

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 8672

9522 SENATE HEALTH EDUCATION & SOCIAL SERVICES

ALASKA STATE LEGISLATURE

Senate Health, Education and
Social Services Committee

•
Senate Judiciary Committee

•
Department of Health and Social
Services Budget Subcommittee

•
Department of Law
Budget Subcommittee



While in Session:
State Capitol, Rm. 9
Juneau, Alaska 99801
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SENATOR JOHNNY ELLIS

SPONSOR STATEMENT

Senate Bill 94 Legislation to Criminalize Flunitrazepam

Currently in the state of Alaska, possession of the drug Rohypnol is not illegal. This bill would classify Flunitrazepam (Rohypnol) as a Schedule IVA. With the passage of Senate Bill 94, possession of this drug would become a Class C Felony, carrying a penalty of 1-5 years. If Rohypnol is used to commit a sexual assault, the perpetrator can receive a sentence of up to thirty years.

Rohypnol has become the drug of choice by predators who commit sexual assault. Numerous sexual assaults have occurred around the nation after victims were slipped Rohypnol in their drinks, leaving them completely incapacitated, and unable to remember their assault. Blackouts from the use of Rohypnol can last from 8 to 24 hours. The combination of Rohypnol and alcohol is especially hazardous because together their effects on memory and judgment are greater than the effects resulting from either taken alone.

According to the DEA, Rohypnol is also being used by young people to increase the effects of alcohol. By consuming only one alcoholic beverage and a small amount of Rohypnol, a teenager may feel and appear drunk in only a matter of minutes. Many drug addicts also use Rohypnol to enhance the effects of various drugs. Youth and adults alike are attracted to Rohypnol because of its low price--\$3-\$5 per pill.

In ten years, DEA officials confiscated more than 375,000 tablets--more than 80 percent of these pills seized in just the last two years.

Rohypnol has various street names including rophies, ruffies, roofies, roche, mexican valium, rib, and rope.

Questions and Answers Concerning Flunitrazepam (Rohypnol)
Senate Bill 94
Sponsored by Senator Ellis

Senate Bill 94 would designate Flunitrazepam as a schedule IVA drug. Currently this drug is not illegal in the state of Alaska.

What is Flunitrazepam (Rohypnol)?

Flunitrazepam is a drug belonging to the drug class called benzodiazepines. Its primary pharmacological actions include sedation, hypnosis and muscle relaxation.

What is Rohypnol?

Rohypnol is the trade name of a product containing Flunitrazepam and marketed by Hoffman La Roche. It comes in 0.5, 1.0 and 2.0 mg tablets and as an injectable solution. It is currently marketed in 64 countries.

What are the clinical uses of Flunitrazepam?

Flunitrazepam is primarily used as a sedative/hypnotic in the clinical setting. It has been used for the short-term treatment of insomnia.

Are there any medical situations in which Flunitrazepam is the only treatment drug available?

No. The DEA is not aware of any medical conditions for which Flunitrazepam is the only treatment drug available.

Is Flunitrazepam available for medical use in the United States?

No. Flunitrazepam has never been approved by the Food and Drug Administration for marketing and medical use in the United States. Flunitrazepam is not used for the treatment of any medical disorder, including insomnia in the United States. In the U.S. doctors do not prescribe Flunitrazepam, pharmacists do not dispense Flunitrazepam and patients do not use Flunitrazepam.

Is it possible to bring small quantities of Rohypnol into the United States.

No. As of March 1996, it became illegal to bring Rohypnol into the United States with or without a prescription. United States Customs currently seize all Rohypnol products regardless of whether a medical prescription for the medication was presented.

Can Rohypnol be synthesized in home laboratories?

The DEA believes that the synthesis of Rohypnol appears to be beyond the capabilities of most street chemists.

What are the populations who abuse Rohypnol in the United States?

Populations that abuse Rohypnol include middle and high school students, college students, street gang members, nightclub attendees, rave party attendees, heroin abusers, and cocaine abusers.

In addition to the "recreational" users, Rohypnol is being used to aid in sexual assault. Most often individuals are slipped Rohypnol in their drinks. Incapacitation can come within twenty minutes and last up to 24 hours. Currently the DEA is aware of ongoing sexual assault cases involving Rohypnol in Florida, Texas, California and Virginia.

How many law enforcement cases involving Rohypnol has the DEA documented?

As of January 24, 1997 the DEA had documented 3,773 federal, state and local law enforcement cases involving Rohypnol. Of this total, 136 were DEA, 407 were United States Customs' and 3,230 were state and local law enforcement cases.

In what states has the DEA documented federal, state or local law enforcement cases?

In Alaska: It appears that Alaska has its first drug possession case of Rohypnol. According to Everett Clary of the State Crime Lab, there has been a seizure of 200-300 tablets of what looks to be Rohypnol. The tablets were seized along with cocaine and heroin.

Other states include: Alabama, Arizona, Arkansas, California, Connecticut, Florida, Georgia, Hawaii, Illinois, Indiana, Kansas, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Montana, Missouri, Nevada, New Jersey, New Mexico, New York, North Carolina, Tennessee, Texas, Virginia and Washington.

Is it difficult to test for Rohypnol?

The current screening method for this category of drugs does not react well with Rohypnol and consequently is hard to detect. But according to Everett Clary they have the technology to modify the test for a total one time cost of \$200.



HLR Service

A Member of the Roche Group

HLR Service Corporation
9707 166th Street Ct. E.
Puyallup, WA 98373

February 21, 1997

Jon Christensen
Senior Regional Manager
Tel 206-770-3741
1-800-LA-ROCHE Ext. 8-9772
Fax 206-770-3723

The Honorable Senator Johnny Ellis
State Capitol
Juneau, AK 99801

Dear Senator Ellis:

We at Roche are pleased to support you Senate Bill 94.

At Hoffmann-La Roche, the manufacturer of Rohypnol, we are extremely concerned by the issue of drug-induced sexual assault and reports that one of our medications may be one of the many misused in this way.

Rohypnol belongs to the class of medications known as benzodiazepines, which collectively have more than 30 years of medical use for the treatment of a variety of central nervous system conditions. They are currently classified in the U.S. in Schedule IV of the Federal Controlled Substances Act.

I am happy to answer any further question you may have and welcome the opportunity to speak with you further on this issue.

Sincerely,

Jon C. Christensen

Effect of amendments. — The 1990 amendment repealed paragraph (b)(4) and added paragraphs (c)(12) and (f)(4)-(f)(6).

Sec. 11.71.170. Schedule IVA. (a) A substance shall be placed in schedule IVA if it is found under AS 11.71.120(c) to have a degree of danger or probable danger to a person or the public which is less than the substances listed in schedule IIIA, but higher than the substances listed in schedule VA.

(b) Schedule IVA includes, unless specifically excepted or unless listed in another schedule, any material, compound, mixture, or preparation which contains any quantity of the following substances, including their salts, isomers and salts of isomers whenever the existence of these salts, isomers, and salts of isomers is possible within the specific chemical designation:

- (1) barbital;
- (2) chloral betaine;
- (3) chloral hydrate;
- (4) chlordiazepoxide;
- (5) clonazepam;
- (6) clorazepate;
- (7) diazepam;
- (8) ethchlorvynol;
- (9) ethinamate;
- (10) flurazepam;
- (11) lorazepam;
- (12) mebutamate;
- (13) meprobamate;
- (14) methohexital;
- (15) methylphenobarbital, also known as mephobarbital;
- (16) oxazepam;
- (17) paraldehyde;
- (18) petrichloral;
- (19) phenobarbital;
- (20) prazepam;
- (21) alprazolam;
- (22) halazepam;
- (23) temazepam;
- (24) triazolam;
- (25) midazolam;
- (26) quazepam.

(c) Schedule IVA includes any material, compound, mixture or preparation which contains any quantity of the following substance, including its salts, isomers whether optical, position, or geometric, and salts of these isomers, whenever the existence of these salts, isomers, and salts of isomers is possible: fenfluramine.

(d) Schedule IVA includes, unless specifically excepted or unless listed in another schedule, any material, compound, mixture, or preparation which contains any quantity of the following substances having a stimulant effect on the central nervous system, including their salts, isomers whether optical, position, or geometric, and salts of these isomers whenever the existence of these salts, isomers, and salts of isomers is possible within the specific chemical designation:

- (1) diethylpropion;
- (2) phentermine;
- (3) pemoline, including organometallic complexes and chelates of this substance;
- (4) mazindol;
- (5) pipradol;

- (6) SPA ((-)-1-dimethylamino-1,2-diphenylethane);
- (7) cathine;
- (8) fencamfamin;
- (9) fenproporex;
- (10) mefenorex.

(e) Schedule IVA includes, unless specifically excepted or unless listed in another schedule, any material, compound, mixture, or preparation containing not more than 1 milligram of difenoxin and not less than 25 micrograms of atropine sulfate per dosage unit, or their salts calculated as the free anhydrous base or alkaloid.

(f) Schedule IVA includes, unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation which contains any quantity of the following substances, including their salts:

- (1) dextropropoxyphene (alpha-(+)-4-dimethylamino-1,2-diphenyl- 3-methyl-2-propionoxybutane);
- (2) pentazocine;
- (3) propoxyphene. (§ 2 ch 45 SLA 1982; am §§ 8, 9 ch 76 SLA 1990)

Effect of amendments. — The 1990 amendment added paragraphs (b)(21)-(b)(26) and (d)(4)-(d)(10).

Sec. 11.71.180. Schedule VA. (a) A substance shall be placed in schedule VA if it is found under AS 11.71.120(c) to have a degree of danger or probable danger to a person or the public which is less than substances listed in schedule IVA, but higher than substances listed in schedule VIA.

(b) Schedule VA includes any compound, mixture, or preparation containing any of the following limited quantities of narcotic drugs or their salts, calculated as the free anhydrous base or alkaloid, in limited quantities as specified in (1) — (6) of this subsection, which includes one or more nonnarcotic active medicinal ingredients in sufficient proportion to confer upon the compound, mixture, or preparation valuable medicinal qualities other than those possessed by schedule IA substances alone:

- (1) not more than 200 milligrams of codeine per 100 milliliters or per 100 grams;
- (2) not more than 100 milligrams of dihydrocodeine per 100 milliliters or per 100 grams;
- (3) not more than 100 milligrams of ethylmorphine per 100 milliliters or per 100 grams;
- (4) not more than 2.5 milligrams of diphenoxylate and not less than 25 micrograms of atropine sulfate per dosage unit;
- (5) not more than 100 milligrams of opium per 100 milliliters or per 100 grams;
- (6) not more than 0.5 milligrams of difenoxin and not less than 25 micrograms of atropine sulfate per dosage unit.

(c) *[Repealed, § 1 ch 66 SLA 1987.]*

(d) Schedule VA includes, unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation that contains any quantity of the narcotic drug buprenorphine and its salts.

(e) Schedule VA includes, unless specifically excepted or unless listed in another schedule, any material, compound, mixture, or preparation which contains any quantity of the following substances having a stimulant effect on the central nervous system, including its salts, isomers and salts of isomers:

- (1) propylhexedrine, except when contained in a Benzedrex inhaler;
- (2) pyrovalerone. (§ 2 ch 45 SLA 1982; am § 1 ch 66 SLA 1987; am § 10 ch 76 SLA 1990)

(f) Five members of the committee constitute a quorum, except that a smaller number may adjourn a meeting in the absence of a quorum. A quorum being present, a majority vote of the total membership is required to take official action. (§ 2 ch 45 SLA 1982)

Sec. 11.71.110. Duties of committee. The committee shall

(1) advise the governor of the need to add, delete or reschedule substances in the schedules in AS 11.71.140 — 11.71.190;

(2) recommend regulations for adoption by the Board of Pharmacy to prevent excessive prescription of controlled substances and the diversion of prescription drugs into illicit channels;

(3) evaluate the effectiveness of programs in the state providing treatment and counseling for persons who abuse controlled substances;

(4) recommend programs to the Alaska Court System to be instituted as alternatives to the prosecution or imprisonment of offenders who have no prior criminal record involving controlled substance offenses and who are charged with crimes involving controlled substances;

(5) review and evaluate enforcement policies and practices of the Department of Public Safety and the Department of Law with regard to crimes involving controlled substances, and recommend modifications of those policies and practices consistent with the committee's assessment of the probable danger of particular controlled substances; and

(6) review budget requests and recommend amounts for appropriations to the governor and the legislature for departments and agencies responsible for

(A) enforcing criminal laws pertaining to controlled substances;

(B) providing treatment and counseling of persons who abuse controlled substances; and

(C) regulating the legitimate handling of controlled substances. (§ 2 ch 45 SLA 1982)

Sec. 11.71.120. Authority to schedule controlled substances. (a) If, after considering the factors set out in (c) of this section, the committee decides to recommend that a substance should be added to, deleted from, or rescheduled in a schedule of controlled substances under AS 11.71.140 — 11.71.190, the governor shall introduce legislation in accordance with the recommendation of the committee.

(b) If a substance is added as a controlled substance under federal law, the governor shall introduce legislation in accordance with the federal law.

(c) In advising the governor of the need to add, delete, or reschedule a substance under AS 11.71.110(1), the committee shall assess the danger or probable danger of the substance after considering the following:

(1) the actual or probable abuse of the substance including

(A) the history and current pattern of abuse both in this state and in other states;

(B) the scope, duration, and significance of abuse;

(C) the degree of actual or probable detriment which may result from abuse of the substance;

(D) the probable physical and social impact of widespread abuse of the substance;

(2) the biomedical hazard of the substance including

(A) its pharmacology, in the effects and modifiers of the effects of the substance;

(B) its toxicology, the acute and chronic toxicity, interaction with other substances, whether controlled or not, and the degree to which it may cause psychological or physiological dependence;

(C) the risk to public health and the particular susceptibility of segments of the population;

(3) whether the substance is an immediate precursor of a substance already controlled under this chapter;

(4) the current state of scientific knowledge regarding the substance, including whether there is any acceptable means to safely use the substance under medical supervision;

(5) the relationship between the use of the substance and other criminal activity, including

(A) whether persons engaged in illicit trafficking of the substance are also engaged in other criminal activity;

(B) whether the nature and relative profitability of manufacturing or delivering the substance encourages illicit trafficking in the substance;

(C) whether the commission of other crimes is one of the effects of abuse of the substance;

(D) whether addiction to the substance relates to the commission of crimes to support the continued use of the substance.

(d) *[Repealed, § 40 ch 6 SLA 1984.]*

(e) The committee has no authority over tobacco or alcoholic beverages as defined in AS 04.21.080. (§ 2 ch 45 SLA 1982; am § 40 ch 6 SLA 1984)

Legislative history reports. — For statement of the purpose of the 1984 repeal of subsection (d) of this section, see the 1984 House Journal at p. 2287, in the paragraph captioned "Section 40."

NOTES TO DECISIONS

Construction of former law. — For construction of former AS 17.12.040, concerning regulations and authorizing the commissioner of health and social services to promulgate list of certain drugs, see *State v. Erikson*, 574 P.2d 1 (Alaska 1978).

Sec. 11.71.140. Schedule IA. (a) A substance shall be placed in schedule IA if it is found under AS 11.71.120(c) to have the highest degree of danger or probable danger to a person or the public.

