

ALASKA LEGISLATURE COMMITTEE FILES 1999-2000 8672

10098 SENATE LABOR & COMMERCE

**SB**

**71**

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is the Senate L&C  
changes

CS FOR SENATE BILL NO. 71(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to licensure by the State Medical Board."

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

3 \* Section 1. AS 08.64.200(a) is amended to read:

4 (a) Except for foreign medical graduates as specified in AS 08.64.225, each  
5 physician applicant shall

6 (1) submit a certificate of graduation from a legally chartered medical  
7 school accredited by the Association of American Medical Colleges and the Council  
8 on Medical Education of the American Medical Association;

9 (2) submit a certificate from a recognized hospital or hospitals  
10 certifying that the applicant has satisfactorily performed the duties of resident physician  
11 or intern for a period of

12 (A) one year if the applicant graduated from medical school  
13 before January 1, 1995, as evidenced by a certificate of completion of the  
14 first year of postgraduate training from the facility where the applicant  
15 completed the first year of internship or residency; and

1                    (B) two years if the applicant graduated from medical school  
 2                    on or after January 1, 1995, as evidenced by a certificate of completion of  
 3                    the first year of postgraduate training from the facility where the applicant  
 4                    completed the first year of internship or residency and a certificate of  
 5                    successful completion of one additional year of postgraduate training at a  
 6                    recognized hospital;

7                    (3) submit a list of negotiated settlements or judgments in claims or  
 8                    civil actions alleging medical malpractice against the applicant, including an  
 9                    explanation of the basis for each claim or action; and

10                    (4) not have a license to practice medicine in another state, province,  
 11                    or territory which is currently suspended or revoked for disciplinary reasons [; AND

12                    (5) BE A CITIZEN OF THE UNITED STATES OR BE LAWFULLY  
 13                    ADMITTED FOR PERMANENT RESIDENCE].

14 \* Sec. 2. AS 08.64.205 is amended to read:

15                    **Sec. 08.64.205. Qualifications for osteopath applicants.** Each osteopath  
 16                    applicant shall meet the qualifications prescribed in AS 08.64.200(a)(3) and (4)  
 17                    [AS 08.64.200(a)(3) - (5)] and shall

18                    (1) submit a certificate of graduation from the legally chartered school  
 19                    of osteopathy approved by the board;

20                    (2) submit a certificate from a hospital approved by the American  
 21                    Medical Association or the American Osteopathic Association that [WHICH] certifies  
 22                    that the osteopath has satisfactorily completed and performed the duties of intern or  
 23                    resident physician for

24                    (A) one year if the applicant graduated from a school of  
 25                    osteopathy before January 1, 1995, as evidenced by a certificate of  
 26                    completion of the first year of postgraduate training from the facility  
 27                    where the applicant completed the first year of internship or residency; or

28                    (B) two years if the applicant graduated from a school of  
 29                    osteopathy on or after January 1, 1995, as evidenced by a certificate of  
 30                    completion of the first year of postgraduate training from the facility  
 31                    where the applicant completed the first year of internship or residency and

1 a certificate of successful completion of one additional year of postgraduate  
 2 training at a recognized hospital;

3 (3) take the examination required by AS 08.64.210 or be certified to  
 4 practice by the National Board of Examiners for Osteopathic Physicians and Surgeons.

5 \* Sec. 3. AS 08.64.225 is amended to read:

6 Sec. 08.64.225. Foreign medical graduates. Applicants who are graduates  
 7 of medical colleges not accredited by the Association of American Medical Colleges  
 8 and the Council on Medical Education of the American Medical Association shall

9 (1) [MUST] meet the requirements of AS 08.64.200(a)(3) and (4)  
 10 [AS 08.64.200(a)(2) - (5)] and 08.64.255;

11 (2) have successfully completed three years of postgraduate training  
 12 as evidenced by a certificate of completion of the first year of postgraduate  
 13 training from the facility where the applicant completed the first year of  
 14 internship or residency and a certificate of successful completion of two additional  
 15 years of postgraduate training at a recognized hospital; [,] and

16 (3) [MUST] have passed examinations as specified by the board in  
 17 regulations [OR BE LICENSED BY EXAMINATION IN ANOTHER STATE OR  
 18 TERRITORY OF THE UNITED STATES OR PROVINCE OR TERRITORY OF  
 19 CANADA].

20 \* Sec. 4. AS 08.64.272(c) is amended to read:

21 (c) A permit issued under this section is valid for the period specified by the  
 22 board, but not to exceed 18 months [ONE YEAR] after the date of issue. Upon  
 23 application by a person who pays the required fee and has been accepted by an  
 24 eligible institution in the state for the purpose of residency or internship, the  
 25 board may renew a permit issued under this section for a period specified by the  
 26 board, but not to exceed 18 months after the date of renewal.

27 \* Sec. 5. AS 08.64.275(a) is amended to read:

28 (a) A member of the board or its executive secretary may grant a temporary  
 29 permit to a physician or osteopath for the purpose of substituting for another physician  
 30 or osteopath licensed in this state. The permit is valid for 60 consecutive days. If  
 31 circumstances warrant, an extension of the permit may be granted by the board or its

1 designee.

2 \* Sec. 6. AS 08.64.275(b) is amended to read:

3 (b) A physician applying under (a) of this section shall pay the required fee  
4 and shall meet the requirements of AS 08.64.279 and the requirements of either  
5 AS 08.64.200 or 08.64.225 [AND 08.64.279]. In addition, the physician shall submit  
6 evidence of holding a license to practice medicine in a state or territory of the United  
7 States or in a province or territory of Canada.

8 \* Sec. 7. AS 08.64.312(b) is amended to read:

9 (b) Before a license may be renewed, the licensee shall submit evidence to the  
10 board or its designee that continuing education requirements prescribed by regulations  
11 adopted by the board have been met.

12 \* Sec. 8. AS 08.64.312(c) is amended to read:

13 (c) The board or its designee may exempt a physician from the requirements  
14 of (b) of this section upon an application by the physician giving evidence satisfactory  
15 to the board or its designee that the physician is unable to comply with the  
16 requirements because of extenuating circumstances. However, a person may not be  
17 exempted from more than 15 hours of continuing education in a five-year period.

18 \* Sec. 9. AS 08.64.326(a) is amended to read:

19 (a) The board may impose a sanction if the board finds after a hearing that a  
20 licensee

21 (1) secured a license through deceit, fraud, or intentional  
22 misrepresentation;

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

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

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

28 (A) a felony;

29 (B) a misdemeanor in another jurisdiction with elements  
30 similar to a felony in this jurisdiction [OR OTHER CRIME IF THE  
31 FELONY OR OTHER CRIME IS SUBSTANTIALLY RELATED TO THE

1 QUALIFICATIONS, FUNCTIONS, OR DUTIES OF THE LICENSEE]; or

2 (C) [(B)] a crime involving the unlawful procurement, sale,  
3 prescription, or dispensing of drugs;

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

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

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

11 (8) has demonstrated

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

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

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

19 (9) engaged in unprofessional conduct, in sexual misconduct, or in lewd  
20 or immoral conduct in connection with the delivery of professional services to patients;  
21 in this paragraph, "sexual misconduct" includes sexual contact, as defined by the board  
22 in regulations adopted under this chapter, or attempted sexual contact with a patient  
23 outside the scope of generally accepted methods of examination or treatment of the  
24 patient, regardless of the patient's consent or lack of consent, during the term of the  
25 physician-patient relationship, as defined by the board in regulations adopted under this  
26 chapter, unless the patient was the licensee's spouse at the time of the contact or,  
27 immediately preceding the physician-patient relationship, was in a dating, courtship,  
28 or engagement relationship with the licensee;

29 (10) has violated AS 18.16.010;

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

31 (12) has denied care or treatment to a patient or person seeking

1 assistance from the physician if the only reason for the denial is the failure or refusal  
2 of the patient to agree to arbitrate as provided in AS 09.55.535(a); or

3 (13) has had a license or certificate to practice medicine in another state  
4 or territory of the United States, or a province or territory of Canada, denied,  
5 suspended, [OR] revoked, surrendered while under investigation for an alleged  
6 violation, restricted, limited, conditioned, or placed on probation unless the denial,  
7 suspension, [OR] revocation, or other action was caused by the failure of the licensee  
8 to pay fees to that state, territory, or province.

9 \* **Sec. 10. APPLICABILITY.** (a) AS 08.64.200, as amended by sec. 1 of this Act;  
10 AS 08.64.205, as amended by sec. 2 of this Act; AS 08.64.225, as amended by sec. 3 of this  
11 Act, and AS 08.64.275(b), as amended by sec. 6 of this Act, apply to applications submitted  
12 on or after the effective date of this Act.

13 (b) AS 08.64.326(a), as amended by sec. 9 of this Act, applies to crimes and licensing  
14 actions that occur before, on, or after the effective date of this Act, when AS 08.64.326 is  
15 implemented under AS 08.64.240(b) with respect to granting or denying an initial license to  
16 an applicant under AS 08.64.

17 (c) AS 08.64.326(a), as amended by sec. 9 of this Act, applies to crimes and licensing  
18 actions that occur on or after the effective date of this Act, when AS 08.64.326 is  
19 implemented with respect to a disciplinary proceeding against a person licensed under  
20 AS 08.64 before the effective date of this Act.

## CS FOR SENATE BILJ. NO. 71(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 4/13/99

Referred: Labor and Commerce

Sponsor(s): SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

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14 first year of postgraduate training from the facility where the applicant  
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 2 training at a recognized hospital;

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 4 practice by the National Board of Examiners for Osteopathic Physicians and Surgeons.

