

- (1) A mix of immediate, incremental steps to health care reform along with more thorough analysis of the structure and cost of universal care is more appropriate than the alternative plan which throws out much of the current system and leaves tremendous power to an appointed commission.
- (2) A federal health care plan is likely to pass Congress and many of its provisions will be mandatory in all states. Until you know what provisions will be national in scope, you risk that a state plan adopted in 1994 does not fit with the federal plan.
- (3) Individuals and employers should have the opportunity to review the most important details of health care reform: cost, benefit levels, choice: before having to decide whether to support major changes in the Alaska health care delivery system.

(4) Because many details of proposed health care reform at the federal and state level are not available, there is no consensus at this time on the best way for the current system to change in order to achieve universal and more affordable health care.

The immediate reforms in HB 414 that we support are the requirements for a single claim form, the start of a data collection system, and the creation of voluntary purchasing pools for small employers and individuals. Two additional ideas, which are not currently in HB 414, are a requirement for disclosure of provider rates to consumers and better coordination of public health programs with an emphasis on preventative health. The latter issue is well addressed in Representative's Sitton's bill (HB 332).

A longer term objective to be studied by some form of commission should be the simplest and most cost effective means of providing universal care in Alaska. A commission should be directed to prepare alternative benefit plans ranging from catastrophic care to a medicaid-type benefit plan which could be offered to all Alaskans not currently covered, to estimate of the cost of each alternative, and to suggest the simplest way to administer each alternative. If federal legislation passes this year, the commission could also determine whether Alaska should take action next session in addition to that required by Congress and whether or not to use any discretion granted by Congress.

There are a few provisions of HB 414 which we do not believe will work to improve the current system including the proposed form of rate regulation and the claim arbitration section. We will provide a marked-up version of the bill for the committee if requested.

Thank you for the opportunity to testify today, Madam Chairman.



Alaska State Legislature

House of Representatives

COMMITTEE ON HEALTH, EDUCATION
AND SOCIAL SERVICES

DATE: 3/9/94

PLACE: Capitol Room 106

SUBJECT OF MEETING:
 * HB 468: FOSTER CARE REVIEW PANEL
 HB 414: COMPREHENSIVE HEALTH CARE
 * INDICATES FIRST PUBLIC HEARING

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Rupe ANDREWS	AARP	9416 Long Row Dr. JUNEAU	99801	789-7422	Some-	<input checked="" type="radio"/> Y <input type="radio"/> N	HB 414
Robulyn B. Walden	DOA					<input checked="" type="radio"/> Y <input type="radio"/> N	HB 468
Randy Welker	Leg. Audit			3830		<input type="radio"/> Y <input type="radio"/> N	HB 468 IF NEEDED
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	
						<input type="radio"/> Y <input type="radio"/> N	



Alaska State Legislature
 House of Representatives
 COMMITTEE ON HEALTH, EDUCATION
 AND SOCIAL SERVICES

SUBJECT OF MEETING:

DATE: 3-9-94

PLACE: Capitol Room 106

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
SHERRIE GOU	AK. WOMEN'S LOG. KIDPAC	P.O. Box 22156	99802		463-6744	<input checked="" type="radio"/>	<input type="radio"/>	HB 468
						<input type="radio"/>	<input type="radio"/>	
						<input type="radio"/>	<input type="radio"/>	
						<input type="radio"/>	<input type="radio"/>	
						<input type="radio"/>	<input type="radio"/>	
						<input type="radio"/>	<input type="radio"/>	
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						<input type="radio"/>	<input type="radio"/>	
						<input type="radio"/>	<input type="radio"/>	

FIN1100-R01
03/18/94

LEGISLATIVE TELECONFERENCE NETWORK

PAGE 01
11:08:09

TCN: 40440

DATE & TIME: 03/09/94 15:00 TO 17:00

STATUS: 7 STATS. IN

*** ORDER SUMMARY ***

SPONSOR: HIE'S HOUSE HEALTH, EDUCATION AND SOCIAL SERVI CHAIRS: TOOHEY
PURPOSE: PUB PUBLIC HEARING LEGISLATIVE BUNDE
CONTACT: LYNNE SMITH TEL#: (907)465-6825
CHAIRING SITE: JUNEAU CAPITOL CAP106

SPONSOR REMARKS(PUB): TESTIMONY:Y ALLOWED 5 MINUTE LIMIT
TESTIMONY WILL BE TAKEN WITH A 5 MINUTE LIMIT
TCN REQUESTED ON 03/09/94 AND HAS 2 UPDATES

*** AGENDA ***

1 HB 414 COMPREHENSIVE HEALTH CARE

*** PARTICIPATING SITES ***

ANC ANCHORAGE	716 W 4TH, #200	LOCATION STAFF
FBX FAIRBANKS	119 N CUSHMAN ST	LOCATION STAFF
* JNU JUNEAU	CAPITOL	CAP106 LOCATION STAFF