(b) Schedule IA includes, unless specifically excepted or listed in another schedule, any of the following substances whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

(1) opium and opiate, and any salt, compound, derivative, or preparation of opium or opiate, excluding apomorphine, dextrorphan, nalbuphine, nalmefene, naloxone, and naltrexone, and their respective salts, but including the following:

- (A) raw opium;
- (B) opium extracts;
- (C) opium fluid extracts;
- (D) powdered opium;
- (E) granulated opium;
- (F) tincture of opium;
- (G) codeine;
- (H) ethylmorphine;
- (I) etorphine hydrochloride;
- (J) hydrocodone;
- (K) hydromorphone;
- (L) metopon;
- (M) morphine;
- (N) oxycodone;
- (O) oxymorphone;
- (P) thebaine;

(2) any salt, compound, derivative, or preparation of a substance included in (b)(1) of this section which is chemically equivalent or identical to any of the substances referred

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. CSSB96(HESS)

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: Regulating Hospice Care BRU: Medical Assistance Admin
 Component: Certification & Licensing
 Sponsor: Senate Rules by Request COMPONENT SERIAL NO. 245
 Requestor: Senate HESS See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL	7.5	8.9	10.4	12.0	13.7	15.4
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	7.5	8.9	10.4	12.0	13.7	15.4

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY98	FY99	FY00	FY01	FY02	FY03
1002 Federal Receipts						
1003 GF Match						
1004 GF	7.5	8.9	10.4	12.0	13.7	15.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	7.5	8.9	10.4	12.0	13.7	15.4

POSITIONS:

POSITIONS	FY98	FY99	FY00	FY01	FY02	FY03
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

CSBill 96 would require licensure of 6 new hospice facilities outside of anchorage. These travel costs were arrived at by using FY97 calculations for travel for one surveyor to travel for a 4 day survey to each of these agencies. Additionally, it is expected at least one new initial survey would be expected each year at a cost of about \$1,000.00 each. Also, anticipating the increased cost of travel, lodging and care rental we added 5% per year.

Prepared by: Shelbert Larsen *SL*
 Division: Medical Assistance
 Approved by Commissioner: Karen Perdue, Commissioner *KPerdue*
 Agency: Department of Health & Social Services

Phone: (907) 561-8081
 Date: 04/09/97
 Date: 4-9-97

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 96

Revision Date: _____
Title: Regulating Hospice Care
Sponsor: Senate Rules by Request
Requestor: Senate HESS

Dept. Affected: Health and Social Services
BRU: Medical Assistance Admin
Component: Certification & Licensing
COMPONENT SERIAL NO. 245
See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
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LAND & STRUCTURES						
GRANTS, CLAIMS						
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TOTAL OPERATING	7.5	8.9	10.4	12.0	13.7	15.4

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ()						
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY98	FY99	FY00	FY01	FY02	FY03
1002 Federal Receipts						
1003 GF Match						
1004 GF	7.5	8.9	10.4	12.0	13.7	15.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	7.5	8.9	10.4	12.0	13.7	15.4

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

Bill 96 would require licensure of 6 new hospice facilities outside of Anchorage. These travel costs were arrived at by using FY97 calculations for travel for one surveyor to travel for a 4 day survey to each of these agencies. Additionally, it is expected at least one new initial survey would be expected each year at a cost of about \$1,000.00 each. Also, anticipating the increased cost of travel, lodging and car rental we added 5% per year.

Prepared by: Shelbert Larsen *[Signature]*
Division: Medical Assistance
Approved by Commissioner: Karen Perdue, Commissioner *[Signature]*
Agency: Department of Health & Social Services

Phone: (907)561-8081
Date: 02/24/97
Date: 3/5/97

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SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 2/19/97

FURTHER: Finance

Date of 5-Day Notice: 2/20/97
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4/10/97

HESS Committee considered SENATE BILL NO. 96

"An Act regulating hospice care."

and recommends:

- be replaced with _____ CS SB 96 (HES)
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>J. Ellis</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>			<input checked="" type="checkbox"/>
<i>[Signature]</i>		<i>[Signature]</i>			<input checked="" type="checkbox"/>
		<i>[Signature]</i>			
		<i>[Signature]</i>	<input checked="" type="checkbox"/>		
CHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>	CHAIR:			

NEW FISCAL NOTE(S):

	Department	Date	Zero	Fiscal
SB	Health+Social Services	3/5/97		7.5
CS	Health+Social Services	4/9/97		7.5

PREVIOUS FISCAL NOTE(S):*

	Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

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0-LS0602K

Lauterbach

3/25/97

Sen. Kelly

Version that passed
(S) HESS 4/9/97

CS FOR SENATE BILL NO. 96()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act regulating hospice care."

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

3 * Section 1. AS 18 is amended by adding a new chapter to read:

4 Chapter 18. Hospice Care Programs.

5 Article 1. Licensing of Hospice Programs.

6 Sec. 18.18.005. Policy declaration. It is the policy of the state that regulation
7 of hospice programs should ensure an appropriate standard of care for hospice clients
8 without unduly burdening the programs with requirements that consume staff time and
9 financial resources that are essential for the delivery of services to hospice clients. In
10 furtherance of this policy, this chapter establishes two sets of standards for hospice
11 programs that recognize the more limited staff time and financial resources available
12 to voluntary hospice programs while requiring all programs to comply with basic
13 minimum program standards.

14 Sec. 18.18.010. License required. A person, including a partnership,
15 association, or corporation, may not represent itself as a hospice program or operate

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1 a hospice program unless the person, partnership, association, or corporation has
2 obtained a license from the department.

3 **Sec. 18.18.020. Issuance and renewal of license.** (a) Upon receiving an
4 application and fee, if any, for a license under this chapter, the department shall issue
5 a license if the applicant meets the applicable requirements of this chapter.

6 (b) If an applicant under (a) of this section does not meet the applicable
7 requirements but makes continued efforts to comply with them and any noncompliance
8 does not directly affect the safety of clients, the department may issue a temporary or
9 provisional license that is valid for a reasonable period of time, as determined by the
10 department.

11 (c) A license under this chapter shall be issued in the name of the person,
12 agency, or other entity specified in the application and is not transferable or assignable
13 without the written approval of the department.

14 (d) The department shall, by regulation, establish the application fee, license
15 fee, length of time that a license is valid, and the standards for license renewal. A
16 license is not renewable during the time it has been suspended or revoked under this
17 chapter.

18 **Sec. 18.18.030. Denial, suspension, or revocation of license.** (a) The
19 department may deny a license, reduce a license to a provisional license, or revoke a
20 license if the department finds that the applicant or licensee, as appropriate, or the
21 program director or medical director of the applicant or licensee, as applicable, has

- 22 (1) endangered the health, safety, or welfare of a client;
- 23 (2) a history of deficiencies in quality of care;
- 24 (3) had a license to operate a hospice program suspended or revoked
25 in another licensing jurisdiction for a reason other than failure to pay a licensing fee;
- 26 (4) been convicted of operating a hospice program without a license in
27 any jurisdiction;
- 28 (5) an insufficient number of staff with the training, experience, or
29 judgment to provide adequate hospice care;
- 30 (6) committed fraud, deceit, misrepresentation, or an offense involving
dishonesty associated with the license application or with the operation of a hospice

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program in any jurisdiction; or

(7) violated this chapter or a regulation adopted under this chapter.

(b) The department may, without a hearing, summarily suspend a license of a hospice program if it finds that the actions or deficiencies of the program have caused, or present an immediate threat of causing, serious injury to a hospice program client. A licensee is entitled to a hearing before the department to appeal the summary suspension within seven days after the order of suspension is issued. A licensee may appeal an adverse decision of the department on an appeal of a summary suspension to the superior court. A summary suspension remains in effect until the department finds that the actions or deficiencies are corrected, the license is revoked, or the licensee is successful in appealing the suspension.

(c) The department may, without a hearing, reduce a hospice license to a provisional license for a period of time established by the department if the department finds that the licensee is temporarily unable to comply with this chapter or is in the process of becoming decertified under the Medicare program but is taking appropriate steps to bring the program into compliance with this chapter or Medicare certification requirements. A licensee is entitled to a hearing before the department to appeal a reduction to a provisional license under this subsection within seven days after the order to reduce the license is issued. A licensee may appeal an adverse decision of the department on an appeal of the order reducing the license to a provisional license to the superior court. A program with a provisional license under this subsection may not accept new clients. If the program fails to correct its deficiencies and does not successfully appeal the order reducing the license to provisional status within the period stipulated in the provisional license, the department shall revoke the license.

Sec. 18.18.040. Right of entry and inspection. A duly designated employee of the department may enter the premises of a hospice program that has applied for a license or who is licensed under this chapter. These employees may inspect documents of the hospice program to determine whether the program is in compliance with this chapter and regulations adopted under this chapter. The right of entry and inspection extends to premises and documents of persons whom the department has reason to believe are operating a hospice program without a license.

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Sec. 18.18.100. Requirements for licensure. (a) Except as provided in AS 18.18.200 for volunteer hospice programs, a hospice program shall meet the requirements of this section. If a hospice program meets the requirements of this section and AS 18.18.010 - 18.18.040, the department shall issue a license for the program.

(b) A hospice program shall have a clear mission statement that is consistent with hospice philosophy.

(c) A hospice program shall have at least the following features:

- (1) a governing body;
- (2) an established set of admission criteria for determining appropriate clients;
- (3) a program director;
- (4) an interdisciplinary team;
- (5) volunteers; and
- (6) a medical director.

(d) A hospice program may only provide services to a person if the person

- (1) consents to receive those services; and
- (2) fits the admissions criteria of the hospice program.

(e) Hospice services shall be delivered in accordance with a care plan approved by the interdisciplinary team regardless of whether the hospice services are provided by hospice program staff or by contractors. The care plan must be reviewed periodically by the interdisciplinary team and revised as needed. The client, and the client's family if the client desires, must be given the opportunity to participate in the development of the care plan and must be informed of the opportunity to attend interdisciplinary team meetings. The interdisciplinary team must consider the need for at least the following services when developing the care plan:

- (1) social services;
- (2) nursing care;
- (3) counseling;
- (4) pastoral care;
- (5) volunteer visits to provide comfort, companionship, and respite;

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(6) bereavement services for at least one year after the death of the person who is terminally ill; and

(7) medical services.

(f) Nursing services provided by a hospice program shall be provided in accordance with a care plan and must be under the direction and supervision of a nurse supervisor. The nurse supervisor shall

(1) develop nursing objectives, policies, and procedures consistent with hospice philosophy;

(2) develop job descriptions for nursing personnel consistent with hospice philosophy;

(3) establish staffing and on-call schedules for nursing staff to ensure the availability of nursing services 24-hours a day, seven days a week; and

(4) develop and implement orientation and training programs for nursing staff.

(g) Before providing a hospice service in a hospice program, a direct service provider shall receive an orientation of at least four hours specific to hospice service. The policy and procedures of the hospice program define the agenda of the hospice orientation program. The hospice program shall document in personnel files that staff members have completed the four-hour orientation. Indirect service volunteers shall be oriented according to program policies. The hospice orientation program must include the following subjects:

(1) hospice philosophy;

(2) personal death awareness;

(3) communication skills;

(4) personnel issues;

(5) identification of hospice resource people;

(6) stress management;

(7) ethics;

(8) stages of dying; and

(9) funeral arrangements.

(h) A hospice program shall provide an educational program that offers a

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1 comprehensive overview of hospice philosophy and hospice care. A minimum of 18
 2 hours of education, received within a one-year period, including four hours of
 3 orientation, is required for all direct service providers delivering hospice care.
 4 Documentation of completion of this program is transferable from one hospice program
 5 to another. The educational program must include the following subjects:

- 6 (1) hospice philosophy;
- 7 (2) family dynamics;
- 8 (3) pain and symptom management;
- 9 (4) grief, loss, and transition;
- 10 (5) psychological perspectives on death and dying;
- 11 (6) spirituality;
- 12 (7) communication skills;
- 13 (8) volunteer roles; and
- 14 (9) multidisciplinary management.

15 (i) Direct service providers in a hospice program shall complete a minimum
 16 of eight hours of continuing education or in-service training each year after the first
 17 year, based on date of hire.

18 (j) A hospice program shall maintain, at a minimum, the following records:

- 19 (1) a record for each client that includes copies of the client's care
 20 plan, progress notes, assessments, and a description of services provided to the client
 21 and the client's family;
- 22 (2) minutes of governing body meetings;
- 23 (3) all receipts and expenditures; and
- 24 (4) training provided to paid staff and volunteers.

25 (k) A hospice program shall have and follow written policies and procedures
 26 governing its operation, including policies relating to confidentiality, training, and
 27 admissions.

28 (l) A person who enters a hospice program shall be given information
 29 regarding living wills and durable health care powers of attorney.

30 (m) The hospice program shall have a functional quality assurance or
 31 improvement plan in place that

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- (1) continually monitors and evaluates the care provided;
- (2) identifies issues and potential issues;
- (3) proposes and implements improvements; and
- (4) reevaluates the care provided to determine if further improvement is possible or needed.

Article 2. Licensing of Volunteer Hospice Programs.

Sec. 18.18.200. Licensing requirements. (a) The department shall issue a license to a volunteer hospice program that complies with this section and with AS 18.18.010 - 18.18.040 and 18.18.100(a), (b), (c) (1) - (3) and (5), (d), (g), and (j) - (l).

(b) A direct service volunteer must

- (1) submit a written application;
- (2) undergo a screening interview and an interview after training;
- (3) attend an 18-hour standard training program;
- (4) submit a confidentiality statement in which the volunteer agrees to follow the program's policy regarding confidentiality required by AS 18.18.100(k) and (a) of this section; and
- (5) if the volunteer will transport individuals, have proof of auto insurance and a valid driver's license.

(c) Volunteer hospice programs shall develop and maintain policies and procedures that address the following with respect to volunteers in the program:

- (1) recruitment, retention, and dismissal;
- (2) screening;
- (3) orientation;
- (4) scope of function;
- (5) supervision;
- (6) ongoing training and support;
- (7) team conferencing;
- (8) records of volunteer activities; and
- (9) bereavement services.

(d) Volunteer services in a volunteer hospice program must be directed by a

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coordinator of volunteer services who shall

- (1) implement a direct service volunteer program;
- (2) coordinate the orientation, education, support, and supervision of direct service volunteers; and
- (3) coordinate the use of direct service volunteers with other hospice staff and community resources.

Article 3. General Provisions.

Sec. 18.18.300. Individual licenses. A program license received under this chapter does not relieve an individual who is an employee, volunteer, or contractor with the licensed hospice program from requirements outside this chapter pertaining to licensure of the individual.

Sec. 18.18.310 Sanctions. A person who violates this chapter commits a civil violation for which a fine not to exceed \$100 a day of violation may be assessed by a court.

Sec. 18.18.320. Administrative Procedure Act. Regulations and contested cases under this chapter are governed by AS 44.62 (Administrative Procedure Act).

Sec. 18.18.330. Regulations. The department may adopt regulations to implement this chapter that are consistent with the policy expressed in AS 18.18.005.