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6 **Sec. 08.64.225. Foreign medical graduates.** Applicants who are graduates  
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9 (1) [MUST] meet the requirements of AS 08.64.200(a)(3) and (4)  
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11 (2) have successfully completed three years of post-graduate  
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# CORRECTION

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



Rev. 6/98

Central Microfilm Services  
Department of Education & Early Development  
State of Alaska

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28 (A) a felony, a misdemeanor in another jurisdiction with  
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30 or another jurisdiction [OTHER CRIME] if the misdemeanor [FELONY OR  
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2                           (B) a crime involving the unlawful procurement, sale,  
3           prescription, or dispensing of drugs;

4                           (5) has procured, sold, prescribed, or dispensed drugs in violation of  
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8           professional standards even if the patient was not injured;

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10          chapter, or an order of the board;

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12                           (A) professional incompetence, gross negligence, or repeated  
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21           in this paragraph, "sexual misconduct" includes sexual contact, as defined by the board  
22           in regulations adopted under this chapter, or attempted sexual contact with a patient  
23           outside the scope of generally accepted methods of examination or treatment of the  
24           patient, regardless of the patient's consent or lack of consent, during the term of the  
25           physician-patient relationship, as defined by the board in regulations adopted under this  
26           chapter, unless the patient was the licensee's spouse at the time of the contact or,  
27           immediately preceding the physician-patient relationship, was in a dating, courtship,  
28           or engagement relationship with the licensee;

29                          (10) has violated AS 18.16.010;

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

31                          (12) has denied care or treatment to a patient or person seeking

1 assistance from the physician if the only reason for the denial is the failure or refusal  
2 of the patient to agree to arbitrate as provided in AS 09.55.535(a); or

3 (13) has had a license or certificate to practice medicine in another state  
4 or territory of the United States, or a province or territory of Canada, denied,  
5 suspended, [OR] revoked, surrendered while under investigation for an alleged  
6 violation, restricted, limited, conditioned, or placed on probation unless the denial,  
7 suspension, [OR] revocation, or other action was caused by the failure of the licensee  
8 to pay fees to that state, territory, or province.

9 \* Sec. 10. APPLICABILITY. (a) AS 08.64.200, as amended by sec. 1 of this Act;  
10 AS 08.64.205, as amended by sec. 2 of this Act; AS 08.64.225, as amended by sec. 3 of this  
11 Act, and AS 08.64.275(b), as amended by sec. 6 of this Act, apply to applications submitted  
12 on or after the effective date of this Act.

13 (b) AS 08.64.326(a), as amended by sec. 9 of this Act, applies to crimes and licensing  
14 actions that occurred before, on, or after the effective date of this Act, when AS 08.64.326 is  
15 implemented under AS 08.64.240(b) with respect to granting or denying an initial license to  
16 an applicant under AS 08.64.

17 (c) AS 08.64.326(a), as amended by sec. 9 of this Act, applies to crimes and licensing  
18 actions that occur on or after the effective date of this Act, when AS 08.64.326 is  
19 implemented with respect to a disciplinary proceeding against a person licensed under  
20 AS 08.64 before the effective date of this Act.

# FISCAL NOTE

**STATE OF ALASKA**  
**1999 LEGISLATIVE SESSION**

**BILL NO. CSSB 71 (L&C)**

Revision Date/Time (Note if correction) _____	Dept. Affected <u>Commerce &amp; Econ Dev.</u>
Title <u>An act relating to the licensure by the</u>	BRU <u>Occupational Licensing</u>
State Medical Board. _____	Component <u>Occupational Licensing</u>
Sponsor <u>Senate HESS</u>	Component Serial No. <u>2360</u>
Requester <u>Senate Labor and Commerce</u>	

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

POSITIONS	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Full-time						
Part-time						
Temporary						

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

CSSB 71 (L&C) increases the requirements for medical licensure. New funds are not required to implement this bill.

Prepared by	Jennifer Strickler, Administrative Manager	Phone	465-2144
Division	Occupational Licensing	Date/Time	4/29/99 2:59 PM
Approved by Commissioner	Deborah B. Sedwick	<i>Deborah B. Sedwick</i>	
Agency	Commerce & Economic Development		

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## **CSSB 71 (L&C): Licensure by the State Medical Board**

(The Medical Board and Department of Commerce support both SB 71 and SB 29, however, we find SB 71 more clear and comprehensive)

### **Section 1:**

**Increases from 1 to 2 years the length of the postgraduate residency program required of applicants who graduated from an accredited US or Canadian medical school after January 1, 1995.**

(2-year residencies are now standard. Individuals who graduated before 1995 have a work history the board can judge)

**Deletes the requirement that an applicant be a citizen or permanent resident.**

(The federal government has created categories of VISA, which allow doctors to work, but are not permanent residence permits. No other state requires citizenship and the Alaska law prevents legal, qualified foreign citizens such as an Anchorage VA cardiologist from working)

*SB 29 also changes the citizenship requirement, but instead of deleting it, SB 29 puts the board in the position of determining whether the applicant is "legally residing in the United States." The definition of "residing" may not include visiting expert doctors and the board would prefer not to have to figure out immigration laws before licensing. Determining legal right to work is the responsibility of employers, the INS and the worker.*

### **Section 2.**

**Makes the above change (2-year residency) apply to osteopathic physicians.**

### **Section 3**

**Increases from 1 to 3 years the length of the postgraduate residency program required of applicants who graduated from a foreign medical school (not US or Canadian)**

(There is no way for the board to judge the quality of foreign medical schools. A three-year US residency allows the board to assess the competence of the applicant. 43 other states require foreign graduates to complete 3-year residencies)

*SB 29 also increases the residency for foreign graduates, but SB 29 mandates that all three years are completed at a single hospital, which may be unnecessarily restrictive.*

#### **Section 4**

**Increases the length of a residency permit from 1 year to 18 months and allows renewal of the permit.**

(Residency permits are the licenses doctors use while in residency. The increase in the length of residencies necessitates this change.)

#### **Section 5**

**Allows the board to delegate to staff the extension of a temporary medical license, for efficiency.**

#### **Section 6**

**Applies the 3-year residency requirement for foreign graduates who apply for temporary Alaska licenses, for consistency with section 3.**

#### **Section 7 and Section 8**

**Allow the board to delegate to staff the processing of continuing education documents and the grant of exemptions or extensions of time to complete continuing education.**

#### **Section 9**

**Allows the board to consider disciplining existing doctors or denying licenses to applicants who have committed any felony, rather than only felonies directly connected to the practice of medicine. The section also allows denial or discipline of Alaska doctors who have their licenses disciplined in any manner in other states.**

(Examples of problems this section will solve are:

- 1) The board was not able to take into account an applicant's murder conviction because the murder occurred at home.
- 2) The board can not easily act against doctors whose licenses are on probation or conditioned in other states.)

#### **Section 10**

**Makes the longer residency requirements apply only to applications received on or after the effective date of the act, and makes the criminal and disciplinary history requirements apply only to new applicants and new crimes/discipline of existing Alaska doctors.**

Dave -

Why aren't the protections listed on  
page 5 sufficient to protect the  
public esp. Line 19  
Line 30.

and delete [or a misdemeanor in this  
or another jurisdiction]

(AP)

# FISCAL NOTE

**STATE OF ALASKA**  
**1999 LEGISLATIVE SESSION**

**BILL NO. CSSB 71 (HES)**

Revision Date/Time (Note if correction) _____	Dept. Affected <u>Commerce &amp; Econ Dev.</u>	
Title <u>An act relating to the licensure by the</u>	BRU <u>Occupational Licensing</u>	
State Medical Board.	Component <u>Occupational Licensing</u>	
Sponsor <u>Senate HESS</u>		
Requester <u>Senate Labor and Commerce</u>	Component Serial No. <u>2360</u>	

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

CSSB 71 (HES) increases the requirements for medical licensure. New funds are not required to implement this bill.

Prepared by <u>Jennifer Strickler, Administrative Manager</u>	Phone <u>465-2144</u>	
Division <u>Occupational Licensing</u>	Date/Time <u>4/26/99 4:52 PM</u>	
Approved by Commissioner <u>Deborah B. Sedwick</u>	Date <u>4/26/99</u>	
Agency <u>Commerce &amp; Economic Development</u>		

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# MILITARY ORDER OF THE PURPLE HEART

CHARTERED BY CONGRESS

DEPARTMENT OF ALASKA  
1630 BEAVER PL.  
ANCHORAGE, AK 99504  
(907) 333-8760 - 337-1060  
FAX (907) 333-7677

TO: Honorable *Jerry Mackie*  
Alaska State Legislature  
State Capitol (MS3100)  
Juneau, AK 99801-1182

FROM: Brad Bradley *B.B.*  
Department Commander  
Military Order of the Purple Heart  
1530 Beaver Place  
Anchorage, Alaska 99504-2517

This message pertains to passage of SB29, "An Act Relating to Licensure of Physicians; And Providing for an Effective Date."

It was prepared on behalf of, and for the benefit of, military veterans, active duty military personnel and their dependents, other federal beneficiaries, as well as, two Board Certified Cardiologists who are not yet permanent residents, but are needed for their services to a medically underserved area in this specialty at the Alaska Regional VA Clinic and the Elmendorf AFB Hospital.

Federal clinics, hospitals and other government facilities generally employ only American citizens. However, after an extensive recruitment effort, the Alaska Regional VA Clinic was unable to recruit a Board Certified Cardiologist that was an American citizen. Consequently, the U.S. Department of Veterans Affairs applied for and received a special waiver to recruit and employ cardiologists holding a J-1 Visa to fill this need, and it also waived two of the three years of the home residency requirement. At about this time, Elmendorf AFB Hospital lost its only cardiologist. Currently, there are two cardiologists with a J-1 visa providing service for both the Alaska Regional VA Clinic and the EAFB Hospital.