*** VOLUNTEER & OFFNET SITES ***

222 OFF OFFNET 1 SEATTLE JIM HICKEY (206)467-2802

PARTICIPANTS IN: ANCHORAGE

ANC

1	RONNIE NELSON	AKPTNG	TSFY, HB 414
	PO BOX 101093	ANCHORAGE	AK 99510 (907)278-3661
2	THELDA PITTMAN		OBSV, HB 414
	4720 EAGLE RD 1	ANCHORAGE	AK 99503 (907)561-0515
3	MARY ENGEL	ANCH DAILY NEWS	OBSV, HB 414
	PO BOX 149001	ANCHORAGE	AK 99514 (907)257-4547
4	LORETTA LURE	ATL	OBSV, HB 414
	PO BOX 102323	ANCHORAGE	AK 99510 (907)258-4040
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			AK (907)000-0000
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			AK (907)000-0000

PARTICIPANTS IN: FAIRBANKS

FBX

1 MS.	ELAINE LANDON		OBSV, HB 414
	122 1ST AVE.	FAIRBANKS	AK 99701 (907)452-8251

PARTICIPANTS IN: JUNEAU

JNU

1	TO	OBSERVE	OBSV, ALL ITEMS
2	TO	OBSERVE	OBSV, ALL ITEMS
3	TO	OBSERVE	OBSV, ALL ITEMS
4	TO	OBSERVE	OBSV, ALL ITEMS
5	TO	OBSERVE	OBSV, ALL ITEMS
6	TO	OBSERVE	OBSV, ALL ITEMS
7	TO	OBSERVE	OBSV, ALL ITEMS
8	TO	OBSERVE	OBSV, ALL ITEMS
9	TO	OBSERVE	OBSV, ALL ITEMS
10	TO	OBSERVE	OBSV, ALL ITEMS
11	TO	OBSERVE	OBSV, ALL ITEMS
12	TO	OBSERVE	OBSV, ALL ITEMS
13	TO	OBSERVE	OBSV, ALL ITEMS
14	TO	OBSERVE	OBSV, ALL ITEMS

TCN: 40448

DATE & TIME: 03/09/94 15:00 TO 17:00

STATUS:7 STATS: IN

PARTICIPANTS IN: JUNEAU

JRU

15	TO	OBSERVE	OBSV.	ALL	ITEMS
16	TO	OBSERVE	OBSV.	ALL	ITEMS
17	TO	OBSERVE	OBSV.	ALL	ITEMS
18	TO	OBSERVE	OBSV.	ALL	ITEMS
19	TO	OBSERVE	OBSV.	ALL	ITEMS
20	TO	OBSERVE	OBSV.	ALL	ITEMS
21	TO	TESTIFY	TSFY.	ALL	ITEMS
22	TO	TESTIFY	TSFY.	ALL	ITEMS
23	TO	TESTIFY	TSFY.	ALL	ITEMS
24	TO	TESTIFY	TSFY.	ALL	ITEMS
25	TO	TESTIFY	TSFY.	ALL	ITEMS
26	TO	TESTIFY	TSFY.	ALL	ITEMS
27	TO	TESTIFY	TSFY.	ALL	ITEMS
28	TO	TESTIFY	TSFY.	ALL	ITEMS
29	TO	TESTIFY	TSFY.	ALL	ITEMS

PARTICIPANTS IN: OFFNET 1

ZZZ OF1

1 STEVE LERRAUN

SEATTLE

AK

TSFY. HR 414
(706)476-2802

BILL HB 418

DATE 3/9/94

TAPE 94-41

NUMBER 102

SUBJECT OF VOTE TO PASS HB 418 OUT OF COMMITTEE WITH INDIVIDUAL RECOMMENDATIONS AND ACCOMPANYING FISCAL NOTE

MEMBER	YEA	NAY	ABS
Rep. Pete Kott	—	—	—
Rep. Harley Olberg	—	✓	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	✓	—	—
Rep. Tom Brice	—	—	—
Rep. Cynthia Toohey	✓	—	—
Rep. Con Bunde	✓	—	—
Rep. Gary Davis	✓	—	—
Rep. Al Vezey	—	✓	—
TOTAL	<u>5</u>	<u>2</u>	—

+++++

BILL HB 414

DATE 3/9/94

TAPE 94-41 B

NUMBER 268

SUBJECT OF VOTE TO ADOPT ADMINISTRATIVE AMENDMENT 2

MEMBER	YEA	NAY	ABS
Rep. Harley Olberg	✓	—	—
Rep. Bettye Davis	✓	—	—
Rep. Irene Nicholia	✓	—	—
Rep. Tom Brice	—	✓	—
Rep. Cynthia Toohey	✓	—	—
Rep. Con Bunde	✓	—	—
Rep. Gary Davis	✓	—	—
Rep. Al Vezey	✓	—	—
Rep. Pete Kott	—	—	—
TOTAL	<u>7</u>	<u>1</u>	—

Rep. TOCHET
AMENDMENT # 1

AMENDMENT

HB 414

Page 1, line 8

After "health care",

Delete "is a vital public interest."