Sec. 18.18.390. Definitions. In this chapter,

- (1) "bereavement services" means emotional support services related to the death of a family member, which may include counseling, provision of written material, social reorientation, and group support for up to one year following the death of the client who was terminally ill;
- (2) "care plan" means a written service delivery plan that the interdisciplinary team, in conjunction with the client, shall develop to reflect the changing care needs of the client;
- (3) "client" means the person who is receiving the hospice services;
- (4) "department" means the Department of Health and Social Services;
- (5) "direct service provider" means employees or volunteers who provide hospice services directly to a client under a hospice program;
- (6) "family" means a spouse, primary caregiver, biological relatives,

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and individuals with close personal ties to the client;

(7) "governing body" means the entity that establishes policy and is legally responsible for the overall operation of a hospice program;

(8) "hospice philosophy" means a philosophy that is life affirming, recognizes dying as a normal process of living, focuses on maintaining the quality of remaining life, neither hastens nor postpones death, strengthens the client's role in making informed decisions about care, and stresses the delivery of services in the least restrictive setting possible and with the least amount of technology necessary by volunteers and professionals who are trained to help clients with the physical, social, psychological, spiritual, and emotional issues related to terminal illness so that the clients can feel better prepared for the death that is to come;

(9) "hospice program" means a program that provides hospice services;

(10) "hospice services" means a range of interdisciplinary palliative and supportive services provided in a home or at an inpatient facility to persons who are terminally ill and those persons' families in order to meet their physical, psychological, social, emotional, and spiritual needs;

(11) "interdisciplinary team," for a hospice program providing comprehensive services, means a group comprised of at least a primary health care provider, a licensed registered nurse, a social worker, a pastoral or other counselor, and a volunteer coordinator or representative;

(12) "medical director" means a licensed physician who oversees the medical components of hospice services and the interdisciplinary team;

(13) "nurse supervisor" means a licensed registered nurse with education, experience, and training in hospice nursing care who is designated by the program director to oversee nursing services for the hospice program;

(14) "primary health care provider" means the physician or advanced nurse practitioner identified by the client or by the person authorized to make decisions for the client under a durable health care power of attorney;

(15) "program director" means the person designated by the governing body of a hospice program as responsible for the day-to-day operations of the program;

(16) "terminally ill" means that a person has a life expectancy of less

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than one year, in the opinion of the person's primary physician or the medical director,
and is no longer receiving curative treatment;

(17) "volunteer" means a trained individual who works for a hospice
program without compensation;

(18) "volunteer hospice program" means a hospice program that
provides all direct patient care at no charge.

0-LS0602AH/
Lauterbach
3/21/97

CS FOR SENATE BILL NO. 96()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act regulating hospice care."

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

3 * Section 1. AS 18 is amended by adding a new chapter to read:

4 Chapter 18. Hospice Care Programs.

5 Article 1. Licensing of Hospice Programs.

6 Sec. 18.18.005. Policy declaration. It is the policy of the state that regulation
7 of hospice programs should ensure an appropriate standard of care for hospice clients
8 without unduly burdening the programs with requirements that consume staff time and
9 financial resources that are essential for the delivery of services to hospice clients. In
10 furtherance of this policy, this chapter establishes two sets of standards for hospice
11 programs that recognize the more limited staff time and financial resources available
12 to voluntary hospice programs while requiring all programs to comply with basic
13 minimum program standards.

14 Sec. 18.18.010. License required. A person, including a partnership,
15 association, or corporation, may not represent itself as a hospice program or operate

1 program in any jurisdiction; or

2 (7) violated this chapter or a regulation adopted under this chapter.

3 (b) The department may, without a hearing, summarily suspend a license of
4 a hospice program if it finds that the actions or deficiencies of the program have
5 caused, or present an immediate threat of causing, serious injury to a hospice program
6 client. A licensee is entitled to a hearing before the department to appeal the summary
7 suspension within seven days after the order of suspension is issued. A licensee may
8 appeal an adverse decision of the department on an appeal of a summary suspension
9 to the superior court. A summary suspension remains in effect until the department
10 finds that the actions or deficiencies are corrected, the license is revoked, or the
11 licensee is successful in appealing the suspension.

12 (c) The department may, without a hearing, reduce a hospice license to a
13 provisional license for a period of time established by the department if the department
14 finds that the licensee is temporarily unable to comply with this chapter or is in the
15 process of becoming decertified under the Medicare program but is taking appropriate
16 steps to bring the program into compliance with this chapter or Medicare certification
17 requirements. A licensee is entitled to a hearing before the department to appeal a
18 reduction to a provisional license under this subsection within seven days after the
19 order to reduce the license is issued. A licensee may appeal an adverse decision of
20 the department on an appeal of the order reducing the license to a provisional license
21 to the superior court. A program with a provisional license under this subsection may
22 not accept new clients. If the program fails to correct its deficiencies and does not
23 successfully appeal the order reducing the license to provisional status within the
24 period stipulated in the provisional license, the department shall revoke the license.

25 **Sec. 18.18.040. Right of entry and inspection.** A duly designated employee
26 of the department may enter the premises of a hospice program that has applied for
27 a license or who is licensed under this chapter. These employees may inspect
28 documents of the hospice program to determine whether the program is in compliance
29 with this chapter and regulations adopted under this chapter. The right of entry and
30 inspection extends to premises and documents of persons whom the department has
31 reason to believe are operating a hospice program without a license.

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services
Department of Education
State of Alaska

0-LS0602AH/
Lauterbach
3/21/97

CS FOR SENATE BILL NO. 96()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY

**Offered:
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9 financial resources that are essential for the delivery of services to hospice clients. In
10 furtherance of this policy, this chapter establishes two sets of standards for hospice
11 programs that recognize the more limited staff time and financial resources available
12 to voluntary hospice programs while requiring all programs to comply with basic
13 minimum program standards.

14 Sec. 18.18.010. License required. A person, including a partnership,
15 association, or corporation, may not represent itself as a hospice program or operate

1 a hospice program unless the person, partnership, association, or corporation has
2 obtained a license from the department.

3 **Sec. 18.18.020. Issuance and renewal of license.** (a) Upon receiving an
4 application and fee, if any, for a license under this chapter, the department shall issue
5 a license if the applicant meets the applicable requirements of this chapter.

6 (b) If an applicant under (a) of this section does not meet the applicable
7 requirements but makes continued efforts to comply with them and any noncompliance
8 does not directly affect the safety of clients, the department may issue a temporary or
9 provisional license that is valid for a reasonable period of time, as determined by the
10 department.

11 (c) A license under this chapter shall be issued in the name of the person,
12 agency, or other entity specified in the application and is not transferable or assignable
13 without the written approval of the department.

14 (d) The department shall, by regulation, establish the application fee, license
15 fee, length of time that a license is valid, and the standards for license renewal. A
16 license is not renewable during the time it has been suspended or revoked under this
17 chapter.

18 **Sec. 18.18.030. Denial, suspension, or revocation of license.** (a) The
19 department may deny a license, reduce a license to a provisional license, or revoke a
20 license if the department finds that the applicant or licensee, as appropriate, or the
21 program director or medical director of the applicant or licensee, as applicable, has

22 (1) endangered the health, safety, or welfare of a client;

23 (2) a history of deficiencies in quality of care;

24 (3) had a license to operate a hospice program suspended or revoked
25 in another licensing jurisdiction for a reason other than failure to pay a licensing fee;

26 (4) been convicted of operating a hospice program without a license in
27 any jurisdiction;

28 (5) an insufficient number of staff with the training, experience, or
29 judgment to provide adequate hospice care;

30 (6) committed fraud, deceit, misrepresentation, or an offense involving
31 dishonesty associated with the license application or with the operation of a hospice

1 program in any jurisdiction; or

2 (7) violated this chapter or a regulation adopted under this chapter.

3 (b) The department may, without a hearing, summarily suspend a license of
4 a hospice program if it finds that the actions or deficiencies of the program have
5 caused, or present an immediate threat of causing, serious injury to a hospice program
6 client. A licensee is entitled to a hearing before the department to appeal the summary
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19 order to reduce the license is issued. A licensee may appeal an adverse decision of
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22 not accept new clients. If the program fails to correct its deficiencies and does not
23 successfully appeal the order reducing the license to provisional status within the
24 period stipulated in the provisional license, the department shall revoke the license.

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26 of the department may enter the premises of a hospice program that has applied for
27 a license or who is licensed under this chapter. These employees may inspect
28 documents of the hospice program to determine whether the program is in compliance
29 with this chapter and regulations adopted under this chapter. The right of entry and
30 inspection extends to premises and documents of persons whom the department has
31 reason to believe are operating a hospice program without a license.

1 **Sec. 18.18.100. Requirements for licensure.** (a) Except as provided in
2 AS 18.18.200 for volunteer hospice programs, a hospice program shall meet the
3 requirements of this section. If a hospice program meets the requirements of this
4 section and AS 18.18.010 - 18.18.040, the department shall issue a license for the
5 program.

6 (b) A hospice program shall have a clear mission statement that is consistent
7 with hospice philosophy.

8 (c) A hospice program shall have at least the following features:

9 (1) a governing body;
10 (2) an established set of admission criteria for determining appropriate
11 clients;

12 (3) a program director;

13 (4) an interdisciplinary team;

14 (5) volunteers; and

15 (6) a medical director.

16 (d) A hospice program may only provide services to a person if the person

17 (1) consents to receive those services; and

18 (2) fits the admissions criteria of the hospice program.

19 (e) Hospice services shall be delivered in accordance with a care plan
20 approved by the interdisciplinary team regardless of whether the hospice services are
21 provided by hospice program staff or by contractors. The care plan must be reviewed
22 periodically by the interdisciplinary team and revised as needed. The client, and the
23 client's family if the client desires, must be given the opportunity to participate in the
24 development of the care plan and must be informed of the opportunity to attend
25 interdisciplinary team meetings. The interdisciplinary team must consider the need for
26 at least the following services when developing the care plan:

27 (1) social services;

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29 (3) counseling;

30 (4) pastoral care;

31 (5) volunteer visits to provide comfort, companionship, and respite;

1 (6) bereavement services for at least one year after the death of the
2 person who is terminally ill; and

3 (7) medical services.

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5 accordance with a care plan and must be under the direction and supervision of a nurse
6 supervisor. The nurse supervisor shall

7 (1) develop nursing objectives, policies, and procedures consistent with
8 hospice philosophy;

9 (2) develop job descriptions for nursing personnel consistent with
10 hospice philosophy;

11 (3) establish staffing and on-call schedules for nursing staff to ensure
12 the availability of nursing services 24-hours a day, seven days a week; and

13 (4) develop and implement orientation and training programs for
14 nursing staff.

15 (g) Before providing a hospice service in a hospice program, a direct service
16 provider shall receive an orientation of at least four hours specific to hospice service.
17 The policy and procedures of the hospice program define the agenda of the hospice
18 orientation program. The hospice program shall document in personnel files that staff
19 members have completed the four-hour orientation. Indirect service volunteers shall
20 be oriented according to program policies. The hospice orientation program must
21 include the following subjects:

22 (1) hospice philosophy;

23 (2) personal death awareness;

24 (3) communication skills;

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27 (6) stress management;

28 (7) ethics;

29 (8) stages of dying; and

30 (9) funeral arrangements.

31 (h) A hospice program shall provide an educational program that offers a

1 comprehensive overview of hospice philosophy and hospice care. A minimum of 18
2 hours of education, received within a one-year period, including four hours of
3 orientation, is required for all direct service providers delivering hospice care.
4 Documentation of completion of this program is transferable from one hospice program
5 to another. The educational program must include the following subjects:

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16 of eight hours of continuing education or in-service training each year after the first
17 year, based on date of hire.

18 (j) A hospice program shall maintain, at a minimum, the following records:

- 19 (1) a record for each client that includes copies of the client's care
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21 and the client's family;
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25 (k) A hospice program shall have and follow written policies and procedures
26 governing its operation, including policies relating to confidentiality, training, and
27 admissions.

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- (1) submit a written application;
- (2) undergo a screening interview and an interview after training;
- (3) attend an 18-hour standard training program;
- (4) submit a confidentiality statement in which the volunteer agrees to follow the program's policy regarding confidentiality required by AS 18.18.100(k) and (a) of this section; and
- (5) if the volunteer will transport individuals, have proof of auto insurance and a valid driver's license.

(c) Volunteer hospice programs shall develop and maintain policies and procedures that address the following with respect to volunteers in the program:

- (1) recruitment, retention, and dismissal;
- (2) screening;
- (3) orientation;
- (4) scope of function;
- (5) supervision;
- (6) ongoing training and support;
- (7) team conferencing;
- (8) records of volunteer activities; and
- (9) bereavement services.

(d) Volunteer services in a volunteer hospice program must be directed by a

1 coordinator of volunteer services who shall

2 (1) implement a direct service volunteer program;

3 (2) coordinate the orientation, education, support, and supervision of
4 direct service volunteers; and

5 (3) coordinate the use of direct service volunteers with other hospice
6 staff and community resources.

7 **Article 3. General Provisions.**

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9 chapter does not relieve an individual who is an employee, volunteer, or contractor
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11 to licensure of the individual.

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15 **Sec. 18.18.320. Administrative Procedure Act.** Regulations and contested
16 cases under this chapter are governed by AS 44.62 (Administrative Procedure Act).

17 **Sec. 18.18.330. Regulations.** The department may adopt regulations to
18 implement this chapter that are consistent with the policy expressed in AS 18.18.005.

19 **Sec. 18.18.390. Definitions.** In this chapter,

20 (1) "bereavement services" means emotional support services related
21 to the death of a family member, including counseling, provision of written material,
22 social reorientation, and group support for up to one year following the death of the
23 client who was terminally ill;

24 (2) "care plan" means a written service delivery plan that the
25 interdisciplinary team, in conjunction with the client, shall develop to reflect the
26 changing care needs of the client;

27 (3) "client" means the person who is receiving the hospice services;

28 (4) "department" means the Department of Health and Social Services;

29 (5) "direct service provider" means employees or volunteers who
30 provide hospice services directly to a client under a hospice program;

31 (6) "family" means a spouse, primary caregiver, biological relatives,

1 and individuals with close personal ties to the client;

2 (7) "governing body" means the entity that establishes policy and is
3 legally responsible for the overall operation of a hospice program;

4 (8) "hospice philosophy" means a philosophy that is life affirming,
5 recognizes dying as a normal process of living, focuses on maintaining the quality of
6 remaining life, neither hastens nor postpones death, strengthens the client's role in
7 making informed decisions about care, and stresses the delivery of services in the least
8 restrictive setting possible and with the least amount of technology necessary by
9 volunteers and professionals who are trained to help clients with the physical, social,
10 psychological, spiritual, and emotional issues related to terminal illness so that the
11 clients can feel better prepared for the death that is to come;

12 (9) "hospice program" means a program that provides hospice services;

13 (10) "hospice services" means a range of interdisciplinary palliative and
14 supportive services provided in a home or at an inpatient facility on a 24-hours-a-day,
15 seven-days-a-week basis to persons who are terminally ill and those persons' families
16 in order to meet their physical, psychological, social, emotional, and spiritual needs;

17 (11) "interdisciplinary team," for a hospice program providing
18 comprehensive services, means a group comprised of at least a primary health care
19 provider, a licensed registered nurse, a social worker, a pastoral or other counselor, and
20 a volunteer coordinator or representative;

21 (12) "medical director" means a licensed physician who oversees the
22 medical components of hospice services and the interdisciplinary team;

23 (13) "nurse supervisor" means a licensed registered nurse with
24 education, experience, and training in hospice nursing care who is designated by the
25 program director to oversee nursing services for the hospice program;

26 (14) "primary health care provider" means the physician or advanced
27 nurse practitioner identified by the client or by the person authorized to make decisions
28 for the client under a durable health care power of attorney;

29 (15) "program director" means the person designated by the governing
30 body of a hospice program as responsible for the day-to-day operations of the program;

31 (16) "terminally ill" means that a person has a life expectancy of less

1 th in one year, in the opinion of the person's primary physician or the medical director,
2 and is no longer receiving curative treatment;

3 (17) "volunteer" means a trained individual who works for a hospice
4 program without compensation;

5 (18) "volunteer hospice program" means a hospice program that
6 provides all direct patient care at no charge.