It is now necessary to complete the Alaska State's requirement, by passing SB29 in the current legislative session. This will change the current statute to read: "Lawfully residing in the United States" instead of "admitted for permanent residency."

THE ONLY VETERANS ORGANIZATION IN WHICH MEMBERSHIP AUTOMATICALLY DENOTES COMBAT SERVICE AND IS EXCLUSIVELY FOR COMBAT-WOUNDED VETERANS

Msg, SB29  
Page 2

All States have changed their statute except Alaska. The Alaska State Medical Board in November 1998 unanimously voted in favor of deleting the requirement of citizenship and permanent residency as a requirement for a medical license.

Both Board Certified Cardiologists received their medical education in the United States of America.

We have very few days remaining in this legislative session to get this important legislation passed. Please expedite.

*B.B.*

# Alaska State Legislature

Senator Mike Miller, Chairman  
Senator Pete Kelly, Vice Chairman  
Senator Drue Pearce  
Senator Gary Wilken  
Senator Kim Elton



State Capitol, Rm 119  
Juneau, Alaska 99801-1182  
(907) 465-3762

Senate Committee on  
Health, Education and Social Services

**SB 71**

**An Act relating to licensure by State Medical Board**

## SPONSOR STATEMENT

SB 71 was at the request of the State Medical Board. The purpose of this bill is for statute changes being sought by the state medical board to solve some housekeeping issues, and bring the Alaska standards up to those of other states.

The medical board appreciates your introduction of SB 71 dealing with these issues.

Dr. Sara Isto, will give the presentation on this bill in committee today.

1718 Willow Drive  
Juneau, AK 99801  
February 19, 1999

Senator Mike Miller  
Alaska Senate

Attn: Sharon Clark

Dear Senator Miller:

The Medical Board appreciates Senate Bill No. 71, which contains several "housekeeping" statutory changes needed for smooth functioning of the Board in licensing qualified physicians for Alaska.

Over the last few weeks the board has become aware that one aspect of this bill is more controversial than our early discussions with licensees and user groups had suggested. Therefore, we would like to see this provision removed from SB 71 in order to keep it a true "housekeeping" bill as intended. We plan to return to the legislature with the deleted provision as a separate bill later this session or next session. We hope that more extensive discussion with licensees as well as with the public will enable us to resolve concerns that have arisen.

The modification we propose for SB 71 consists of deleting two changes and making one addition (to correct an unintentional oversight). These are listed below as well as marked on a copy of SB 71 (attached).

1. Omit the proposed change to AS 08.64.200(a)(2) on page 1, lines 12 through 15, leaving the original language to read "(2) submit a certificate from a recognized hospital certifying that the applicant has satisfactorily performed the duties of resident physician or intern for a period of one year."
2. Retain the proposed change on page 2, line 3, adding the word "and" at the end of 08.64.200(a)(3).
3. Retain the proposed change deleting all of 08.64.200(a)(5) -- page 2, lines 6-7.
4. Omit the proposed change to 08.64.205(2), page 2, lines 18-21, leaving the original language (except for the correction of "which" to "that," line 15) to read "submit a certificate from a hospital approved by the American Medical Association or the American Osteopathic Association that [WHICH] certifies that the osteopath has satisfactorily completed and performed the duties of intern or resident physician for one year;"

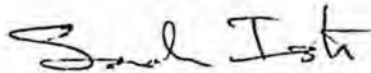
5. Correct the proposed change to 08.64.205 on page 2, line 10 to read "Each osteopath applicant shall meet the qualifications prescribed in AS 08.64.200(a)(2)--(4) [AS 08.64.200(a)(3)--(5)]."

6. The new change is to 08.64.272(c) which should read: "A permit issued under this section is valid for the period specified by the board, but not to exceed one year after the date of issue. If circumstances warrant, a permit may be reissued by the board or its designee upon application by the eligible training institution in the state."

This last item recognizes that the Alaska Family Practice Residency Program (or similar programs in the future) may have a foreign medical graduate in training, who will need to continue working and studying under a resident permit until his/her three years of post-graduate training are completed.

Once again, I want to thank you and your staff for helping with these issues. Please contact me if any part of this is unclear or you have questions.

Sincerely,



Sarah A. Isto, Chair  
Alaska State Medical Board

1718 Willow Drive  
Juneau, AK 99801  
April 7, 1999

Senator Mike Miller  
Alaska State Senate

Dear Senator Miller:

The following are some explanatory comments on the statute changes being sought by the state medical board to solve some housekeeping issues and bring Alaska standards up to those of other states. The page numbers refer to the included statute book that applies to the Medical Board. The medical board appreciates your introduction of SB 71 dealing with these issues.

- 1) AS 08.64.326(a)(4)(A), on page 9, to read: "any crime which is a felony under the laws of Alaska or any misdemeanor substantially related to the licensee's fitness to practice; or"

*This statute begins with the statement that "The board may impose a sanction if the board finds after a hearing that a licensee..." In addition AS 08.64.240(b), on page 6, directs that "The board may refuse to grant a license to any applicant for the same reasons that it may impose disciplinary sanctions under AS 08.64.326." We have had applicants for licensure who have committed violent crimes, such as murder, not related to the practice of medicine. Currently we are not able to consider information regarding previous felonies committed outside the office or hospital in evaluating applications. This change would allow the board to consider felony convictions in weighing whether applicants could practice safely and in deciding whether current licensees should be considered for special monitoring or revocation of license.*

- 2) AS 08.64.312(b), page 8, to read: "Before a license may be renewed the licensee shall submit evidence to the board or its designee that continuing education requirements prescribed by regulations adopted by the board have been met."

AS 08.64.312(c), page 9, to read: "The board or its designee may exempt a physician from..."

*All physicians are required to complete 34 hours of category I Continuing Medical Education in the two years prior to renewal of their license. The board has a policy for dealing with physicians who realize they have not completed their CME, and honestly state this on their renewal requests. However, because the board meets only quarterly, at the present time these physicians' licenses lapse until the next board meeting when the CME plan is approved. In the meantime these physicians must stop practicing; the board does not feel this is in the best interests of their patients. This change would allow the staff to issue a license and initiate an interim plan to be*

approved at the next board meeting, so that honest physicians could continue to practice while correcting their CME deficiencies.

- 3) AS 08.64.275(a), page 8, the final sentence of this paragraph to read: "If circumstances warrant, an extension of the permit may be granted by the board or its designee."

*The beginning of this paragraph states that "the board or its executive secretary may grant a temporary permit..." but renewals of these so-called locum tenens permits currently must be done by the board. Each permit is valid for only 60 days, but may be renewed twice. Since the board only meets quarterly, these renewals require time-consuming polling of individual board members between meetings. Since all extensions must be accompanied by letters of support from the employers of the locum tenens permit holders, the vast majority of these renewal requests are "clean," and unnecessary state resources are spent in employee time and communication costs to conduct ballots.*

- 4) AS 08.64.272(c), page 7, to read: "A permit issued under this section is valid for the period specified by the board, but not to exceed eighteen months [ONE YEAR] after the date of issue. Upon application from the eligible institution, the board or its designee may reissue residency and internship permits.

*This refers to residency permits for physicians in training in Alaska. Residency permits need to be renewable to allow an intern or resident to practice under the supervision of his or her residency training program until they have completed the required years of training to apply for an independent active medical license.*

- 5) AS 08.64.326(a)(13), page 10, to read: "has had a license or certificate to practice medicine in another state or territory of the United States, or a province or territory of Canada denied, suspended, revoked, surrendered while under investigation for alleged violations of law, restricted, limited conditioned, or placed on probation unless the action was caused by the failure of the licensee to pay fees to that state, territory, or province.

*Currently only suspension or revocation actions may be considered by the board, and the broader range of actions often taken by other boards is excluded from consideration when evaluating an applicant or licensee.*

- 6) AS 08.64.200(a)(5), page 5, to be deleted entirely.

*Current statute states that a physician applicant must "be a citizen of the United States or lawfully admitted for permanent residence." As far as the board has been able to determine, Alaska is the only state with this requirement. Three qualified, well-trained specialty physicians that the board is aware of, have not been able to receive Alaska licenses because of this requirement. The board would like to delete this requirement and judge applicants on their qualifications in the same way the other states do.*

- 7) AS 08.64.225, page 6, to read: "...meet the requirements of AS 08.64.200(a)(2) through (4) and 08.64.255 and must have successfully completed three years of post graduate training as evidenced by a certificate of completion of the first year postgraduate training from the facility where the applicant completed the first year of internship or residency, a certificate of successful completion of two additional years of post graduate training at a recognized hospital, and must have passed examinations as specified by the board in regulations. [OR BE LICENSED BY EXAMINATION IN ANOTHER STATE OR TERRITORY OF THE UNITED STATES OR PROVINCE OR TERRITORY OF CANADA].

*In the US and Canada national agencies certify the quality of medical education provided by each accredited medical school. This statute change applies to graduates of medical schools outside the US or Canada. Alaska currently requires only one year of post-graduate training in an accredited US or Canadian program of graduates of foreign universities, whether they are coming from renowned European universities or questionable schools in the Caribbean. Nine other states accept one year of post graduate training in this situation; 43 states require three years. The board feels strongly that the safety of Alaskan patients is best protected by ensuring that these applicants have been closely trained and scrutinized by a reliable program for three years before starting practice. Medicine in general and particularly medicine in bush Alaska requires a high degree of knowledge and good judgment; a single year of internship in the US or Canadian system may not be adequate to provide safe care for Alaskan patients. This statute would apply only to new applicants; it would not affect currently licensed physicians.*

- 8) AS 08.64.200(a)(2), page 5, to read: "submit a certificate from a recognized hospital certifying that the applicant has satisfactorily performed the duties of a resident physician or intern for a period of two years for those applicants who graduated from medical school after 1994."