Insert "and maintenance of the public's health are vital to the public's interest."

Page 1, line 11

After "insurance",

Delete "and"

Page 1, line 12

After "malpractice",

Insert "and the lack of population based public health services"

Page 2, line 14

After "relating to",

Insert "the individual and public"

Page 5, after line 6,

Add a new section

- (6) establish a Public Health Advisory Committee which
 - (A) consists of at least one member of the commission and other individuals with significant public health expertise appointed by the commission; and
 - (B) advises the commission on public health matters and the integration of public health services under AS 44.19.621.

*incorp
into Admin #1*

8-GH2024\A.1
Ford
2/15/94

FD

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 414

BY REPRESENTATIVE BRICE

Page 2, line 5, after "services.":

Insert "the creation of a public health improvement plan,"

Page 2, line 21:

Delete "and"

Page 3, line 16, following "1997":

Delete "."

Insert "; and

(6) establishing a public health improvement plan advisory committee and developing a public health improvement plan as required under AS 44.19.636."

Page 5, line 6, after "AS 44.19.629":

Insert ";

(6) establish a public health improvement plan advisory committee to develop a public health improvement plan as required under AS 44.19.636."

Page 7, after line 22:

Insert a new section to read:

"Sec. 44.19.636. PUBLIC HEALTH IMPROVEMENT ADVISORY COMMITTEE. (a) The commission shall establish and appoint the members of an advisory committee for the purpose of developing a public health improvement plan. The committee must include at least one member of the commission. In appointing other members of the committee, the commission shall consider public and private health care professionals, labor organizations, businesses, the education system, the

Alaska Public Health Association, the Alaska Mental Health Board, the Alaska Native Health Board, as well as the need for geographic, ethnic, and cultural diversity on the committee.

(b) The plan developed by the committee under (a) of this section must

(1) recognize the need for

(A) community involvement in health care planning and delivery;

(B) attention to local needs that may vary from place to place;

(C) accountability for the use of public funds;

(D) equity and stability in the distribution of public funds;

(E) shared responsibility of all levels of government for administering and financing public health care delivery; and

(F) coordination of basic public health services; and

(2) include

(A) an analysis of the health status of the residents of the state;

(B) an assessment of the most appropriate role for various levels of government to play in addressing the health care needs of the residents of the state;

(C) a delineation of the standards that should be used in performing assessment, policy development, and quality assurance in the delivery of public health services;

(D) documentation of the extent to which the current public health system implements or achieves the standards identified under (C) of this paragraph;

(E) identification of interjurisdictional issues involved in health care access and delivery;

(F) recommendations, including recommendations for specific legislative action when necessary, pertaining to the following:

(i) strategies, time lines, financial needs, and specific sources of stable revenue for bringing the state public health care system up to standards identified by the committee;

(ii) appropriate sharing of the responsibility of local,

regional, state, and federal government entities to deliver public health care services efficiently and effectively, including recommendations for organization within state government;

(iii) integration of the public health care system with state and national health care reform efforts;

(iv) the committee's estimate of the optimal share that public health should represent in the total health care delivery system of the state, expressed in terms of a percentage of health care dollars spent or in terms of public dollars per state resident."

Page 17, after line 12:

Insert a new bill section to read:

"* Sec. 22. TRANSITION. Notwithstanding AS 44.19.621(a)(6), enacted in sec. 3 of this Act, the Alaska Health Commission shall develop a public health improvement plan as described under AS 44.19.636 by January 1, 1996."

Renumber the following bill sections accordingly.

Page 17 line 16:

Delete "and 21"

Insert "21, and 22"

3

A M E N D M E N T

OFFERED IN THE HOUSE
TO: HB 414

BY REPRESENTATIVE TOOHEY

Page 7, after line 22:

Insert a new section to read:

"Sec. 44.19.636. REQUIRED AVAILABILITY OF PRICE LIST. (a) A health care provider shall prepare a list of the provider's prices for common health care services that includes the time period in which the prices apply. The price list shall be made available by posting the price list in a conspicuous location in the health care provider's office. The commission shall determine by regulation the health care services that must be disclosed and the contents of the price list required under this section.

(b) If a health care provider charges a price for a health care service that differs from the posted price, the health care provider shall provide an explanation of the deviation to the person receiving the health care service.

(c) At least annually, a health care provider shall submit to the commission copies of the provider's current price list. The commission shall specify by regulation the date for submitting the price lists."

4

8-GH2024\A.3 ✓
Ford
3/9/94

A M E N D M E N T

OFFERED IN THE HOUSE
TO: HB 414

BY REPRESENTATIVE TOOHEY

Page 7, after line 22:

Insert a new section to read:

"Sec. 44.19.635. PROHIBITED PRICE INCREASES. A health care provider may not increase the provider's prices for health care services more than once in a calendar year. The commission shall adopt regulations to implement this section."