Sen. Wilkey

CS FOR SENATE BILL NO. 96()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act regulating hospice care."

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

3 * Section 1. AS 18 is amended by adding a new chapter to read:

4 Chapter 18. Hospice Care Programs.

5 Article 1. Licensing of Hospice Programs.

6 Sec. 18.18.010. License required. A person, including a partnership,
7 association, or corporation, may not represent itself as a hospice program or operate
8 a hospice program unless the person, partnership, association, or corporation has
9 obtained a license from the department.

10 Sec. 18.18.020. Issuance and renewal of license. (a) Upon receiving an
11 application and fee, if any, for a license under this chapter, the department shall issue
12 a license if the applicant meets the applicable requirements of this chapter.

13 (b) If an applicant under (a) of this section does not meet the applicable
14 requirements but makes continued efforts to comply with them and any noncompliance
15 does not directly affect the safety of clients, the department may issue a temporary or

1 provisional license that is valid for a reasonable period of time, as determined by the
2 department.

3 (c) A license under this chapter shall be issued in the name of the person,
4 agency, or other entity specified in the application and is not transferable or assignable
5 without the written approval of the department.

6 (d) The department shall, by regulation, establish the application fee, license
7 fee, length of time that a license is valid, and the standards for license renewal. A
8 license is not renewable during the time it has been suspended or revoked under this
9 chapter.

10 **Sec. 18.18.030. Denial, suspension, or revocation of license.** (a) The
11 department may deny a license, reduce a license to a provisional license, or revoke a
12 license if the department finds that the applicant or licensee, as appropriate, or the
13 program director or medical director of the applicant or licensee, as applicable, has

14 (1) endangered the health, safety, or welfare of a client;

15 (2) a history of deficiencies in quality of care;

16 (3) had a license to operate a hospice program suspended or revoked
17 in another licensing jurisdiction for a reason other than failure to pay a licensing fee;

18 (4) been convicted of operating a hospice program without a license in
19 any jurisdiction;

20 (5) an insufficient number of staff with the training, experience, or
21 judgment to provide adequate hospice care;

22 (6) committed fraud, deceit, misrepresentation, or an offense involving
23 dishonesty associated with the license application or with the operation of a hospice
24 program in any jurisdiction; or

25 (7) violated this chapter or a regulation adopted under this chapter.

26 (b) The department may, without a hearing, summarily suspend a license of
27 a hospice program if it finds that the actions or deficiencies of the program have
28 caused, or present an immediate threat of causing, serious injury to the public health,
29 safety, or welfare. A licensee is entitled to a hearing before the department to appeal
30 the summary suspension within seven days after the order of suspension is issued. A
31 licensee may appeal an adverse decision of the department on an appeal of a summary

1 suspension to the superior court. A summary suspension remains in effect until the
2 department finds that the actions or deficiencies are corrected, the license is revoked,
3 or the licensee is successful in appealing the suspension.

4 (c) The department may, without a hearing, reduce a hospice license to a
5 provisional license for a period of time established by the department if the department
6 finds that the licensee is temporarily unable to comply with this chapter or is in the
7 process of becoming decertified under the Medicare program but is taking appropriate
8 steps to bring the program into compliance with this chapter or Medicare certification
9 requirements. A licensee is entitled to a hearing before the department to appeal a
10 reduction to a provisional license under this subsection within seven days after the
11 order to reduce the license is issued. A licensee may appeal an adverse decision of
12 the department on an appeal of the order reducing the license to a provisional license
13 to the superior court. A program with a provisional license under this subsection may
14 not accept new clients. If the program fails to correct its deficiencies and does not
15 successfully appeal the order reducing the license to provisional status within the
16 period stipulated in the provisional license, the department shall revoke the license.

17 **Sec. 18.18.040. Right of entry and inspection.** A duly designated employee
18 of the department may enter the premises of a hospice program that has applied for
19 a license or who is licensed under this chapter. These employees may inspect
20 documents of the hospice program to determine whether the program is in compliance
21 with this chapter and regulations adopted under this chapter. The right of entry and
22 inspection extends to premises and documents of persons whom the department has
23 reason to believe are operating a hospice program without a license.

24 **Sec. 18.18.100. Requirements for licensure.** (a) The department shall adopt
25 regulations that specify the requirements for licensure under this chapter. The
26 regulations must include the requirements of this section for hospice programs that are
27 not volunteer hospice programs.

28 (b) A hospice program shall have a clear mission statement that is consistent
29 with hospice philosophy.

30 (c) A hospice program shall have at least the following features:

31 (1) a governing body;

- 1 (2) an established set of admission criteria for determining appropriate
2 clients;
- 3 (3) a program director;
4 (4) an interdisciplinary team;
5 (5) volunteers; and
6 (6) a medical director.

- 7 (d) A hospice program may only provide services to a person if the person
8 (1) consents to receive those services; and
9 (2) fits the admissions criteria of the hospice program.

10 (e) Hospice services shall be delivered in accordance with a care plan
11 approved by the interdisciplinary team regardless of whether the hospice services are
12 provided by hospice program staff or by contractors. The care plan must be reviewed
13 periodically by the interdisciplinary team and revised as needed. The client, and the
14 client's family if the client desires, must be given the opportunity to participate in the
15 development of the care plan and must be informed of the opportunity to attend
16 interdisciplinary team meetings. The interdisciplinary team must consider the need for
17 at least the following services when developing the care plan:

- 18 (1) social services;
19 (2) nursing care;
20 (3) counseling;
21 (4) pastoral care;
22 (5) volunteer visits to provide comfort, companionship, and respite;
23 (6) bereavement services for at least one year after the death of the
24 person who is terminally ill; and
25 (7) medical services.

26 (f) Nursing services provided by a hospice program shall be provided in
27 accordance with a care plan and must be under the direction and supervision of a nurse
28 supervisor. The nurse supervisor shall

- 29 (1) develop nursing objectives, policies, and procedures consistent with
30 hospice philosophy;
31 (2) develop job descriptions for nursing personnel consistent with

1 hospice philosophy;

2 (3) establish staffing and on-call schedules for nursing staff to ensure
3 the availability of nursing services 24-hours a day, seven days a week; and

4 (4) develop and implement orientation and training programs for
5 nursing staff.

6 (g) Before providing a hospice service in a hospice program, a direct service
7 provider shall receive an orientation of at least four hours specific to hospice service.
8 The policy and procedures of the hospice program define the agenda of the hospice
9 orientation program. The hospice program shall document in personnel files that staff
10 members have completed the four-hour orientation. Indirect service volunteers shall
11 be oriented according to program policies. The hospice orientation program must
12 include the following subjects:

13 (1) hospice philosophy;

14 (2) personal death awareness;

15 (3) communication skills;

16 (4) personnel issues;

17 (5) identification of hospice resource people;

18 (6) stress management;

19 (7) ethics;

20 (8) stages of dying; and

21 (9) funeral arrangements.

22 (h) A hospice program shall provide an educational program that offers a
23 comprehensive overview of hospice philosophy and hospice care. A minimum of 18
24 hours of education, received within a one-year period, including four hours of
25 orientation, is required for all direct service providers delivering hospice care.
26 Documentation of completion of this program is transferable from one hospice program
27 to another. The educational program must include the following subjects:

28 (1) hospice philosophy;

29 (2) family dynamics;

30 (3) pain and symptom management;

31 (4) grief, loss, and transition;

- 1 (5) psychological perspectives on death and dying;
2 (6) spirituality;
3 (7) communication skills;
4 (8) volunteer roles; and
5 (9) multidisciplinary management.

6 (i) Direct service providers in a hospice program shall complete a minimum
7 of eight hours of continuing education or in-service training each year after the first
8 year, based on date of hire.

9 (j) A hospice program shall maintain, at a minimum, the following records:

10 (1) a record for each client that includes copies of the client's care
11 plan, progress notes, assessments, and a description of services provided to the client
12 and the client's family;

13 (2) minutes of governing body meetings;

14 (3) all receipts and expenditures; and

15 (4) training provided to paid staff and volunteers.

16 (k) A hospice program shall have and follow written policies and procedures
17 governing its operation, including policies relating to confidentiality, training, and
18 admissions.

19 (l) A person who enters a hospice program shall be given information
20 regarding living wills and durable health care powers of attorney.

21 (m) The hospice program shall have a functional quality assurance or
22 improvement plan in place that

23 (1) continually monitors and evaluates the care provided;

24 (2) identifies issues and potential issues;

25 (3) proposes and implements improvements; and

26 (4) reevaluates the care provided to determine if further improvement
27 is possible or needed.

28 Article 2. Licensing of Volunteer Hospice Programs.

29 Sec. 18.18.200. Licensing requirements. (a) A volunteer hospice program
30 must comply with this section and with AS 18.18.010 - 18.18.040 and 18.18.100(a),
31 (b), (c) (1) - (3) and (5), (d), (g), and (j) - (l).

1 (b) At a minimum, a direct service volunteer must
2 (1) submit a written application;
3 (2) undergo a screening interview and an interview after training;
4 (3) attend an 18-hour standard training program;
5 (4) submit a confidentiality statement in which the volunteer agrees to
6 follow the program's policy regarding confidentiality required by AS 18.18.100(k) and
7 (a) of this section; and

8 (5) if the volunteer will transport individuals, have proof of auto
9 insurance and a valid driver's license.

10 (c) Volunteer hospice programs shall develop and maintain policies and
11 procedures that address the following with respect to volunteers in the program:

- 12 (1) recruitment, retention, and dismissal;
13 (2) screening;
14 (3) orientation;
15 (4) scope of function;
16 (5) supervision;
17 (6) ongoing training and support;
18 (7) team conferencing;
19 (8) records of volunteer activities; and
20 (9) bereavement services.

21 (d) Volunteer services in a volunteer hospice program must be directed by a
22 coordinator of volunteer services who shall

- 23 (1) implement a direct service volunteer program;
24 (2) coordinate the orientation, education, support, and supervision of
25 direct service volunteers; and
26 (3) coordinate the use of direct service volunteers with other hospice
27 staff and community resources.

28 **Article 3. General Provisions.**

29 **Sec. 18.18.300. Individual licenses.** A program license received under this
30 chapter does not relieve an individual who is an employee, volunteer, or contractor
31 with the licensed hospice program from requirements outside this chapter pertaining

1 to licensure of the individual.

2 **Sec. 18.18.310 Sanctions.** A person who violates this chapter commits a civil
3 violation for which a fine not to exceed \$100 a day of violation may be assessed by
4 a court.

5 **Sec. 18.18.320. Administrative Procedure Act.** Regulations and contested
6 cases under this chapter are governed by AS 44.62 (Administrative Procedure Act).

7 **Sec. 18.18.390. Definitions.** In this chapter,

8 (1) "bereavement services" means emotional support services related
9 to the death of a family member, including counseling, provision of written material,
10 social reorientation, and group support for up to one year following the death of the
11 client who was terminally ill;

12 (2) "care plan" means a written service delivery plan that the
13 interdisciplinary team, in conjunction with the client, shall develop to reflect the
14 changing care needs of the client;

15 (3) "client" means the person who is receiving the hospice services;

16 (4) "department" means the Department of Health and Social Services;

17 (5) "direct service provider" means employees or volunteers who
18 provide hospice services directly to a client under a hospice program;

19 (6) "family" means a spouse, primary caregiver, biological relatives,
20 and individuals with close personal ties to the client;

21 (7) "governing body" means the entity that establishes policy and is
22 legally responsible for the overall operation of a hospice program;

23 (8) "hospice philosophy" means a philosophy that is life affirming,
24 recognizes dying as a normal process of living, focuses on maintaining the quality of
25 remaining life, neither hastens nor postpones death, strengthens the client's role in
26 making informed decisions about care, and stresses the delivery of services in the least
27 restrictive setting possible and with the least amount of technology necessary by
28 volunteers and professionals who are trained to help clients with the physical, social,
29 psychological, spiritual, and emotional issues related to terminal illness so that the
30 clients can feel better prepared for the death that is to come;

31 (9) "hospice program" means a program that provides hospice services;

1 (10) "hospice services" means a range of interdisciplinary palliative and
2 supportive services provided in a home or at an inpatient facility on a 24-hours-a-day,
3 seven-days-a-week basis to persons who are terminally ill and those persons' families
4 in order to meet their physical, psychological, social, emotional, and spiritual needs;

5 (11) "interdisciplinary team," for a hospice program providing
6 comprehensive services, means a group comprised of at least a primary health care
7 provider, a licensed registered nurse, a social worker, a pastoral or other counselor, and
8 a volunteer coordinator or representative;

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10 medical components of hospice services and the interdisciplinary team;

11 (13) "nurse supervisor" means a licensed registered nurse with
12 education, experience, and training in hospice nursing care who is designated by the
13 program director to oversee nursing services for the hospice program;

14 (14) "primary health care provider" means the physician or advanced
15 nurse practitioner identified by the client or by the person authorized to make decisions
16 for the client under a durable health care power of attorney;

17 (15) "program director" means the person designated by the governing
18 body of a hospice program as responsible for the day-to-day operations of the program;

19 (16) "terminally ill" means that a person has a life expectancy of less
20 than one year, in the opinion of the person's primary physician or the medical director,
21 and is no longer receiving curative treatment;

22 (17) "volunteer" means a trained individual who works for a hospice
23 program without compensation;

24 (18) "volunteer hospice program" means a hospice program that
25 provides all direct patient care at no charge.



Official Business

Alaska State Legislature

Sen. Wilken

Senate

State Capitol
Juneau, AK. 99801-1182

Rules Committee *COMMITTEE SUBSTITUTE for SENATE BILL 96* *SPONSOR STATEMENT*

Senate Bill 96 will provide for licensing of hospice care programs in Alaska, ensuring that terminally ill persons receive comfort, support, and care consistent with hospice philosophy and concepts through a uniform level of services, whether they receive hospice services from a volunteer hospices, or from certified, professional, or for-profit. There are no federal regulation or licensing requirements for either type of hospice program. As of the January 1997, forty (40) states are licensing or regulating hospice programs. Of the ten (10) states without hospice licensing or regulation, five (5) have laws or regulations pending. Appropriate licensing and regulation of all hospice programs in Alaska will assure consumers of consistent standards in the delivery of hospice services.