AS 08.64.205 (2), page 5, to read: "intern or resident physician for one year if the applicant graduated from medical school before 1995, and for two years if the applicant graduated from medical school after 1994.

AS 08.64.275(b), page 8, to read: "shall meet the requirements of AS 08.64.200 or AS 08.64.255, and the requirements of 08.64.279."

*Currently US and Canadian applicants are required to have only one year of internship to apply for an Alaska license, although 3-year post graduate programs have been the US norm for the past 10 years. Canada has a 2-year family practice program. Our weakest applicants are new graduates who have been dismissed from a three-year program after one year (a common re-evaluation interval). The physician, who graduated from medical school prior to 1995, is usually not difficult for the board to evaluate because he or she applies to the board with a 3 to 30 year work record. It is the*

*newer graduate with a short post-graduate period of training and no independent work record who often causes concern. Therefore the board seeks this change to try to ensure that Alaskan patients have safe medical care.*

*Licensees were polled on this proposed change and, interestingly, the majority preferred a three-year requirement similar to what the board is seeking for foreign medical graduates. Rural hospitals all require three years of post graduate training for employment and staff privileges and are not short of applicants. I have discussed this change with the Alaska Family Practice Residency, officers of the Alaska Osteopathic society and members of the executive committee of the Alaska Medical Association, all of whom seemed comfortable with this change.*

*At our last board meeting all of the 30 applications approved except one were from physicians who had at least 2 years of years of post-graduate training (28 had three or more years.) One applicant had one year with some significant difficulties in training and received a license with conditions. The board discussed this proposed change extensively and did not anticipate this would interfere with the supply of physicians in Alaska. This requirement would not apply to current licensees, only to new applicants. In making this change Alaska would be joining 10 other states who require 2 or more years. We anticipate that the number of states with this requirement will grow rapidly in the next five years.*

I hope this gives a clear explanation of the board's reasons for seeking each of these changes. I would be happy to discuss these with you further. I can be reached in Juneau at 586-8992 (home) or 586-2434 (work).

Sincerely,



Sarah A. Isto, Chair  
Alaska State Medical Board

I-LS0442\G  
Lauterbach ✓  
4/27/99

CS FOR SENATE BILL NO. 71( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY

Offered:  
Referred:

Sponsor(s): SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to licensure by the State Medical Board."

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

3 \* Section 1. AS 08.64.200(a) is amended to read:

4 (a) Except for foreign medical graduates as specified in AS 08.64.225, each  
5 physician applicant shall

6 (1) submit a certificate of graduation from a legally chartered medical  
7 school accredited by the Association of American Medical Colleges and the Council  
8 on Medical Education of the American Medical Association;

9 (2) submit a certificate from a recognized hospital or hospitals  
10 certifying that the applicant has satisfactorily performed the duties of resident physician  
11 or intern for a period of

12 (A) one year if the applicant graduated from medical school  
13 before January 1, 1995, as evidenced by a certificate of completion of the  
14 first year of postgraduate training from the facility where the applicant  
15 completed the first year of internship or residency; and

1                   (B) two years if the applicant graduated from medical school  
2                   on or after January 1, 1995, as evidenced by a certificate of completion of  
3                   the first year of postgraduate training from the facility where the applicant  
4                   completed the first year of internship or residency and a certificate of  
5                   successful completion of one additional year of postgraduate training at a  
6                   recognized hospital;

7                   (3) submit a list of negotiated settlements or judgments in claims or  
8                   civil actions alleging medical malpractice against the applicant, including an  
9                   explanation of the basis for each claim or action; and

10                  (4) not have a license to practice medicine in another state, province,  
11                  or territory which is currently suspended or revoked for disciplinary reasons [; AND

12                  (5) BE A CITIZEN OF THE UNITED STATES OR BE LAWFULLY  
13                  ADMITTED FOR PERMANENT RESIDENCE].

14 \* Sec. 2. AS 08.64.205 is amended to read:

15                  Sec. 08.64.205. Qualifications for osteopath applicants. Each osteopath  
16                  applicant shall meet the qualifications prescribed in AS 08.64.200(a)(3) and (4)  
17                  [AS 08.64.200(a)(3) - (5)] and shall

18                  (1) submit a certificate of graduation from the legally chartered school  
19                  of osteopathy approved by the board;

20                  (2) submit a certificate from a hospital approved by the American  
21                  Medical Association or the American Osteopathic Association that [WHICH] certifies  
22                  that the osteopath has satisfactorily completed and performed the duties of intern or  
23                  resident physician for

24                  (A) one year if the applicant graduated from a school of  
25                  osteopathy before January 1, 1995, as evidenced by a certificate of  
26                  completion of the first year of postgraduate training from the facility  
27                  where the applicant completed the first year of internship or residency; or

28                  (B) two years if the applicant graduated from a school of  
29                  osteopathy on or after January 1, 1995, as evidenced by a certificate of  
30                  completion of the first year of postgraduate training from the facility  
31                  where the applicant completed the first year of internship or residency and

1 a certificate of successful completion of one additional year of postgraduate  
2 training at a recognized hospital;

3 (3) take the examination required by AS 08.64.210 or be certified to  
4 practice by the National Board of Examiners for Osteopathic Physicians and Surgeons.

5 \* Sec. 3. AS 08.64.225 is amended to read:

6 **Sec. 08.64.225. Foreign medical graduates.** Applicants who are graduates  
7 of medical colleges not accredited by the Association of American Medical Colleges  
8 and the Council on Medical Education of the American Medical Association **shall**

9 (1) [MUST] meet the requirements of AS 08.64.200(a)(3) and (4)  
10 [AS 08.64.200(a)(2) - (5)] and 08.64.255;

11 (2) have successfully completed three years of postgraduate training  
12 as evidenced by a certificate of completion of the first year of postgraduate  
13 training from the facility where the applicant completed the first year of  
14 internship or residency and a certificate of successful completion of two additional  
15 years of postgraduate training at a recognized hospital; [,] and

16 (3) [MUST] have passed examinations as specified by the board in  
17 regulations [OR BE LICENSED BY EXAMINATION IN ANOTHER STATE OR  
18 TERRITORY OF THE UNITED STATES OR PROVINCE OR TERRITORY OF  
19 CANADA].

20 \* Sec. 4. AS 08.64.272(c) is amended to read:

21 (c) A permit issued under this section is valid for the period specified by the  
22 board, but not to exceed 18 months [ONE YEAR] after the date of issue. Upon  
23 application by a person who pays the required fee and has been accepted by an  
24 eligible institution in the state for the purpose of residency or internship, the  
25 board may renew a permit issued under this section for a period specified by the  
26 board, but not to exceed 18 months after the date of renewal.

27 \* Sec. 5. AS 08.64.275(a) is amended to read:

28 (a) A member of the board or its executive secretary may grant a temporary  
29 permit to a physician or osteopath for the purpose of substituting for another physician  
30 or osteopath licensed in this state. The permit is valid for 60 consecutive days. If  
31 circumstances warrant, an extension of the permit may be granted by the board or its

1 designee.

2 \* Sec. 6. AS 08.64.275(b) is amended to read:

3 (b) A physician applying under (a) of this section shall pay the required fee  
4 and shall meet the requirements of AS 08.64.279 and the requirements of either  
5 AS 08.64.200 or 08.64.225 [AND 08.64.279]. In addition, the physician shall submit  
6 evidence of holding a license to practice medicine in a state or territory of the United  
7 States or in a province or territory of Canada.

8 \* Sec. 7. AS 08.64.312(b) is amended to read:

9 (b) Before a license may be renewed, the licensee shall submit evidence to the  
10 board or its designee that continuing education requirements prescribed by regulations  
11 adopted by the board have been met.

12 \* Sec. 8. AS 08.64.312(c) is amended to read:

13 (c) The board or its designee may exempt a physician from the requirements  
14 of (b) of this section upon an application by the physician giving evidence satisfactory  
15 to the board or its designee that the physician is unable to comply with the  
16 requirements because of extenuating circumstances. However, a person may not be  
17 exempted from more than 15 hours of continuing education in a five-year period.

18 \* Sec. 9. AS 08.64.326(a) is amended to read:

19 (a) The board may impose a sanction if the board finds after a hearing that a  
20 licensee

21 (1) secured a license through deceit, fraud, or intentional  
22 misrepresentation;

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

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

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

28 (A) a felony;

29 (B) a misdemeanor in another jurisdiction with elements  
30 similar to a felony in this jurisdiction [OR OTHER CRIME IF THE  
31 FELONY OR OTHER CRIME IS SUBSTANTIALLY RELATED TO THE

1 QUALIFICATIONS, FUNCTIONS, OR DUTIES OF THE LICENSEE]; or

2 (C) [(B)] a crime involving the unlawful procurement, sale,  
3 prescription, or dispensing of drugs;

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

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

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

11 (8) has demonstrated

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

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

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

19 (9) engaged in unprofessional conduct, in sexual misconduct, or in lewd  
20 or immoral conduct in connection with the delivery of professional services to patients;  
21 in this paragraph, "sexual misconduct" includes sexual contact, as defined by the board  
22 in regulations adopted under this chapter, or attempted sexual contact with a patient  
23 outside the scope of generally accepted methods of examination or treatment of the  
24 patient, regardless of the patient's consent or lack of consent, during the term of the  
25 physician-patient relationship, as defined by the board in regulations adopted under this  
26 chapter, unless the patient was the licensee's spouse at the time of the contact or,  
27 immediately preceding the physician-patient relationship, was in a dating, courtship,  
28 or engagement relationship with the licensee;

29 (10) has violated AS 18.16.010;

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

31 (12) has denied care or treatment to a patient or person seeking

1 assistance from the physician if the only reason for the denial is the failure or refusal  
2 of the patient to agree to arbitrate as provided in AS 09.55.535(a); or

3 (13) has had a license or certificate to practice medicine in another state  
4 or territory of the United States, or a province or territory of Canada, denied,  
5 suspended, [OR] revoked, surrendered while under investigation for an alleged  
6 violation, restricted, limited, conditioned, or placed on probation unless the denial,  
7 suspension, [OR] revocation, or other action was caused by the failure of the licensee  
8 to pay fees to that state, territory, or province.

9 \* Sec. 10. APPLICABILITY. (a) AS 08.64.200, as amended by sec. 1 of this Act;  
10 AS 08.64.205, as amended by sec. 2 of this Act; AS 08.64.225, as amended by sec. 3 of this  
11 Act, and AS 08.64.275(b), as amended by sec. 6 of this Act, apply to applications submitted  
12 on or after the effective date of this Act.

13 (b) AS 08.64.326(a), as amended by sec. 9 of this Act, applies to crimes and licensing  
14 actions that occur before, on, or after the effective date of this Act, when AS 08.64.326 is  
15 implemented under AS 08.64.240(b) with respect to granting or denying an initial license to  
16 an applicant under AS 08.64.

17 (c) AS 08.64.326(a), as amended by sec. 9 of this Act, applies to crimes and licensing  
18 actions that occur on or after the effective date of this Act, when AS 08.64.326 is  
19 implemented with respect to a disciplinary proceeding against a person licensed under  
20 AS 08.64 before the effective date of this Act.

**SB**

**78**

# FISCAL NOTE

STATE OF ALASKA  
2000 LEGISLATIVE SESSION

BILL NO. SB 78

Revision Date/Time (Note if correction) \_\_\_\_\_ Dept. Affected Community & Econ Dev.  
 Title An Act relating to the use and prescription of BRU Occupational Licensing  
pharmaceutical agents in the practice of optometry. Component Occupational Licensing  
 Sponsor Senate Labor & Commerce  
 Requester Senate Rules Component Serial No. 2360

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
 New funds are not required to implement this bill.

Prepared by Jennifer Strickler, Administrative Manager Phone (907) 465-2144  
 Division Occupational Licensing Date/Time 1/14/2000 3:11 PM  
 Approved by Commissioner Deborah B. Sedwick Date 1/14/00  
 Agency Community & Economic Development

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Submitted by Gordon Preecs, MD  
Suite A, 3268 Hospital Drive  
Juneau, AK 99801-7808  
907-586-2700

I respectfully ask you to please vote NO on SB 78. Simply put, this bill is not in the best interest of the public health of Alaskans because it would authorize optometrists to prescribe a wide range of oral and injectable drugs.

Since 1989, I have been an ophthalmologist, an Eye M.D., in private practice in Juneau at the Tongass Regional Eye Clinic. I maintain satellite activities in Haines, Skagway, Wrangell, Petersburg, and Ketchikan.

I graduated from Eastern Washington University with a Bachelors of Science in Biology with Highest Honors in 1975. I attended Georgetown University Medical School and received my medical degree in 1980. I completed my medical internship in obstetrics at the Madigan Army Medical Center in Tacoma, Washington. I then became a United States Army Flight Surgeon, from 1981 until 1984 at Fort Lewis in Washington. I completed my residency in ophthalmology at Walter Reed Army Medical Center between 1984 and 1987. I spent the next two years as staff ophthalmologist at Fort Knox, Kentucky, Ireland Army Hospital. In 1991, I was certified by the American Board of Ophthalmology in ophthalmology.

Ophthalmologists (Eye M.D.s) are uniquely qualified to use systemic drugs to treat eye diseases. Use of systemic drugs requires an understanding of human organs and systems and how they interact. Let me give you one example ñ the oral prednisone, which is used to treat inflammations of the eye. The side effects of this drug includes: glaucoma, cataracts, high blood pressure, fractured bones, susceptibility to infection, susceptibility to weight gain, bleeding stomach ulcers and other problems.

The ability of Eye M.D.s to communicate with other medical doctors and specialists is important when working with systemic drugs and treating ocular manifestations of systemic disease. In addition, the experience gained in a medical residency is critical in properly diagnosing and treating diseases using systemic drugs. There is a big gap between learning therapeutics in school (the science of drug therapy) and doing therapeutics in the real world (the art of treating). Due to the small number of pathology cases in optometric offices, it is difficult to achieve comfort levels in treating serious eye disorders. This is reflected in national

statistics. According to pharmaceutical industry data, optometrists write on average one drug script per week; Eye M.D.s write on average 61 drug scripts per week.

Having optometrists treat patients with oral and injectable drugs will not lower costs. Participating Medicare providers are not allowed by law to charge private patients a lower fee than Medicare patients. The fee schedule that Medicare and Medicaid use are the same for optometrists and Eye M.D.s.

In fact, what will happen to the typical patient if SB 78 is enacted is that a second opinion will be sought requiring duplicate testing. This bill would create two tiers of eye care but at the same reimbursement level.

This bill would not improve access to quality eye care. Speaking from my own experience, not a single patient has called me complaining about access. Eye M.D.s in Alaska have satellite offices which serve outlying areas. I have never been approached by a consumer group about poor access to Eye M.D.s. If there is a problem, we would like to know about it, and we can rectify it.

In summary, I request, once again, that you vote no on SB 78. It is not in the interest of Alaskans.



1600 A Street, Suite 200, Anchorage, AK 99501-5146  
 907 272-2423 Toll-free 800 557-7254 Fax 907 272-2428

Robert O. Ford, MD  
 President, CEO

March 17, 1997

Debbie Eldredge  
 Executive VP COO

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- Hans Kist, OD
- Matt Marz, OD
- James McHugh, MD
- Cynthia Merrill, OD
- Maynard Pohl, OD
- Paul Shank, MD
- David Stanfield, OD
- Ben Stoeber, OD
- Ronald Sugiyama, MD
- Or Frustisson, MD
- Jeffrey Uness, OD
- Michael Van Borchlin, OD
- Ben Wang, OD
- Len Waugman, OD

I wish to express strong support for House Bill 195. If enacted, this bill will allow the Alaska Board of Optometry to regulate the procedures and methods that qualified doctors of optometry may use to provide eye care, within established limitations.

Over the past decade, I have had the privilege of co-managing thousands of surgery patients with hundreds of optometrists. I have become familiar with their formal education and I have had the opportunity to observe their clinical skills on many occasions. In my view there is no reason to discriminate or restrict optometrists from utilizing the full extent of their training and competency.

Optometry as a profession has grown progressively more sophisticated and capable. Unfortunately, each step of the way, their efforts at self improvement have been resisted by organized ophthalmology. Relations between ophthalmology and optometry in general are frequently dominated by competition and turf issues.

As I have observed the expansion of optometry's freedom to use diagnostic drugs and later with the use of therapeutic drugs, I have not seen patients harmed. In fact, the access and availability of eye care has improved. I believe the benefit to the public is maximized when the optometric profession is utilized to the fullest extent of its training and competency.

As a licensed ophthalmologist in Alaska, I strongly support House Bill 195.

Sincerely

Robert O. Ford, M.D.

- Specialized In*
- Cataract Surgery*
- Surgery to Correct Nearsightedness, Farsightedness and Astigmatism*
- Glaucoma Consultation and Surgery*
- Corneal Transplants and Disorders of the Eye's Surface*
- Eye and Surgery*
- Retinal Care and Surgery*

# CORRECTION

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



Rev. 6/98

Central Microfilm Services  
Department of Education & Early Development  
State of Alaska

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In summary, I request, once again, that you vote no on SB 78. It is not in the interest of Alaskans.

2 concerns:

1. 2 types of glaucoma  
one with drug, one not.  
pharmacists don't know
2. Oral & systemic  
fuzzy which is for  
eye.
3. Don't know side effects



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Donald James, OD  
Gordon Johns, MD  
Hans Kell, OD  
Matt Mann, OD  
James McIlhenny, MD  
Cynthia Merrill, OD  
Maynard Poff, OD  
Paul Sheek, MD  
David Stanfield, OD  
Ben Steeber, OD  
Ronald Sugiyama, MD  
Or Travalsten, MD  
Jeffrey Urness, OD  
Michael Van Brocklin, OD  
Ben Wang, OD  
Lori Youngman, OD

*Specializing in*  
*Cataract Surgery*  
*Surgery to Correct*  
*Nearsightedness*  
*Farsightedness and*  
*Astigmatism*

*Glaucoma*  
*Consultation*  
*and Surgery*

*Corneal Transplants*  
*and Disorders of the*  
*Eye's Surface*

*eyelid Surgery*

*Retinal Care*  
*and Surgery*

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As a licensed ophthalmologist in Alaska, I strongly support House Bill 195.

Sincerely

Robert O. Ford, M.D.

*Optometric Physician*

Medical Park Suite 202  
2211 E. Northern Lights Blvd.  
Anchorage, AK 99508  
(907) 276-2080  
(907) 276-2081 Fax



---

## JEFFREY A. GONNASON, O.D.

### SB 78: Prescription of Pharmaceutical Agents in the Practice of Optometry

Currently, Alaskan optometrists with a therapeutic drug endorsement issued by the State Board, may prescribe drugs to treat conditions of the eye, but are restricted to only "topical" drugs, such as eye drops.