Hospice is a unique component of the health care delivery system, one that has evolved over the past 20 years in the United States. Hospice provides care and support for people with terminal illness. The goal of hospice care is to enable patients to live an alert, pain-free life and to manage symptoms so the last weeks and months of life may be spent in dignity and peace. One out of every three people who die of cancer or AIDS in this country are served by a hospice program.

Annual growth in hospice programs averaged about eight per cent (8%) in the early '90s. In the last five (5) years growth has averaged seventeen per cent (17%). Hospice services are provided through a variety of means, including independent community-based organizations, divisions of hospitals or home-health services, and government agencies. Rapid growth of hospice programs is due to increased demand for home care services, the desire of terminally ill persons to keep control over the remainder of their lives, and a trend towards reimbursement for home-care service. *Consumers need to be aware of specific characteristics that differentiate hospice from other health care providers. Hospice offers comfort and care, not curative treatment.* Hospice addresses emotional, spiritual, and social needs in addition to physical needs. Hospice considers the patient and loved ones as the unit of care. *Hospice affirms life and regards dying as a normal process, seeking neither to hasten nor postpone death.* Hospice care extends beyond a patient's death to include bereavement care for grieving family members.

Fear of painful suffering, of abandonment, and of losing control are primary concerns of people experiencing terminal illness. Hospice care is designed to address these concerns by providing support, care, and needed services to help the terminally ill *live their lives in maximal comfort and control.*

Passage of SB 96 will standardize hospice care and help to guarantee Alaskans access to quality hospice care from both volunteer and certified hospice programs.

(revised 8 April 1997)



Official Business

Alaska State Legislature

Senate

Rules Committee

MEMORANDVM.

State Capitol
Juneau, AK. 99801-1182

TO: Senator Wilken, Chairman
Senate HESS Committee

FROM: Benjamin Brown, ^{PBS.} Legislative Aide
to Senator Kelly

DATE: 8 April 1997

IN RE: *newly revised* sectional analysis of SB 96 (LS0602/K)

A revised summary by section of CSSB 96 (work draught) follows. This bill adds a new chapter, entitled Hospice Care Programs, to Title 18 of Alaska Statutes. Substantial changes have been made to the bill in its time with the Senate HESS Committee.

Please note that a sectional analysis is not generally considered to be the most authoritative interpretation of a bill; the bill itself is the best statement of its purposes and effects.

Section 1 remains SB 96's only section. It adds Chapter 18 to Title 18 of Alaska Statutes. Chapter 18 contains three articles, the first of which declares the State's policy on licensing hospices (a policy that explicitly recognizes the limited resources of volunteer hospice programs), and sets out standards for hospice programs that are colloquially referred to as certified, professional, or for-profit. Article II establishes a substantially smaller set of standards for volunteer hospice programs. Article III clarifies the need for individual licensing, sets out terms for sanctions and regulatory authority, and defines a number of terms germane to the regulation of hospice care. An analysis of each of these three articles follows.

1. *Article 1* begins by making a clear statement of the State's statutory policy on hospices, which provides that licensing by the

Page three, REVISED MEMO on SB 96, 8 April 1997.

licensing and the licensing process, and specified parts of AS 18.18.100. It requires volunteer hospice programs to have a minimum structure that includes a mission statement, admission criteria, a director, and volunteers.

Article 2 applies the same standards regarding client consent and use of admission criteria to volunteer hospice programs as to certified ones. It calls for volunteer direct service providers to get four (4) hours of hospice service orientation. It mandates minimum record-keeping and written policies and procedures for volunteer hospice organizations, specifically volunteer policies and procedures. It necessitates provision of information about living wills and durable health care powers of attorney to volunteer hospice clients. Finally, it standardizes the co-ordination of volunteers.

3. *Article 3* specifies that certified or volunteer hospice program licensing does not remove or mitigate individual licensing requirements from any employee, volunteer, or contractor working with a hospice program. It allows for civil penalties for violations of Chapter 18. It makes the licensing process and regulations subject to the Administrative Procedures Act, and enables DH&SS to adopt regulations that specifically implement the requirements of the statute, while reflecting the policy statement contained in 18.18.005. Finally, *Article 3* defines numerous terms used throughout the bill.



Official Business

Alaska State Legislature

Senate

 State Capitol
 Juneau, AK. 99801-1182

Rules Committee CS SENATE BILL 96 (HES) SPONSOR STATEMENT

Senate Bill 96 will provide for licensing of hospice care programs in Alaska, ensuring that terminally ill persons receive comfort, support, and care consistent with hospice philosophy and concepts through a uniform level of services. There are no federal regulation or licensing requirements for either certified or volunteer hospice programs. As of the January 1997, forty (40) states are licensing or regulating hospice programs. Of the ten (10) states without hospice licensing or regulation, five (5) have laws or regulations pending. Appropriate licensing and regulation of volunteer and certified hospice programs in Alaska will assure consumers of consistent standards in the delivery of hospice services.

Hospice is a unique component of the health care delivery system, one that has evolved over the past 20 years in the United States. Hospice provides care and support for people with terminal illness. The goal of hospice care is to enable patients to live an alert, pain-free life and to manage symptoms so the last weeks and months of life may be spent in dignity and peace. One out of every three people who die of cancer or AIDS in this country are served by a hospice program.

Annual growth in hospice programs averaged about eight per cent (8%) in the early '90s. In the last five (5) years growth has averaged seventeen per cent (17%). Hospice services are provided through a variety of means, including independent community-based organizations, divisions of hospitals or home-health services, and government agencies. Rapid growth of hospice programs is due to increased demand for home care services, the desire of terminally ill persons to keep control over the remainder of their lives, and a trend towards reimbursement for home-care services. *Consumers need to be aware of specific characteristics that differentiate hospice from other health care providers. Hospice offers comfort and care, not curative treatment.* Hospice addresses emotional, spiritual, and social needs in addition to physical needs. Hospice considers the patient and loved ones as the unit of care. *Hospice affirms life and regards dying as a normal process, seeking neither to hasten nor postpone death.* Hospice care extends beyond a patient's death to include bereavement care for grieving family members.

Fear of painful suffering, of abandonment, and of losing control are primary concerns of people experiencing terminal illness. Hospice care is designed to address these concerns by providing support, care, and needed services to help the terminally ill *live their lives in maximal comfort and control.*

Passage of SB 96 will standardize hospice care and help to guarantee Alaskans access to quality hospice care from both volunteer and certified hospice programs.

(revised 19 March 1997)



Official Business

Alaska State Legislature

Senate

State Capitol
Juneau, AK. 99801-1182

Rules Committee

MEMORANDVM.

TO: Senator Wilken, Chairman
Senate HESS Committee

FROM: Benjamin Brown, Legislative Aide
to Senator Kelly

DATE: 19 March 1997

IN RE: revised sectional analysis of SB 96 (LS0602/F)

A revised summary by section of Senate Bill 96 follows. This bill adds a new chapter, entitled Hospice Care Programs, to Title 18 of Alaska Statutes. Several changes have been made to the bill since it was last reviewed by the HESS Committee as version LS0602/E.

Please note that a sectional analysis is not generally considered to be the most authoritative interpretation of a bill; the bill itself is the best statement of its purposes and effects.

Section 1 remains SB 96's only section. It adds Chapter 18 to Title 18 of Alaska Statutes. Chapter 18 contains three articles, the first of which sets out standards for certified, professional hospice programs. Article II establishes a shorter set of standards for volunteer hospice programs. Article III clarifies individual licensing requirements and defines a number of terms germane to the regulation of hospice care. An analysis of each of these three articles follows.

1. *Article 1* sets out parameters for licensing certified hospice programs and mandates that all hospice programs must be licensed to operate in Alaska. It enables the Department of Health & Social Services (DH&SS) to issue licenses, temporary licenses, and provisional licenses, and to deny, suspend, and revoke such licenses.

Page three, REVISED MEMO on SB 96, 19 March 1997.

health care powers of attorney to volunteer hospice clients. Finally, it standardizes the co-ordination of volunteers.

3. *Article 3* specifies that certified or volunteer hospice program licensing does not remove or mitigate individual licensing requirements from any employee, volunteer, or contractor working with a hospice program. It allows for civil penalties for violations of Chapter 18. It makes the licensing process and regulations subject to the Administrative Procedures Act. Finally, *Article 3* defines numerous terms used throughout the bill.

Hospice to bring comfort to scene of death

By SARANA SCHELL
Fairbanks Daily News-Miner

FAIRBANKS — As a funeral director, Mike Hawkins was often the last to leave the scene of a death.

Years ago, as he was about to leave the home of a man whose wife had just committed suicide, he looked back. He knew it would be several hours before the man's family would arrive.

"I saw that elderly man standing on his porch in a bloodied robe, and I couldn't leave him. I just couldn't," Hawkins said. He went back and called a minister friend to come wait with the man.

Hawkins has called other ministers over the years to comfort

people left alone by death. The ministers would come, but they had no training in crisis intervention. He was sure the service could be provided in a less haphazard way.

Then, last summer, a call to Hospice of the Tanana Valley became the catalyst for a team of first responders — the Emergency Grief and Bereavement Response Team — who will comfort people who have suddenly lost a loved one.

"A tour company called us to say that a couple had been touring in Denali Park, when the man died of a heart attack," said Sally Fenno of Hospice.

Hospice found someone to stay

with the woman, who was from the Lower 48, until she could take a plane home, said Fenno, the bereavement services coordinator for Hospice.

At first, Hospice thought the emergency response volunteers for visitors could be an offshoot of longer-term bereavement counseling. But Hawkins, a member of the Hospice board of directors, helped broaden the effort to include regular members of the community.

It became clear there was a need for a separate program.

"Fairbanks has an awful lot of people who have families somewhere else, and a lot of visitors come through," Fenno said.

"Many visitors are older."

Hospice is now training volunteers to be part of the Emergency Grief and Bereavement Response Team, on call 24 hours a day. A volunteer can quickly be at a grieving person's side, help them with practical matters such as making phone calls, and wait there until family or close friends show up.

"They may ask, do you have your address book with you? Is there anyone you want me to call?" Fenno said, or even, "Do you want me to dial the number?"

Visitors especially may need help setting up arrangements.

Please see Page B-2, FAIRBANKS

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FAIRBANKS: Hospice aims to fill need

Continued from Page B-1

They may not know, for example, what to do with the body before it can be shipped out.

Once the training of volunteers is complete, Hospice will send letters to area hotels, park agencies, fire and police departments and other groups, announcing the service. Hospice will give them a pager number to call, Fenno said.

Sgt. Mike Corkill of the Alaska State Troopers said he looked forward to hearing from Hospice about the program.

"It's our most difficult job to tell people they've lost a loved one," Corkill said. "Although my folks have got some training in dealing with this, and are sensitive to people, Hospice works with this on a regular basis. I can see a lot of good coming from this."

Ingrid Hinde came close to being alone when her husband, Fairbanks newsman Chuck Hinde, died of a heart attack in the middle of a June night in 1995.

"Luckily I had a friend of my husband's in town," Hinde said, "but otherwise I would've been totally stranded."

Now Hinde, a Hospice volunteer, is training to be an emergency bereavement volunteer. The goal is to make a traumatic experience a little less traumatic, she said.

"It's way out on the cutting edge," she said. "There isn't any other program out there like it."

The group is preparing for the coming tourist season, Hinde said, by composing a list of people who speak different languages or who can provide grieving visitors with a short-term place to stay.

FROM the
'Anchorage Daily News'
17 March '97
p. B2



Official Business

Alaska State Legislature

Senate

State Capitol
Juneau, AK. 99801-1182

Rules Committee SENATE BILL 96 SPONSOR STATEMENT

Senate Bill 96 will provide for licensing of hospice care programs in Alaska, ensuring that terminally ill persons receive comfort, support, and care consistent with hospice philosophy and concepts through a uniform level of services. There is no federal regulatory or mandatory licensing of hospice programs, but thirty-eight (38) states presently have state licensing laws for hospice programs. Of the states with no hospice licensing laws, six (6) have licensing laws pending. The licensing of hospice programs in Alaska will assure consumers of consistent standards in the delivery of hospice services.

Hospice is a unique aspect of the health care delivery system which has evolved over the past 20 years in the United States. Hospice provides care and support for people with terminal illness. The goal of hospice care is to enable patients to live an alert, pain-free life and to manage symptoms so the last weeks and months of life may be spent in dignity and peace. One out of every three people who die of cancer or AIDS in this country are served by a hospice program.

Annual growth in hospice programs averaged about eight per cent in the early '90s. In the last five years growth has averaged seventeen per cent. Hospice services are provided through a variety of organizational structures including independent community-based organizations, divisions of hospitals or home-health agencies, and government organizations. Rapid growth of hospice programs is due to increased demand for home care services, the desire of terminally ill persons to keep control over the remainder of their lives, and a trend towards reimbursement for home-care services. Consumers need to be aware of specific characteristics that differentiate hospice from other health care providers. Hospice offers comfort and care, not curative treatment. Hospice addresses emotional, spiritual, and social needs in addition to physical needs. Hospice considers the patient *and loved ones* as the unit of care. Hospice affirms life and regards dying as a normal process, seeking neither to hasten nor postpone death. Hospice care extends beyond a patient's death to include bereavement care for grieving family members.

Fear of painful suffering, of abandonment, and of losing control are primary concerns of men and women experiencing terminal illness. Hospice care is designed to address these concerns by providing support, care, and needed services to help the terminally ill *live their lives in maximal comfort and control*.

Passage of SB 96 will standardize hospice care and guarantee the Alaskan public the opportunity to access quality hospice care.



Official Business

Alaska State Legislature

Senate

State Capitol
Juneau, AK. 99801-1182

Rules Committee MEMORANDVM.

TO: Senator Kelly, Chairman
Senate Rules Committee

FROM: Benjamin Brown, ^{Leg.} Legislative Aide

DATE: 22 February 1997

IN RE: sectional analysis of SB 96

A summary, by section, of Senate Bill 96 follows. This bill adds a new chapter, entitled Hospice Care Programs, to Title 18 of Alaska Statutes. Please note that a sectional analysis is not generally considered to be the most authoritative interpretation of a bill; the bill itself is the best statement of its purposes and effects.

Section 1 is SB 96's only section. It adds Chapter 18 to Title 18 of Alaska Statutes. Chapter 18 contains three articles, each of which pertains to a different aspect of regulating hospice care. An analysis of each of the three articles follows.

1. *Article 1* sets out parameters for licensing of hospice programs. It mandates that any and all hospice programs must be licensed to operate in Alaska. It sets out that the Department of Health & Social Services (DH&SS) can issue licenses and conditional licenses, and can revoke or suspend licenses so issued. It specifies that Medicare-certified hospice programs automatically meet this bill's criteria, and are eligible to receive a state hospice license. It gives DH&SS the right to enter and inspect hospice facilities and access their records, although a warrant must be obtained if the facility refuses permission to DH&SS.

Article 1 continues by outlining specific requirements a hospice must meet in order to get a license, including a mission statement, a governing body, admission criteria, a program director, an interdisciplinary team, volunteers, and a medical director. It

Page two, MEMORANDVM on SB 96.

requires a hospice program to adopt admission criteria for potential clients. It mandates that services be provided in accordance with a care plan, and lists services that the interdisciplinary team must consider when crafting a care plan. It sets out that nursing services be provided only under the auspices of a nurse supervisor.

Article 1 provides that direct service providers go through orientation before providing hospice services, requires direct service providers to complete an educational overview of hospice philosophy and care, and mandates continuing education or in-service training over time. It further requires a minimal level of record-keeping and written policies and procedures. *Article 1* necessitates provision of information about living wills and durable health care powers of attorney to hospice clients. Finally, the first article in Chapter 18 of Title 18 mandates quality assurance and improvement planning, and requires Medicare certification of a facility used for an inpatient hospice program as a condition of state licensing.

2. *Article 2* sets out standards for volunteer hospice programs, primarily the things direct service volunteers must do in order to prepare to provide hospice services. It mandates policies and procedures dealing with direct service volunteers, including coordination of such volunteer efforts. *Article 2* also requires volunteer programs to meet the "relevant" requirements of *Article 1*.

3. *Article 3* specifies that program licensing under Chapter 18 of Title 18 does not remove or mitigate individual licensing requirements from any employee, volunteer, or contractor working with a hospice program. It allows for civil penalties for violations of Chapter 18. Finally, *Article 3* defines numerous terms used throughout the bill.

Proposed 4/9/97
by Sen Ward
defeated 3-2

AMENDMENT 1
SB 96 – Regulation of Hospice Care

1. Eliminate Article 2 in its entirety.

2. Add in place of Article 2;

"The provisions of this bill are to apply to Certified and Resident Hospices only and not to Volunteer Hospice Programs."

3. Add under AS 18.18.390 Definitions:

Line 17, "volunteer" means a trained individual who works for a hospice program without compensation.

Line 18, "volunteer hospice program" means a hospice program that provides all direct patient care at no charge.

February 26, 1997

Senator Tim Kelly
State Capitol
Juneau, Alaska 99801-1182
Mailstop: 3100

Dear Senator Kelly:

After careful review of SB 96, we would like to inform you the Department of Health & Social Services (DHSS) supports the intent of this Bill, however we are providing you with recommendations for changes.

We have seen the Medicare certified hospice programs grow in Alaska over the last three years. The first certified program came in November, 1993, and since then two others have been certified. In addition, we are aware of at least 7 volunteer programs now functioning within the State. It is our understanding that the impetus for this legislation is a result of concerns which have been raised as to how the integrity of the hospice philosophy and quality of care can be preserved in a climate where vast fluctuations in the health care industry are occurring on a daily basis across the country. Literature suggests problems and abuses have arisen in other states with hospice organizations because of managed care. As managed care comes to Alaska, it may be possible to avoid some of those problems with hospice licensure requirements.

The Health Care Financing Administration (HCFA), who has contracted with the Department to provide oversight of the Medicare certified programs, has for several years limited the on-site survey of these providers to 10% - 15% annually. The result of this HCFA decision is that only one of the three current hospice providers will be surveyed each year. Given the apparent need of Alaskans for this service, as shown by the recent additions of both certified and volunteer hospice providers, it is the opinion of the Department that surveying or inspecting one provider a year does not provide adequate oversight of current hospice programs. In addition, there is every indication we will continue to see a growth of this provider type in the State. Under a licensure program mandated by this Bill, with the amendments below, more frequent on-sight surveys or inspections could be done, and as a result, would help to ensure high quality services are being provided. The fiscal impact would be minimal.

Senator Kelly
2/26/97
Page 2

Attached are the recommended changes to SB 96 with the rationale for the those recommendations. We formulated these recommendations based on our own experience with inspecting hospice programs, and following our discussions with Paula McCarron, Hospice of Anchorage, and Richie Sonner, Hospice and Home Care of Juneau. Many of their suggestions and concerns were addressed in our revisions, and they offered their support for the changes.

We appreciate the opportunity to comment on this Bill, and look forward to additional questions or comments you may have.

Sincerely,

Karen Perdue, Commissioner
Department of Health & Social Services

ATTACHMENT

RECOMMENDED CHANGES SB 96

Chapter 18. Hospice Care Programs Article 1. Licensing of Hospice Programs.

Article 1. Sec. 18.18.01. Page 1 Lines 6-9. It is recommended that Sec. 18.18.010 be amended to read:

Sec. 18.18.010. License required. A person, including a partnership, association, or corporation, may not represent itself as a hospice program, or operate a hospice program, [OR OTHERWISE PROVIDE HOSPICE SERVICES] unless the person, partnership, association, or corporation has obtained a license from the department.

Rationale: *Because the definition of "hospice services" is so broad, the language "otherwise provide hospice services" would restrict or otherwise require licensure for volunteer agencies who currently provide supportive services to individuals with terminal disease such as AIDS. In our discussion with hospice representatives their intent was to ensure licensure for anyone representing themselves as a hospice provider.*

Article 1. Sec. 18.18.020. Page 1 Line 10. It is recommended the language in this section be deleted and language adopted to read:

Sec. 18.18.020. Issuance and renewal of license. (a) Upon receipt of an application for license and the license fee if required, the department shall issue a license if the applicant meets the requirements established under AS 18.18.010 - 18.18.390. If the applicant does not meet the requirements established under AS 18.18.010 - 18.18.390, but makes continued efforts to comply with them, the department may grant a temporary or provisional license for a reasonable period of time.

(b) Each license issued is for the person, agency, corporation, partnership, association, or other form of organization named on the application and is not transferable or assignable except with the written approval of the department.

(c) The department will establish the standards for license renewal and will determine the renewal period by regulation.

(d) A license is not renewable if it has been suspended or revoked under AS 18.18.030.

Rationale: *The language above represents a clearer statement as to the Department's authority and obligation. Additionally, under this language the department has the ability through regulation to stipulate the survey and license cycle which may be one year or could be determined by history of compliance and other indicators.*

Article 1. Sec. 18.18.030. Page 2 Line 6. It is recommended the language in this section be deleted and language adopted to read

Sec. 18.18.030. Denial, Suspension, or revocation of license. (a) The department will, in its discretion, deny, reduce to a provisional license, or revoke a hospice agency application or license if the department finds that the agency:

(1) has endangered the health, safety, or welfare of a client;

(2) has a history of deficiencies in quality of care;

(3) has had a license to operate a hospice agency revoked in any licensing jurisdiction;

(4) has been convicted of operating a hospice agency without a license in any licensing jurisdiction;

(5) lacks a sufficient number of personnel who have the training, experience, or judgment to provide adequate hospice care;

(6) has committed fraud, deceit, misrepresentation, or dishonesty associated with the application for or operation of a hospice agency in any licensing jurisdiction; or

(7) has violated regulations adopted under this chapter.

(b) The department will, in its discretion, and without a hearing, summarily suspend a hospice agency license if it finds that the actions or deficiencies of the agency cause an immediate and serious threat to the public health, safety, or welfare. A summary suspension remains in effect until such time as the department finds that the actions or deficiencies are corrected or the license is revoked.

(c) The department will, in its discretion, and without a hearing, reduce a hospice agency license to a provisional license for a period of time established by the department, if the department finds that an agency is temporarily unable to comply with the provision of this chapter, or is in the Medicare decertification process, but is taking the appropriate steps necessary to bring the agency into compliance. An agency holding a provisional license may not accept new patients. If the agency fails to correct its deficiencies within the provisional license period, the department will revoke that agency's license.

(d) Application denial, and revocation actions by the department shall be conducted under AS 44.62 (Administrative Procedures Act).

Rationale: No other provider type which is licensed and Medicare certified receives deemed status for licensure based on certification compliance. Often state licensure requirements cover areas not regulated by Medicare. State requirements under regulation for licensure of hospice providers would not just mirror federal requirements. Therefore, it is not in the best interest of the public to mandate deemed status.

The language recommended to replace this Sec. is to provide further clarification and authority felt necessary to enable the Department to carry out its obligation to ensure quality care is provided.

Article 1. Sec. 18.18.040. Page 2 Lines 10-18. It is recommended that Sec. 18.18.040 be amended to read:

Sec. 18.18.040. Right of entry and inspection. A duly designated employee of the department may enter the premises of a hospice provider who has applied for a license or who is licensed under this chapter. These employees may inspect [RELEVANT DOCUMENTS OF THE HOSPICE PROVIDER] any and all documents necessary to determine whether the provider is in compliance with this chapter and regulations adopted under this chapter. The right of entry and inspection extends to premises and documents of providers whom the department has reason to believe are providing hospice services without a license. [THESE ENTRIES OR INSPECTIONS MUST BE MADE WITH THE PERMISSION OF THE OWNER OR PERSON IN CHARGE UNLESS A WARRANT IS FIRST OBTAINED.]

Rationale: Language such as "relevant" is subjective and lends to interpretation. The last sentence is unnecessary.

Article 1. Sec. 18.18.100. (c). Page 2 Lines 25-26. It is recommended that Sec. 18.18.100. (c) be amended to read.

Sec. 18.18.100. Requirements for licensure. (c) A hospice program shall [BE A DISCRETE ENTITY WITH] have at least the following features:

Rationale: The term "discrete entity" implies a hospice organization would have to be a stand alone organization. Currently one home health agency also provides volunteer hospice services, and one hospital has under it's umbrella a certified hospice agency. This language would introduce confusion and could severely limit organizations which provide other services from obtaining licensing for hospice care. Across the country a significant percentage of community health care agencies have both a certified hospice and home health program component. These agencies commonly utilize many of the same "cross-trained" staff in both programs. However, these programs are not identical in focus, scope and regulatory practice. Therefore, we suggest this language be replaced with "have" to eliminate this concern.

Article 1. Sec. 18.18.100. (e). Page 3 Lines 6-14. It is recommended that Sec. 18.18.100. (e) be amended to read.

Sec. 18.18.100. Requirements for licensure. (e) Hospice services shall be delivered in accordance with a care plan approved by the interdisciplinary team regardless of whether the hospice services are provided by hospice program staff or by contractors. [THE CARE PLAN MUST PROVIDE FOR 24-HOURS-A-DAY, SEVEN-DAYS-A-WEEK SERVICES.] The care plan must be reviewed periodically by the interdisciplinary team and revised as needed. The client, and the client's family if the client desires, must be given the opportunity to participate in the development of the care plan and must be informed of the opportunity to attend interdisciplinary team meetings. The interdisciplinary team must consider the need for at least the following services when developing the care plan:

Rationale: *It is felt the appropriate place to require 24-hour-a-day, seven-days-a-week services is in 18.18.100(f)(3). [See Below] It is the responsibility of the hospice organization to ensure services are available and the care plans should reflect the needs of each client.*

Article 1. Sec. 18.18.100. (f). Page 3 Lines 23-Page 4 Line 1. It is recommended that Sec. 18.18.100. (f) be amended to read.

Sec. 18.18.100. Requirements for licensure. (f) Nursing services provided by a hospice program shall be provided in accordance with a care plan and must be under the direction and supervision of a nurse supervisor. The nurse supervisor shall

- (1) develop nursing objectives, policies, and procedures consistent with hospice philosophy;
- (2) develop job descriptions for nursing personnel consistent with hospice philosophy;
- (3) establish staffing and on-call schedules for nursing staff to ensure 24-hour-a-day, seven-days-a-week services are available; and
- (4) develop and implement orientation and training programs for nursing staff.

Rationale: *See above.*

Article 1. Sec. 18.18.100. (j)(1). Page 5 Line 4-7. It is recommended that Sec. 18.18.100. (j)(1) be amended to read:

Sec. 18.18.100. Requirements for licensure. (j). A hospice program shall maintain, at a minimum, the following records:

- (1) a [MEDICAL] record for each client that includes copies of the client's care plan, progress notes, assessments, and a description of services provided to the client and the client's family;

Rationale: *After consultation with providers both certified and volunteer hospice programs, it was determined the term "medical" in reference to records would not apply to all hospice providers since volunteer organizations may not be following a medical model.*

Article 1. Sec. 18.18.100. (n). Page 5 Lines 23-25. It is recommended that Sec. 18.18.100. (n) be deleted.

Rationale: *The intent of (n) was that if hospice programs that provided 24 hour inpatient/residential hospice services be Medicare certified prior to licensure. It is not appropriate to require certification prior to licensure. In order to meet the requirements of 18.18.010, a license would have to be obtained prior to certification. It is generally required that most provider types be in business for 30 to 45 days and have client records available for review before certification compliance can be adequately assessed. Any person or entity operating a 24 hour inpatient/residential hospice program would need to meet the requirements of this legislation.*

Article 2. Licensing of Volunteer Hospice Programs.

Article 2. Sec. 18.18.200. (a). Page 5 Lines 27-29. It is recommended that Sec. 18.18.200. (a) be amended to read.

Sec. 18.18.200. Licensing requirements. (a) A volunteer hospice program must comply with this section and with [OTHER PROVISIONS OF THIS CHAPTER THAT ARE RELEVANT TO A VOLUNTEER HOSPICE PROGRAM] AS 18.18.010 - AS 18.18.040, AS 18.18.100(a)-(b), As 18.18.100(c)(1)-(3) and (5), AS 18.18.100(d), AS 18.18.100(c), and AS 18.18.100(j)-(l).

Rationale: *This section refers to provisions in the chapter that are relevant to a volunteer hospice program, but does not stipulate which sections are relevant. It is necessary to include all that applies in section 18.18.100 in section 18.18.200. This language would delineate what seems to be appropriate*

requirements of 18.18.101 through 18.18.100 for volunteer hospice agencies. This change has been discussed with providers of both certified and volunteer hospice programs and it was agreeable.

Article 2. Sec. 18.18.200. (b). Page 5 Lines 30 - Page 6 line 7. It is recommended that Sec. 18.18.200. (b) be amended to read.

Sec. 18.18.200. Licensing requirements. (b) At a minimum, a direct service volunteer must

- (1) submit a written application;
- (2) undergo a screening interview and a [POSTTRAINING] post-training interview;
- (3) attend a [20] 18 hour standard training program;
- (4) submit a confidentiality statement in which the volunteer agrees to follow the program's policy regarding confidentiality required by AS 18.18.100(k) [AND (a) OF THIS SECTION]; and
- (5) if the volunteer will transport individuals, have proof of auto insurance and a valid driver's license.

Rationale: *This change would require the same initial training requirements for volunteer hospice organizations as is required for others. In 18.18.200(4), there is no confidentiality requirement in 18.18.100(a).*

Article 2. Sec. 18.18.200. (c)(7). Page 6 Lines 16. It is recommended that Sec. 18.18.200. (c)(7) be amended to read.

Sec. 18.18.200. Licensing requirements. (c)(7) [INTERDISCIPLINARY] team conferencing;

Rationale: *Interdisciplinary team is defined for organizations licensed under 18.18.100 and includes participation of specified professionals who may not always be available or represented in volunteer organizations.*

Article 2. Sec. 18.18.200. (d). Page 6 Lines 19-25. It is recommended that Sec. 18.18.200. (d) be amended to read.

Sec. 18.18.200. Licensing requirements. (d) Volunteer services in a volunteer hospice must be directed by a coordinator of volunteer services who shall

- (1) implement a direct service volunteer program;
- (2) coordinate the orientation, education, support, and supervision of direct service volunteers; and
- (3) Coordinate the use of direct service volunteers with other hospice staff and community resources.