While topical medications are often effective, there are conditions of the eye that require systemic medications for proper treatment under accepted standards of care.

The most common examples are:

1. Antibiotics for infection, such as certain eyelid conditions.
2. Pain medication, as eye pain can be very severe.
3. Oral drugs that treat dangerously high eye pressure.

This bill restricts the prescribing to only those optometrists who have obtained a therapeutic endorsement to their license by the Board.

This bill allows all approved medication for ONLY treating the eyes and their appendages. No other conditions outside of the scope of practice of optometry may be treated, with the exception of emergency anaphylaxis.

Some medications are classified "controlled substances" by state and federal law, which puts them into schedules according to danger potentials, with Schedule I the greatest, followed by Schedule II and so on. This bill does NOT ALLOW licensees to prescribe Schedule I or II, even though the professional training would warrant it. There are very few conditions that might require Schedule I or II, and restricting them may provide a comfort level without unduly limiting the tools of our profession. Most other states restrict Schedule I & II, as does this bill.

This Legislature trusted optometry in 1988 and again in 1992, and we have shown ourselves to be reasonable, competent, and trustworthy of our expanded privileges. As of now, there have been no complaints of harm to the Division of Occupational Licensing with regards to use of medications. Malpractice insurance rates have stayed the same in states with or without prescribing privileges.

The reason for this legislation is to provide much better access to high quality, affordable, and cost effective eye care for Alaskans.



## EDUCATION OF THE DOCTOR OF OPTOMETRY

To establish perspective, there is value in comparing the general characteristics of the education of selected health professionals: optometry, medicine, podiatry, nursing and pharmacy.

Perhaps the most current review is reported by Robert F. Rushmer, M.D.<sup>1</sup> noted author and Director, Center for Advanced Studies in Biomedical Sciences, School of Medicine, University of Washington. He observed that each has state board requirements; all but pharmacy have national boards. All these educational institutions require accreditation at regular intervals. The admission requirements for medicine are less specific or demanding than in some other categories.

Each of these educational processes involves some years of basic sciences, preclinical education and clinical experience. Rushmer concludes, "In general, the basic educational experience of these five professions are remarkably similar and cannot account for consistent under utilization of 'non-medical' health professionals."

Addressing the concern for the provision of primary care, Dr. Rushmer makes the observation that the numbers of general practitioners and family physicians are grossly inadequate to afford the luxury of initial contact with physicians as the standard procedure; this is compounded in remote areas and central cities.

He points to the need for utilization of other health professions. Dr. Rushmer states, "Pharmacists undoubtedly have a sounder education in the details of dosage and distinctions among pharmaceutical agents than do physicians. Similarly, optometrists have a more extensive exposure to the basic principles of physiological optics than do physicians."

"From earliest times, the training of physicians has been based in large measure on apprenticeship, and vestiges of this orientation are clearly visible today in the clinics and the wards of teaching hospitals." "The residents, training to be specialists, usually serve as surrogate faculty for both interns and medical students." In contrast the training of optometrists can be described as a combined didactic, laboratory and clinical curriculum, the design of which has many parallels to dentistry.

By being exempt from the provisions of the statutes governing the practice of optometry, physicians in general are legally entitled to test eyes and prescribe glasses. Ophthalmologists complete a three year apprenticeship-style residency program concerning diseases of the eye; ophthalmology being a subspecialty of surgery. Beyond that of general medicine no licensing is required to practice ophthalmology.

In comparing the specialties Dr. Rushmer states, "...the upgraded curricula of optometry schools generally provide more extensive basic knowledge, training and experience in correcting refractive errors that most ophthalmologists receive. Training and clinic experience in detection of eye pathology now renders recent graduates of optometry school capable of filling an extremely important role in this specialized area of health care. The persistent opposition of the medical profession has retarded but only partially impeded optometrists from providing ever expanding service in the care of the eye."

1. Rushmer, R.F.: National Priorities for Health: New York, Wiley, 1980.



# Pennsylvania College of Optometry

1200 West Godfrey Avenue

Philadelphia, Pa. 19141-3399

March 27, 1997

Dr. Maynard Falconer  
1833 West 15th St.  
Anchorage, Alaska 99501

Office of the President  
(215) 276-6210  
Fax (215) 276-6081  
President's Internet Address  
6817026@MCIMAIL.COM

Dear Maynard:

This letter is in response to your inquiry regarding the preparation of students at the Pennsylvania College of Optometry related to the pending legislation in Alaska regarding the scope and practice of optometry. You had specifically requested information about students' training in oral medications, new procedures and the use of lasers.

I have enclosed for you a table which lists the courses related to pharmacology. As you will see from the table, students at the Pennsylvania College of Optometry, in addition to having basic pharmacology courses in both ocular and systemic medications, also study the application of these medications to the treatment of both ocular and systemic diseases. Beyond their classroom training, students have the opportunity to apply these drugs in a live patient environment both on and off campus. The College's externship program includes many multi- and interdisciplinary settings in which the students manage a very diverse patient population.

Technology has had a major impact on society in general and certainly in health care. The College prides itself in making available to students the latest training on new procedures that impact the practice of optometry which often involve the cutting edge technological advancements. Although it is extremely costly to have the latest equipment, it is something that the College deems necessary to provide state-of-the-art education.

I've enclosed for you a syllabus of the ophthalmic laser course which is taught in the spring quarter to third year students. This syllabus should give you a thorough understanding of the students' education in this area. The course does include two laboratories in which students have an opportunity to utilize the lasers on animal models to perform capsulotomies, iridotomies, trabeculoplasty, retinal photocoagulation, and excimer laser PRK.

Finally, I've included for you a current College catalogue which will give you a complete overview of the curriculum. If you have any questions regarding the current curriculum at the Pennsylvania College of Optometry as it applies to your legislation, please feel free to contact me.

With warmest regards,

Thomas L. Lewis, O.D., Ph.D.  
President

TLL/ljl

Tom\let\falconer

*Shaping the Future of Vision Care*



# Pennsylvania College of Optometry

1200 West Godfrey Avenue

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6817026@MCIMAIL.COM

## PENNSYLVANIA COLLEGE OF OPTOMETRY

### Courses Which Include Information on Pharmacology

Pharmacology I	4 QH	Systemic Pharmacology
Pharmacology II	3.5 QH	Ocular Pharmacology

### Courses Involving the Use of Pharmaceutical Agents to Diagnose and Treat Diseases of the Eye

Anterior Segment Disease	4.5 QH
Posterior Segment Disease	2.5 QH
Neuro Eye Disease	2.5 QH
Perspectives in the Diagnosis and Management of Ocular Disease/Ocular Emergencies	2.5 QH
Diagnosis and Management of the Glaucomas	1.5 QH

### Courses Involving the Use of Pharmaceutical Agents to Treat Systemic Disease

Clinical Medicine I	-	3.25 QH
Clinical Medicine II	-	3.25 QH

\* one quarter hour (QH) = 10 hours of lecture or 20 hours of laboratory

*Shaping the Future of Vision Care*



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March 17, 1997

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As a licensed ophthalmologist in Alaska, I strongly support House Bill 195.

*Specializing In:*

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- Surgery to Correct Nearsightedness, Farsightedness and Astigmatism*
- Glaucoma Consultation and Surgery*
- Corneal Transplants and Disorders of the Eye's Surface*
- Eyelid Surgery*
- Retinal Care and Surgery*

Sincerely

Robert O. Ford, M.D.

**Family Vision Center at Wal-Mart****Dr. Charles A. LeKites**

P.O. Box 242771 - Anchorage - AK - 99524-2771 - (907) 563-8803

April 12, 1997

Health, Ed, & Social Services Committee (HESS)  
State Capitol  
Juneau, AK 99801

To Whom It May Concern:

As a member of the United States Public Health Service I have worked in a rural setting - 500 miles from the nearest Ophthalmologist. My responsibilities for providing health care were very broad in that setting. As a member of the Hospital Staff in Bethel, I had the privilege to prescribe oral medications, and to order diagnostic imaging and lab testing. As the expert in eye care for the Yukon-Kuskokwim Delta Region, all visual and ocular cases, as well as systemic problems related to the eye, were seen through the Optometry Clinic. Co-management of patients with Medical Doctors on staff and Ophthalmologists in Anchorage enabled me to safely, efficiently, and cost-effectively handle a wide variety of health problems.

Presently in 33 other states, Optometrists have authority to prescribe oral pharmaceutical agents.

Optometrists possess an education similar to dentists, podiatrists, and medical doctors. None of these practitioners, including general medicine, have the extensive training and education specific to eye disease and ocular pharmacology. Yet of these practitioners, only Optometrists are limited in the use of advanced technology relating to their area of expertise. We have far more extensive education and training in the use of highly specialized instrumentation for the eye than do general medical doctors, nurses, and health aides that are currently allowed to treat eye disease in Alaska.

The reason for HB195 is to provide much better access to quality, affordable, and cost-effective eye care for Alaskans. This is especially true for our small towns and villages.

Thank you for your time in considering the merits of HB195. Please support HB195. I believe that it is in the better interest of Alaskans as a whole.