Article 2. Sec. 18.18.200(e). Page 6 Line 26-27. It is recommended the language in this section be deleted.

Rationale: *All volunteers in a volunteer hospice program should not be required full knowledge of community resources. It is reasonable for the coordinator to have that knowledge in a volunteer hospice agency.*

Article 3. General Provisions.

Article 3. Sec. 18.18.390(11). Page 8 Lines 7-8. It is recommended that Sec. 18.18.390(11) be amended to read.

Sec. 18.18.390. Definitions. (11) "interdisciplinary team," for a hospice providing comprehensive services, means a group comprised of at least a medical director, a licensed nurse, a licensed social worker, a pastoral or other counselor, and a volunteer coordinator or representative; (FOR A VOLUNTEER HOSPICE PROGRAM, "INTERDISCIPLINARY TEAM" MEANS A REGULARLY SCHEDULED CASE CONFERENCE AS DEFINED BY PROGRAM POLICY;]

Rationale: *We took out the requirement for volunteer organizations to have interdisciplinary teams.*

HOSPICE 
& HOME CARE
of Juneau

3200 Hospital Dr. Suite 100 ♥ Juneau, Alaska 99801

(907) 463-3113 ♥ FAX 463-3835

March 24, 1997

Hon. Gary Wilken, Chair
Senate HESS
Room #510
State Capitol, Juneau, AK 99801-1182

Dear Senator Wilken:

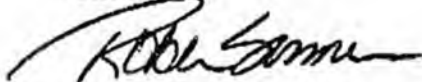
I am writing this letter in support of Senate Bill 96. The following is a brief elaboration of the reasons why I believe it is important for the bill to pass, and remain intact.

The intent of the bill is to prevent just anyone from hanging out a shingle and claiming to provide hospice services. The terminally ill and their families are a vulnerable population, bearing the emotional and physical burden of facing death. While these people are frequently overwhelmed with their situation, it is an unfortunate reality that there is potential opportunity for companies to make money, and provide less than acceptable services. This bill will help to maintain the integrity and the quality of services provided by hospices through the licensing process.

The bill is well written, and adequately differentiates between voluntary hospices and certified hospices. As the administrator of a voluntary hospice, I do not believe that the bill is too restrictive, or puts too much administrative or financial burden on voluntary hospices. I believe that these are minimum standards which every agency calling themselves a hospice is ethically obligated to meet to ensure quality of care for its clients.

I encourage you to pass the bill, as it is written, in order for all terminally ill persons in Alaska to be guaranteed high quality hospice care.

Sincerely,



Ritchie Sonner
Executive Director



April 8, 1997

Hon. Gary Wilken, Chair
Senate HESS
Room #510
State Capitol
Juneau, Alaska 99801-1182

Dear Senator Wilken:

Thank you for the opportunity to voice my testimony regarding Senate Bill #96.

At the hearing there was discussion regarding a possible amendment to delete voluntary hospices from the bill. This letter is to urge you to either pass the bill as it is written, or not pass the bill at all. If we exclude voluntary hospices from the statutes, it would prevent any voluntary hospice from calling themselves a "hospice" or claiming they provide "hospice services". I do not believe this is the intent of the legislation.

I encourage you to think carefully while considering such an amendment. While I support the bill as it is written, I strongly feel that an amendment could do more damage than it could good.

Sincerely,

Ritchie Sonner
Executive Director

Alaska State Legislature

Please enter into the record my testimony to the Senate Bill 96 Hess Finance
(committee name)
committee on Hospice - Licensing dated _____
bill/subject

Ketchikan Hospice Support Group has formed
A partnership with the KCH - Home Health Department.
Ketchikan Hospice Support Group is a volunteer
organization that meets the proposed standards
We support this pro-active bill if we may
continue in our innovative, flexible, and creative
methods for providing Hospice Service in Ketchikan.
All Hospices should be following the National
Hospice Organization Standards. These
Standards are well defined and must be
adhered to. We feel strongly about maintaining
these standards and feel all Hospices
must follow these standards to maintain
the integrity of hospice. ~~But~~ If State
Regulations are needed to maintain the integrity of hospice
then so be it.

Signed:

Dawn FairbanksPhone: 225-8914

Testifier

Ketchikan Hospice Support Group

Representing (Optional)

Po Box 1973 Ketchikan AK 99901

Address

Fax transmitted from Ketchikan Legislative Information Office
Phone: 225-9675 Fax: 225-8546



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MAR 24 1997

ALASKA NURSES ASSOCIATION

237 E. 3rd Avenue #3 Anchorage, AK 99501-2523
(907) 274-0827 FAX: (907) 272-0292

Testimony of Patricia Senner RN
Alaska Nurses Association
on CS SB 96
March 21, 1997

My name is Patricia Senner, I am a Registered Nurse and Executive Director of the Alaska Nurses Association. The Alaska Nurses Association is testifying today in favor of CS SB 96.

The national debate over the care provided to persons nearing the end of their life has highlighted the need for quality hospice services. We feel the CS SB 96 will help Alaska develop the types of quality services Alaskans need at this time in their lives.

The Nurses Association likes the two-tiered approach to licensing presented in this bill. It sets up a very minimal standard for volunteer hospices, while having broader standards for those hospices who are receiving reimbursement for their services. Setting a minimal standard for volunteer hospices prevents them from being regulated out of existence, and at the same time provides a means for the public to take action against unscrupulous providers. The bill should help hospices receive reimbursement from third party payers since licensing is often a requirement of large national insurance companies.

The Alaska Nurses Association is especially pleased with the emphasis placed in the bill on the role played by the Registered Nurse. About a year ago my brother-in-law died of cancer. He received hospice services, which the family found invaluable. I overheard my sister-in-law say to a friend that you can tell when a person is near the end of their life because the doctor turns over their care to the nurses. Nurses have long been the health care professionals most responsible for caring and supporting patients and their families during the final stage of their lives.

We are pleased that the description of "primary health care provider" includes both physicians and advanced nurse practitioners. Advanced nurse practitioners in Alaska may practice independently and may be the primary care provider for an individual. In that capacity the need might arise for the nurse practitioner to refer patients for hospice services.

In closing I would like to say that the Alaska Nurses Association is in complete agreement with the "hospice philosophy" outlined in the bill. If we deliver services based on this philosophy it will greatly improve the experiences of dying individuals and their families during this difficult transition.

In recent years, health care costs and consumers' demand for a broader range of health care options has resulted in the development of more cost-effective outpatient services. This development has included expansion of home health agencies. Home care agencies of various types have been providing in-home services for over a century. However, Medicare's enactment in 1965 made home health services, primarily skilled nursing and therapy of a curative or restorative nature, available to the elderly and, beginning in 1973, to certain disabled younger Americans. In 1965 home health agencies numbered 1,110; in 1994 there were over 7,500; and today there are 10,014 Medicare-approved home health agencies.

Over the past three years in Alaska, home health agencies have grown by more than 100% from 12 to 26, and have been the single fastest growing health care provider type in the state. During 1996, 21 home health agencies in Alaska provided care to over 3,300 patients. Home health agencies currently serve the communities of Anchorage, Fairbanks, Cordova, Juneau, Palmer, Ketchikan, Kodiak, Petersburg, Sitka, Homer, Valdez, Wasilla, Dillingham, Soldotna, Wrangell, Haines, Delta Junction and surrounding areas.

Home health services are those skilled therapeutic services provided to individuals and families in their home or place of residence for the purpose of helping them attain and maintain their highest possible functional capacity, given the constraints of their illness(es). Patients who qualify for home health services must be homebound, need intermittent skilled care, and services that are medically necessary and ordered by a physician.

The quality of services provided by a home health agency are measured by the medical, nursing, and rehabilitative care that the agency organizes, implements, and evaluates as ordered by the physician in the plan of care. Home health agencies must provide skilled nursing and at least one other service. Most home health agencies provide a range of therapeutic services such as physical, occupational and speech therapies, home health aide services, and medical social services. Some programs provide mental health services or other ancillary health services, such as pharmacy or nutritional counseling, even though the latter two services are not reimbursed by Medicare or most other third party payers. Most home health agencies provide medical supplies that are needed to effectively carry out physician orders. Some programs also provide durable medical equipment such as canes, crutches, wheelchairs, etc..

The most important tool the state has for ensuring the quality of home health care is the survey. Surveys, conducted by Division of Medical Assistance Licensing and Certification staff, are used to ensure that agencies comply both with federal requirements for Medicare certification and state licensing requirements. A standardized Functional Assessment Instrument is used for all home health agency surveys to provide an accurate summary of how individuals' medical, nursing and rehabilitative needs are effected by the home health agency services planned, organized, provided, and evaluated in accordance with the physician's plan of care.

Due to the progressive nature of the home health agency industry, and the increasing acuity of home health clients, additional services are being included in everyday home health care that have not yet been covered in the Medicare standards. For those reasons, areas that were

From Health + Social Services

developed in the licensure requirements to ensure the quality of care in the home include the following.

1. **Quality Improvement:** A home health agency must have a quality improvement program to assess the extent to which the agency's program is appropriate, effective, and efficient.
2. **Therapy Services:** In Alaska, therapists are allowed to obtain their own patients without a physician's order. To maintain continuity among home health agency services, therapy services offered by a licensed home health agency must be provided in accordance with a plan of care by or under the supervision of a therapist licensed under AS 08.84. Additionally, the therapist's treatment plan must be established or modified upon written or verbal orders from a physician.
3. **Nutritional Services:** If a plan of care requires the consultation or direct services of a dietitian, a licensed home health agency must ensure that those services are provided by a dietitian registered by the Commission on Dietetic Registration of the American Dietetic Association. Additionally, a dietitian must maintain liaison with the physician and agency staff to ensure that their efforts are coordinated effectively and support the objectives outlined in the plan of care.
4. **Central Supply:** A home health agency shall maintain a separate area for processing, decontamination, if necessary, and storage of sterile supplies and materials.
5. **Infusion Services:** Home health patients are commonly treated in their homes with intravenous infusions. If a home health agency provides parenteral or hyperalimentation services, the agency shall describe the scope of the services to be provided, develop a plan for emergency services to meet the scope of the services provided, and administer treatments only upon the order of a physician.
6. **Advance Directives:** Before initiating care or services, a home health agency must provide each patient, 18 years of age or older, or their legal representatives, with forms and information on the right of the individual to make health care decisions, including the right to accept or refuse medical or surgical treatment and the right to execute an advance directive and power of attorney for health care.
7. **Abuse, Neglect & Mistreatment:** A home health agency shall develop and implement written policies and procedures that prohibit abuse, neglect, and mistreatment of patients.
8. **Contracts:** A home health agency's contract with another facility or agent to provide home health care or services must specify the respective functions and responsibilities of the contractor, require the contractor to conform to all applicable agency policies, including personnel qualifications, specify the contractor's responsibility for participating in developing a plan of care, specify the manner in which the care or services will be controlled, coordinated, and evaluated by the contracting home health agency.
9. **Risk Management:** A home health agency must have a risk management program that includes a procedure to investigate, analyze, and respond to patient grievances related to patient

care. Additionally, conduct in each service area, an orientation program for each new employee and annual inservice training.

10. Infection Control: A home health agency shall develop and implement written policies and procedures applicable to all agency staff that minimize the risk of transmitting infection in all patient care or services, provide for the safe handling and disposal of biohazardous and infectious materials, verify at least every 2 years that its employees, contractors, and volunteers who provide patient care, receive training on universal precautions and the prevention transmission, and treatment of HIV, AIDS, hepatitis, and tuberculosis.

11. Employee Health Program: A home health agency shall have an employee health program that requires each employee to be tested for pulmonary tuberculosis within the first two weeks of initial employment and annually thereafter. Contractors performing patient care or services for the agency must have similar standards in place. Each employee who provides direct patient care to pregnant women shall be immunized against rubella.

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 97

Revision Date: _____ Dept. Affected: Corrections
 Title: "An Act giving notice of and approving a lease BRU: All
purchase agreement with the City of Seward for construction and..." Component: All
 Sponsor: Senator Torgerson
 Requester: Senate HESS COMPONENT SERIAL NO. #0694

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	176.5	479.3	2,911.7	2,911.7	2,911.7	2,911.7
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	20.0	20.0	4,571.8	4,571.8	4,571.8	4,571.8
TOTAL OPERATING	196.5	499.3	7,483.5	7,483.5	7,483.5	7,483.5

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

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

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	196.5	499.3	7,483.5	7,483.5	7,483.5	7,483.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	196.5	499.3	7,483.5	7,483.5	7,483.5	7,483.5

Estimate of any current year (FY97) cost: \$ 0.0

POSITIONS

FULL-TIME	3	47	44	44	44	44
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Please see attached explanation.

Prepared by: Bruce Richards
 Division: Commissioner's Office *Margaret M. Pugh*
 Approved by Commissioner: Margaret M. Pugh
 Agency: Department of Corrections

Phone: 465-3307
 Date: 3/11/97
 Date: 3/11/97

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Assumptions

It will be necessary for the Department of Corrections (DOC), as well as the Department of Transportation and Public Facilities, to be involved in the planning and oversight of this project throughout its construction phase, which will take two years. DOC estimates it will need three new positions to perform the necessary functions associated with this expansion project.

Criminal Justice Planner (73.7) This position will be responsible for prisoner movement, programming, staffing and operational start-up. This will be a full-time position through project completion.

Facilities Manager I (68.7) The manager will serve as DOC's first line of oversight for facility design and construction. The position will continue through final acceptance of the facility.

Administrative Clerk I (34.1) This position is required throughout the project to complete research, maintain files and records, and provide support to the Criminal Justice Planner and the Facilities Manager.

\$20.0 annually is included in the fiscal note to pay for office space, equipment, supplies, travel, etc. for the three positions noted above.

Actual operation of the expansion would begin in FY00, with staff hiring and training to begin in late FY99. This cost is estimated to be \$302,800. This figure includes training and salary costs. Staffing of the new facility would require forty-four additional security and administrative support staff.

Operating Costs

Assuming that the facility can be constructed in two years, operational costs would be incurred beginning in FY 00. Assuming that the prisoners in the facility would be classified close/maximum custody, and assuming that the facility housed 250 prisoners, the DOC would need to hire forty-four additional security and support staff at a cost of \$2,911,700 per year. Non personnel institution costs which include supplies, food, clothing etc. would cost an additional \$2,012,400 per year. Indirect costs which include Inmate Programs, Inmate Health Care, Admin, Institution, etc. would cost and additional \$2,559,400 per year. This is a total operating cost of \$7.5 million per year.

44 security and support staff = \$2,911.7

Non-personnel institution costs = \$2,012.4

Indirect costs (Inmate Programs, Inmate Health Care, etc) = \$2,559.4

Total Operating Costs = \$7,483.5

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB 97

Revision Date: 3/20/97 Dept. Affected: DOT&PF
 Title: "An Act giving notice of and approving a lease-purchase...Spring Creek Correctional Center...and operation." BRU: Central Region Design & Construction
 Sponsor: Senator Torgerson Component: Central Region CIP Program
 Requester: HESS, Finance COMPONENT SERIAL NO. 563

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The Department of Transportation and Public Facilities does not have a role in the proposed lease-purchase agreement. It is an action between Department of Administration and the City of Seward for the construction and operation on an addition to the Spring Creek Correctional Center.

Prepared by: Mike Downing, P.E., Director Phone: 465-2960
 Division: Engineering and Operations Date: 3/20/97
 Approved by: Joseph L. Perkins Date: 3/20/97
 Agency: Department of Transportation and Public Facilities

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Revision Date: _____ Dept. Affected: Revenue
 Title: Lease-Purchase Spring Creek Correctional BRU: Revenue Operations
 Component: Treasury
 Sponsor: (S) RLS
 Requestor: (S) HES COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS - LEASE PAYMENTS		2,577.2	2,575.1	2,577.2	2,577.9	2,575.2
TOTAL OPERATING	0.0	2,577.2	2,575.1	2,577.2	2,577.9	2,575.2

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	2,577.2	2,575.1	2,577.2	2,577.9	2,575.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	0.0	2,577.2	2,575.1	2,577.2	2,577.9	2,575.2

Estimate of any current year (FY97) cost \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The bill authorizes a lease-purchase agreement with the City of Seward for up to \$25.0 million for expansion of the Spring Creek Correctional Facility.

Assuming a project cost of \$25.0 million, current interest rates plus 75 bps (3/4% per annum), approximately equal annual payments of principal and interest and a fifteen year lease term, the projected lease payments are approximately \$2.6 million per year or \$38.7 million over the lease term. See attached debt service schedule.

(The Department of Revenue's analysis continues on the attached page.)

Prepared by: Forrest Browne *Forrest Browne* Phone: 465-3750
 Division: Treasury Date: March 4, 1997
 Approved by Commissioner: Ross Kinney, Deputy Commissioner *Ross Kinney* Date: March 4, 1997
 Agency: Revenue

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The Department of Revenue recommends several changes to the proposed bill to facilitate the proposed lease-purchase financing at minimum cost to the State. Essentially these changes are:

1. To clarify that the state bond committee will coordinate the financing.
2. To eliminate the requirement that the City of Seward be the lessor and nominal issuer of the financing, to maintain flexibility if a more cost-effective financing structure can be used.
3. To recognize that approximately \$31.0 million of existing Spring Creek Correctional Facility lease-purchase financing is currently outstanding and may need to be restructured or refinanced to accommodate the proposed \$25.0 million expansion at minimum interest cost to the State.
4. To clarify that both the correctional facility and the land will be owned by the State at the end of the term of the lease agreement.

The recommended language changes to the bill to accomplish the above are:

Line 1-2, page 1: eliminate "with the City of Seward".

Line 8, page 1: after "correctional facilities," add "the state bond committee is authorized to arrange for the issuance of certificates of participation for and".

Line 9-10, page 1: after "lease-purchase agreement" eliminate "with the City of Seward under AS 33.30.03".

Line 12, page 1: after "commissioner of corrections." add "Additionally the state bond committee is authorized to arrange for the refinancing of approximately \$31.0 million of outstanding lease-purchase financing on such terms and conditions as are reasonably required to accomplish this Spring Creek Corrections expansion project."

Line 2, page 2: after "(2) the" add "additional" .

Line 3, page 2: after "the anticipated" add "additional".

Line 3-4, page 2: eliminate "to be paid by the Department of Corrections".

Line 6, page 2: after "correctional facility" add "and all real estate appurtenant to the correctional facility;".

Dated: 2/1/98
 Delivered: 2/1/98

**Sizing Debt Services Schedule
 Spring Creek Correctional - Ex
 CURRENT RATES +75bp**

Fiscal Yr	Coupon MYY	Zer Date	Coupon Cpn	Coupon Rate	Maturing Principal	Periodic Interest	Gross Semi-Annl Dbt Svc	Capitalized Interest	Debt Svc Rsv Int & Prin	Cntgncy Fnd Int & Prin	Net Semi-Annl Dbt Svc	Net Fiscal Dbt Svc
2	99	8/1/98				728,597.50	728,597.50				728,597.50	
8	99	2/1/99	N	4.650	1,120,000.00	728,597.50	1,848,597.50				1,848,597.50	2,577,195.00
1	2	0	8/1/99			702,557.50	702,557.50				702,557.50	
8	0	2/1/00	N	4.850	1,170,000.00	702,557.50	1,872,557.50				1,872,557.50	2,575,115.00
2	2	1	8/1/00			673,600.00	673,600.00				673,600.00	
8	1	2/1/01	N	5.150	1,230,000.00	673,600.00	1,903,600.00				1,903,600.00	2,577,200.00
3	2	2	8/1/01			641,927.50	641,927.50				641,927.50	
8	2	2/1/02	N	5.300	1,295,000.00	641,927.50	1,936,927.50				1,936,927.50	2,578,855.00
4	2	3	8/1/02			607,610.00	607,610.00				607,610.00	
8	3	2/1/03	N	5.450	1,360,000.00	607,610.00	1,967,610.00				1,967,610.00	2,575,220.00
5	2	4	8/1/03			570,550.00	570,550.00				570,550.00	
8	4	2/1/04	N	5.600	1,435,000.00	570,550.00	2,005,550.00				2,005,550.00	2,576,100.00
6	2	5	8/1/04			530,370.00	530,370.00				530,370.00	
8	5	2/1/05	N	5.700	1,515,000.00	530,370.00	2,045,370.00				2,045,370.00	2,575,740.00
7	2	6	8/1/05			487,192.50	487,192.50				487,192.50	
8	6	2/1/06	N	5.800	1,605,000.00	487,192.50	2,092,192.50				2,092,192.50	2,579,385.00
8	2	7	8/1/06			440,647.50	440,647.50				440,647.50	
8	7	2/1/07	N	5.900	1,695,000.00	440,647.50	2,135,647.50				2,135,647.50	2,576,295.00
9	2	8	8/1/07			390,645.00	390,645.00				390,645.00	
8	8	2/1/08	N	6.000	1,795,000.00	390,645.00	2,185,645.00				2,185,645.00	2,576,290.00
10	2	9	8/1/08			336,795.00	336,795.00				336,795.00	
8	9	2/1/09	N	6.100	1,905,000.00	336,795.00	2,241,795.00				2,241,795.00	2,578,590.00
11	2	10	8/1/09			278,692.50	278,692.50				278,692.50	
8	10	2/1/10	N	6.200	2,020,000.00	278,692.50	2,298,692.50				2,298,692.50	2,577,385.00
12	2	11	8/1/10			216,072.50	216,072.50				216,072.50	
8	11	2/1/11	N	6.200	2,145,000.00	216,072.50	2,361,072.50				2,361,072.50	2,577,145.00
13	2	12	8/1/11			149,577.50	149,577.50				149,577.50	
8	12	2/1/12	N	6.300	2,285,000.00	149,577.50	2,434,577.50				2,434,577.50	2,584,155.00
14	2	13	8/1/12			77,600.00	77,600.00				77,600.00	
8	13	2/1/13	N	6.400	2,425,000.00	77,600.00	2,502,600.00				2,502,600.00	2,580,200.00
						25,000,000.00	38,664,870.00	38,664,870.00			38,664,870.00	38,664,370.00

True Interest Cost (TIC).....6.1411183
Net Interest Cost (NIC).....6.1393805
Arbitrage Yield Limit (AYL).....6.0192042
Arbitrage Net Interest Cost (ANIC)..... 6.0508203

Prepared by: FORREST BROWNE, DOR - TREASURY
 Prepared on: 3/3/97 10:53 8.05 Rpt 14
 Record ID: SCDOC-1998-K :MUNIDB

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 2/19/97

FURTHER: Finance

Date of 5-Day Notice: 3/6/97
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3/19/97

HESS Committee considered SENATE BILL NO. 97

"An Act giving notice of and approving a lease-purchase agreement with the City of Seward for the construction and operation of an addition to the Spring Creek Correctional Center, and setting conditions and limitations on the facility's construction and operation."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
CHAIR:		CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
Corrections	3/11/97		✓
Revenue	3/4/97		✓

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

Alaska State Legislature



Committee Membership

Senate Finance
Senate Resources
Senate Rules
Legislative Budget & Audit

Senator John Torgerson

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Kenai, AK 99611
(907) 283-2690
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Session Address:
State Capitol; Room 514
Juneau, AK 99801-1182
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Sponsor Statement

SB 97: Lease-Purchase Spring Creek Correctional Facility

This bill authorizes a maximum of \$25 million for the expansion of the existing correctional facility at Spring Creek, in Seward, Alaska. The expansion would be constructed by the City of Seward. The annual payments for the lease from the State of Alaska will retire the bond obtained by the City for the project's funding.

The proposed addition will provide 250 long term maximum and medium security beds. It will be a stand alone structure and conforms to the basic construction criteria for the existing core unit which was built in 1988. That facility was also constructed by the City of Seward and the funding process was similar to this proposal.

The need for additional in-state prison facilities is well documented. Alaska's jails and prisons are severely overcrowded and we face substantial fines for any violation of court ordered population limits at our correctional facilities.

Construction and operation of this correctional project will clearly show a commitment by the legislature to respond to the public's demand to deal with accelerating crime rates. Obviously, more arrests requires additional jail and prison facilities to house the criminals.

It is important to recognize that the State of Alaska has not significantly increased the number of prison beds since 1988 ... when the Spring Creek Correctional Center in Seward opened.

SS - SB 97: S(HES): 3/10/97: mj

Representing the Kenai Peninsula

Alaska State Legislature



Committee Membership

Senate Finance
Senate Resources
Senate Rules
Legislative Budget & Audit

Senator John Torgerson

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Sectional Analysis

SB 97 - Lease-Purchase Spring Creek Correctional Facility

Section 1: (a) (1) Authorizes a lease-purchase agreement with the City of Seward, so that the City can finance and construct an addition to the existing correctional facility with a maximum facility cost.

(2) Sets forth the maximum annual rental obligation amount and the maximum full term lease payment amount.

(3) Specifies that the state shall own the facility at the end of the lease term.

(4) Specifies that the addition must be designed and constructed to provide at least 250 additional bed.

(b) Provides the notice and approval required by statute.

SA: SB 97: S(HES): 3/1097: mj

Representing the Kenai Peninsula

Alaska State Legislature



Committee Membership

Senate Finance
Senate Resources
Senate Rules
Legislative Budget & Audit

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Information Packet - Senate HESS Committee SB 97: Lease-Purchase Spring Creek Correctional Facility

- Lease-Debt Service Illustrations
- 3/10/97 letter to Senator Torgerson from Alaska State Employees Association
- 2/10/97 letter to Senator John Torgerson and Representative Gary Davis from Seward Mayor Bencardino
- 11/01/96 letter to Chief of Staff Jim Ayers from Seward Mayor Bencardino
- 10/31/96 memorandum to Seward Mayor Bencardino from Seward Finance Director Rick Gifford
- 10/3/96 letter to City Manager Ron Garzini from Spring Creek Superintendent Larry Kincheloe
- 10/02/96 Population Increase Worksheets (attachment to above 10/3/96 letter)
- 09/16/96 letter to City Manager Ron Garzini from Strand Hunt Construction
- 1985 Prison Lease Flow Chart

SB 97: S(HES) Bill Packet: mj



PUBLIC FINANCIAL MANAGEMENT, INC.

Financial and Investment Advisors

114 West Seventh Street, Suite 1500
Austin, Texas 78701
512-472-7194 (Fax) 512-472-0932

To: Eric Wohlforth
Ron Garzini

From: Don Grimes

Date: Wednesday, January 15, 1997

Re: Spring Creek Expansion Legislation - Debt Service Information

At Eric's request, I have calculated annual and total debt service on a state lease of a Spring Creek expansion which I understand is under consideration. I have used interest rates which are probably about 100 basis points (1%) higher than current market rates for a publicly offered transaction to allow some cushion for market fluctuations.

I am concerned that the sizing may be too simplistic and just want to point out the first Spring Creek issue did not have any principal maturing until the end of the third year of the lease and had 30 months of capitalized interest included in the sizing. There was also an additional year of debt service set aside in a Reserve Fund. Issuance costs, including bond insurance, were also paid from the proceeds. I am enclosing a copy of the Official Statement cover page and source/use of funds page for easy reference.

I will be happy to do a detailed sizing analysis or other scenarios if you will supply more information. Best regards to you both for the New Year.

Spring Creek Correctional Center Lease
City of Seward, Alaska / State of Alaska
Debt Service Illustrations
15-Jan-97

<u>Issue Size</u>	<u>Term of Lease</u>	<u>Interest Rate</u>	<u>Average Annual Debt Service</u>	<u>Total Debt Service</u>
\$ 21,000,000	15 Years	6.75%	\$ 2,269,378	\$ 34,040,663
	20 Years	7	1,982,138	39,642,750
	25 Years	7.25	1,842,559	46,063,975
\$ 25,000,000	15 Years	6.75	2,701,487	40,522,300
	20 Years	7	2,359,798	47,195,950
	25 Years	7.25	2,193,814	54,845,350



ALASKA STATE EMPLOYEES ASSOCIATION

AFSCME Local 52, AFL-CIO

March 10, 1997

Senator John Torgerson
State Capitol, Room 514
Juneau, AK 99801

Dear Senator Torgerson:

As the Statewide President of the Alaska State Employees Association, AFSCME Local 52, I am writing to you to express my support of SB97, the Spring Creek Correctional Facility Expansion Authorization legislation.

On behalf of all correctional officers around the state, I want to thank you for bringing forward this legislation which would authorize construction of the final phase of Spring Creek. Expanding Spring Creek is a win-win situation for everyone. Unlike the private facilities being talked about in Anchorage, the people of Seward want this project. There are no zoning or siting problems because the Spring Creek facility has proven itself to be a good neighbor. Seward's experience with Spring Creek is that the state can operate a safe, efficient, effective corrections facility. The City of Seward is so positive about this experience that they are willing to finance the construction costs themselves.

I am sure you are aware that over the past ten years the State of Alaska has fallen behind in constructing facilities to house our growing prison population. The lack of new prison beds has created a serious overcrowding problem and a dangerous working environment for corrections officers. As a temporary solution, the state has been forced to ship inmates to out-of-state facilities at an ever increasing cost. This practice removes money from our economy to the benefit of outside interests. We need this money and these jobs in our state. It's good for Alaska and good for a town like Seward.

ASEA represents over on hundred and fifty correctional officers who work at the Spring Creek Correctional Facility. Since the completion of the initial phase of construction, a growing number of these correctional officers have moved permanently to the Seward or Kenai Peninsula area. At present, approximately 60% of these correctional officers have found housing and employment for family members in Seward. We hope this trend continues into the future as we expand the Spring Creek Correctional Facility to its maximum designed capacity.

ANCHORAGE OFFICE

3510 Spenard Road, Suite 110
Anchorage, AK 99501
(907) 277-5200 FAX (907) 277-5206
TOLL free: 800-478-ASEA

JUNEAU OFFICE

641 West Willoughby, Suite 100
Juneau, AK 99801
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TOLL free: 800-478-0049

FAIRBANKS OFFICE

315 Barnette Street, Suite 104
Fairbanks, AK 99701
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TOLL free: 800-478-2305