Cordially,



Dr. C.A. LeKites  
Optometric Physician

cc Rep. Con Bunde  
Rep. Joe Green  
Rep. Brian Porter  
Rep. Fred Dyson  
Rep. J. Allen Kemplen



James N. Matson, O.D., P.C.  
Jill L. Geering, O.D.  
Doctors of Optometry

March 19, 1997

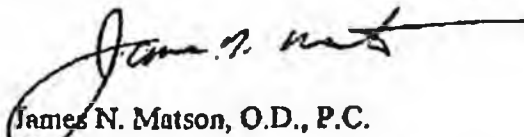
Re: HB-195

As chair of the Board of Examiners in Optometry for the State of Alaska, I am writing this in support of House Bill 195 for the following reasons:

- ◆ I have attended the past two International Board of Examiners in Optometry meetings as a representative of our state. I have found that Alaska statutes lag far behind most states in scope of practice and in "as qualified" language. Passage of this bill will enable Alaskan optometrists to provide care at a level for which we have been trained and licensed. This is important when considering the cost of changing our legislation every time advanced diagnostic or therapeutic procedures and treatments become available.
- ◆ This bill would also provide better care to the citizens of our state by reducing the amount of referrals. Referrals to secondary and tertiary care providers are routine in our care. However, referrals for procedures that fall within our scope of practice are redundant and a disservice to our patients both monetarily and in the time it takes to begin treatment.
- ◆ Having served on the Alaska Board of Examiners in Optometry for many years, there have not been any problems or complications as a result of expanding optometrist's scope of practice to include diagnostic and therapeutic pharmaceutical agents.

Overall, I feel the benefits of this bill will greatly enhance the quality of eyecare the citizens of our state receive.

Sincerely,

  
James N. Matson, O.D., P.C.  
Chair  
Alaska Board of Examiners in Optometry

*Magnum - 5 JLB*  
*The original is in the mail to you -*  
*Jim*

600 Glacier Avenue  
Juneau, AK 99801  
(907) 586-9864

**ALASKA STATE LEGISLATURE**  
**LEGISLATIVE BUDGET AND AUDIT COMMITTEE**  
Division of Legislative Audit



P. O. Box 113300  
Juneau, AK 99811-3300  
(907) 465-3830  
FAX (907) 465-2347

October 4, 1995

Members of the Legislative Budget  
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

**DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT**  
**BOARD OF EXAMINERS IN OPTOMETRY**


October 4, 1995

Audit Control Number  
08-1436-96

This audit was conducted under the requirements of AS 44.66.050 and the authority of AS 24.20.271(1). In the report we assess the operations and performance of the Board of Examiners in Optometry utilizing the criteria set out in AS 44.66.050(c). This criteria relates to assessing the demonstrated public need for a given board, commission, agency, or program subject to the sunset review process. Currently under AS 08.03.010(c)(19), the Board of Examiners in Optometry is scheduled for termination on June 30, 1996. The board would be allowed one year in which to conclude its affairs.

In our opinion, the Board of Examiners in Optometry should be reestablished. The regulation and licensing of qualified professionals is necessary to protect the public's health, safety, and welfare. We recommend that the legislature extend the Board of Examiners in Optometry until June 30, 2002.

The audit was conducted in accordance with generally accepted government auditing standards and the criteria set out in AS 44.66.050(c). Fieldwork procedures utilized in developing this report are discussed further in the Objectives, Scope, and Methodology section on page one.

  
Randy S. Welker, CPA  
Legislative Auditor

## ANALYSIS OF PUBLIC NEED

### Limited Analysis

The following analyses of board activities relate to the public need factors defined in the "sunser" law, AS 44.66.050. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

~~The areas to which the board, commission, or program has operated in the public interest:~~

The Board of Examiners in Optometry has operated in the public interest. The board has spent considerable time in developing regulations for basic education, training, and establishing licensure and licensure endorsement requirements. Further, the board pursued passage of legislation furthering the public interest, health, and welfare.

The board developed, and the legislature passed, two amendments to the optometry statutes during the 1992 legislative session — AS 08.72.175(a) dealing with license endorsements, and AS 08.72.272, which related to the use of pharmaceutical agents. Further, the board developed and the legislature passed, legislation to enact AS 08.72.273. The statute allowed optometrists to remove foreign objects from the eyes of patients. The board, in conjunction with the Department of Law, developed companion regulations related to these statutory changes.

The amendments and enacted legislation furthered the public's interest, health, and welfare by allowing optometrists to perform non-invasive, non-surgical practices only licensed ophthalmologists or physicians were previously allowed to perform. Before amendment and enactment of these laws patient care choices were more restricted, potentially more costly, and the potential for misdiagnosis and mistreatment of eye conditions and diseases was higher.

As an example, in the past when optometrists visited remote areas of the State to perform optometry examinations they were not allowed to prescribe and use topical pharmaceutical agents or remove foreign objects. Instead, optometrists would have to refer the patient to a physician, that in many cases may have less experience or knowledge of the diagnosis and treatment of eye conditions and diseases than the optometrist.<sup>3</sup> If a physician was not available, the patient would either have to wait for an ophthalmologist or physician to arrive, or would have to fly out to receive proper treatment from an ophthalmologist.

<sup>3</sup>The term "physician" is used in context to refer to a medical doctor practicing general medicine.

~~The extent to which the operations of the board has been impeded or inhibited by existing statutes, regulations, and policies which it has adopted, and any other matter, including budgetary, personnel, and personnel matters.~~

The board's operations have been impeded by the following:

1. Administrative bottlenecks caused by the relatively short period that is set out in statute between the time an applicant can apply for licensure and examination (See Recommendation No. 1). These inefficiencies have been exacerbated by OccLic requiring applicants to submit documentation not required by either statute or regulation (See recommendation No. 2).
2. The board operated for extended periods of time without a public member because ex-Governor Hickel and current Governor Knowles did not make appointments in compliance with state board statutes (See Recommendation No. 3).

~~The extent to which the board, committee, or agency has recommended statutory changes for the benefit of the public interest.~~

The board made several statutory recommendations that were adopted by the 1992 legislature. As discussed earlier in this section, the board supported passage of legislation that allowed properly credentialed optometrists to utilize topical therapeutical agents and to non-invasively remove superficial foreign bodies from the eye. This bill benefited the public by increasing the number and types of services optometrists are able to provide patients without having to refer them to either general practitioners (physicians) or ophthalmologists. Often referrals of this nature required patients to travel from rural areas of the State to metropolitan centers to receive these services. Requiring these individuals to travel potentially increased the risk of damage to their eyes and the costs of their treatment.

In addition, the board also recommended amending AS 08.72.159 related to the application for examination to extend the filing date for submission of verification documentation by applicants for examination and licensure from 15 to 60 days before examination. This measure was not adopted into law (See Recommendation No. 1 for further discussion).

Results of our review determined the board's second recommendation was in the public interest. The amendment would have allowed the licensing examiner more time to ensure applicants submitted all required documentation supporting their applications before the board's review of their application files for approval to sit for examination and be licensed.

During FY 95 the board also recommended new legislation to allow nonresident optometrists to assist or substitute for a licensed Alaskan optometrist. This recommended legislation, House Bill (HB) 168, "An Act relating to temporary permits for certain optometrists" would create



Official Business

# Alaska State Legislature

State Capitol  
Juneau, AK 99801-1182

## SPONSOR STATEMENT

### SB 78, OPTOMETRY SCOPE OF PRACTICE

Optometry is a primary health care profession that examines, diagnoses, and treats disorders of the human eye and its appendages, utilizing diagnostic and therapeutic medications, methods, and procedures in accordance with professional training and competency.

Historically, medical doctors have enjoyed unlimited legislative trust in their scope of practice. However, the methods and procedures used by other limited license health care professions (optometrists, dentists, podiatrists, nurse practitioners, et. al.) are determined in regulations by their respective state boards.

In the past, Alaska's doctors of optometry have had their scope of practice unduly restricted by outdated state statutes. For every new advance in technology, optometry has had to return to the legislature to revise these statutes in order to practice at the highest standard of care.

In 1988, the statutes were updated to allow optometrists to use diagnostic drugs. Alaska's Legislature was the last out of 50 states to pass this law. In 1992, the prescribing of therapeutic drugs to treat eye diseases was authorized, and Alaska was the 32<sup>nd</sup> state to pass such legislation. However, due to a compromise in the original bill, only topical medications were included at that time.

Currently in the U.S., all 50 states authorize optometrists to prescribe drugs, with 34 states allowing oral or systemic drugs, while 16 states, including Alaska, further restricted to topical drugs only. One state authorizes the use of lasers by optometrists.

Last session, a bill was introduced and heard that would expand the scope of optometry to include all medications for the eye, as well as the use of lasers and limited surgical procedures for qualified optometrists. SB 78 only allows qualified optometrists to prescribe and use medications related to the eye (and for emergency anaphylaxis).

This change will allow Alaskan optometrists to practice at the currently accepted standard of care. It will provide Alaskan residents improved access to quality, cost-effective eye care.

*Optometric Physician*

Medical Park Suite 202  
2211 E. Northern Lights Blvd.  
Anchorage, AK 99508  
(907) 276-2080  
(907) 276-2081 Fax



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## JEFFREY A. GONNASON, O.D.

### **SB 78: Prescription of Pharmaceutical Agents in the Practice of Optometry**

Currently, Alaskan optometrists with a therapeutic drug endorsement issued by the State Board, may prescribe drugs to treat conditions of the eye, but are restricted to only "topical" drugs, such as eye drops.

While topical medications are often effective, there are conditions of the eye that require systemic medications for proper treatment under accepted standards of care.

The most common examples are:

1. Antibiotics for infection, such as certain eyelid conditions.
2. Pain medication, as eye pain can be very severe.
3. Oral drugs that treat dangerously high eye pressure.

This bill restricts the prescribing to only those optometrists who have obtained a therapeutic endorsement to their license by the Board.

This bill allows all approved medication for ONLY treating the eyes and their appendages. No other conditions outside of the scope of practice of optometry may be treated, with the exception of emergency anaphylaxis.

Some medications are classified "controlled substances" by state and federal law, which puts them into schedules according to danger potentials, with Schedule I the greatest, followed by Schedule II and so on. This bill does NOT ALLOW licensees to prescribe Schedule I or II, even though the professional training would warrant it. There are very few conditions that might require Schedule I or II, and restricting them may provide a comfort level without unduly limiting the tools of our profession. Most other states restrict Schedule I & II, as does this bill.

This Legislature trusted optometry in 1988 and again in 1992, and we have shown ourselves to be reasonable, competent, and trustworthy of our expanded privileges. As of now, there have been no complaints of harm to the Division of Occupational Licensing with regards to use of medications. Malpractice insurance rates have stayed the same in states with or without prescribing privileges.

The reason for this legislation is to provide much better access to high quality, affordable, and cost effective eye care for Alaskans.



Rick D. Swearingen, O.D.  
Erik D. Christianson, O.D.

February 18, 2000  
Senator Jerry Mackie  
State Capitol  
Juneau, AK 99801-1182

RE: Senate Bill 78 " An Act relating to the prescription of pharmaceutical agents in the practice of optometry."

Senator Mackie,

My name is Erik Christianson and I am an optometrist in Ketchikan. I currently practice in a partnership with Rick Swearingen, O.D. I wanted to bring your attention to a bill that is coming up for a vote in the senate in the near future. SB 78 is a bill that will allow optometrists with therapeutic credentials to add oral and injectable medications to our treatment options for diseases of the eyes and surrounding structures. As I am sure you are aware, optometrists in Alaska with a license endorsement are allowed to use topically applied medications to treat eye disease (sec AS 08.72.272). Currently all 50 states have statutes that allow optometrists to use topical medications and 23 states allow oral and injectable medications. The push to allow optometrists to treat eye disease and expand their scope of practice has paralleled improvements in optometric education and eye care technology. Optometrists are considered physicians by major medical insurance carriers. This insurance includes Medicare and Medicaid. Since we are considered physicians we need to be allowed to use all of the tools we have been trained to use in the treatment of eye disease.

Optometric treatment of eye disease with topical medications in Alaskan patients has been successful. In the past medicine, particularly the medical eye sub-specialty ophthalmology, had been against changes in the scope of optometric practice. Since optometrists have been allowed to use topical medications our working relationship has improved with ophthalmology. By working together for the mutual benefit of our patients we have gained greater respect for the strengths each discipline brings to eye care. Alaskan optometrists have "talked the talk and walked the walk" with regard to topical treatment of eye disease. I was appointed to the Alaska Board of Optometry in June of 1998. In my time on the board we have not had a single incident regarding improper use of pharmaceuticals. In general, I believe that other members of the Alaska medical community see this as a good thing for Alaska patients.

Optometrists are the most widely distributed and accessible eye care providers in your district. Ophthalmology is only available on a full-time basis in Juneau. Ketchikan serves as a service hub for southern Southeast Alaska. Metlakatla, Hyder, Meyers Chuck, and the communities on Prince of Wales Island receive much of their medical care here. Ketchikan currently has 2-3 optometrists practicing full-time and ophthalmology 1 week per month. I travel on a frequent basis to provide full scope eye care in Metlakatla and Craig. DAILY our clinic receives referrals for treatment of all types of eye problems from Ketchikan General Hospital, Annette Island Service Unit in Metlakatla, Seaview Medical Clinic in your hometown of Craig, AK; Alicia Roberts clinic in Klawock, Ketchikan Indian Corporation Tribal Health Clinic; USCG Health Services, ALL of the local private medical clinics in Ketchikan, and Public Health nursing.

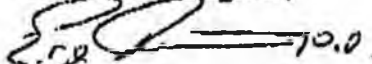
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351 Carlanna Lake Road  
Ketchikan, Alaska 99901  
907-225-2020  
Fax: 907-247-2015

Patients throughout your senate district depend on optometrists to be their eye care providers. We have built their trust and have worked hard to keep it. Medical professionals increasingly turn to optometrists as one of their options for treatment of eye problems that they feel is beyond their scope. Allow us to have the additional tools necessary to treat our patients and your constituents more effectively. **Vote YES on SB 78.**

Professional Regards,



Erik D. Christianson, O.D.

P.S. As I am writing this letter I have been asked to see a patient referred from Scaview Medical Center in Craig, AK. This patient has been hospitalized at Ketchikan General with an acute infection of the tear drainage duct. Dr. Williams Anthes is her primary physician, but has asked me to use my expertise to help him with her care. Treatment for this will entail the use of topical, oral, and IV medications. Currently I am called on to make the diagnosis and start treatment for my eye care patients. When oral or other systemic medications are called for I must track down the referring doctor, tell them what is needed, and ask the referring doctor to call the prescription to a pharmacy. This is time consuming, inefficient, and frustrating for me and my patients. I need to have the full range of medications at my disposal to be able to treat eye disease. This will make me the best I can be at my job...for the benefit of Southern southeast patients



## EDUCATION OF THE DOCTOR OF OPTOMETRY

To establish perspective, there is value in comparing the general characteristics of the education of selected health professionals: optometry, medicine, podiatry, nursing and pharmacy.

Perhaps the most current review is reported by Robert F. Rushmer, M.D.,<sup>1</sup> noted author and Director, Center for Advanced Studies in Biomedical Sciences, School of Medicine, University of Washington. He observed that each has state board requirements; all but pharmacy have national boards. All these educational institutions require accreditation at regular intervals. The admission requirements for medicine are less specific or demanding than in some other categories.

Each of these educational processes involves some years of basic sciences, preclinical education and clinical experience. Rushmer concludes, "In general, the basic educational experience of these five professions are remarkably similar and cannot account for consistent under utilization of 'non-medical' health professionals."

Addressing the concern for the provision of primary care, Dr. Rushmer makes the observation that the numbers of general practitioners and family physicians are grossly inadequate to afford the luxury of initial contact with physicians as the standard procedure; this is compounded in remote areas and central cities.

He points to the need for utilization of other health professions. Dr. Rushmer states, "Pharmacists undoubtedly have a sounder education in the details of dosage and distinctions among pharmaceutical agents than do physicians. Similarly, optometrists have a more extensive exposure to the basic principles of physiological optics than do physicians."

"From earliest times, the training of physicians has been based in large measure on apprenticeship, and vestiges of this orientation are clearly visible today in the clinics and the wards of teaching hospitals." "The residents, training to be specialists, usually serve as surrogate faculty for both interns and medical students." In contrast the training of optometrists can be described as a combined didactic, laboratory and clinical curriculum, the design of which has many parallels to dentistry.

By being exempt from the provisions of the statutes governing the practice of optometry, physicians in general are legally entitled to test eyes and prescribe glasses. Ophthalmologists complete a three year apprenticeship-style residency program concerning diseases of the eye; ophthalmology being a subspecialty of surgery. Beyond that of general medicine no licensing is required to practice ophthalmology.

In comparing the specialties Dr. Rushmer states, "...the upgraded curricula of optometry schools generally provide more extensive basic knowledge, training and experience in correcting refractive errors that most ophthalmologists receive. Training and clinic experience in detection of eye pathology now renders recent graduates of optometry school capable of filling an extremely important role in this specialized area of health care. The persistent opposition of the medical profession has retarded but only partially impeded optometrists from providing ever expanding service in the care of the eye."

1. Rushmer, R.F.: *National Priorities for Health*: New York, Wiley, 1980.



American Optometric  
Association

**Family Vision Center at Wal-Mart**  
**Dr. Charles A. LeKites**  
P.O. Box 242771 - Anchorage - AK - 99524-2771 - (907) 563-8803

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April 12, 1997

Health, Ed, & Social Services Committee (HESS)  
State Capitol  
Juneau, AK 99801

To Whom It May Concern:

As a member of the United States Public Health Service I have worked in a rural setting - 500 miles from the nearest Ophthalmologist. My responsibilities for providing health care were very broad in that setting. As a member of the Hospital Staff in Bethel, I had the privilege to prescribe oral medications, and to order diagnostic imaging and lab testing. As the expert in eye care for the Yukon-Kuskokwim Delta Region, all visual and ocular cases, as well as systemic problems related to the eye, were seen through the Optometry Clinic. Co-management of patients with Medical Doctors on staff and Ophthalmologists in Anchorage enabled me to safely, efficiently, and cost-effectively handle a wide variety of health problems.

Presently in 33 other states, Optometrists have authority to prescribe oral pharmaceutical agents.

Optometrists possess an education similar to dentists, podiatrists, and medical doctors. None of these practitioners, including general medicine, have the extensive training and education specific to eye disease and ocular pharmacology. Yet of these practitioners, only Optometrists are limited in the use of advanced technology relating to their area of expertise. We have far more extensive education and training in the use of highly specialized instrumentation for the eye than do general medical doctors, nurses, and health aides that are currently allowed to treat eye disease in Alaska.

The reason for HB195 is to provide much better access to quality, affordable, and cost-effective eye care for Alaskans. This is especially true for our small towns and villages.

Thank you for your time in considering the merits of ~~HB195~~ <sup>SB 78</sup> ~~HB195~~. Please support ~~HB195~~ <sup>SB 78</sup> ~~HB195~~. I believe that it is in the better interest of Alaskans as a whole.

Cordially,

  
Dr. C.A. LeKites  
Optometric Physician

cc Rep. Con Bunde  
Rep. Joe Green  
Rep. Brian Porter  
Rep. Fred Dyson  
Rep. J. Allen Kemplen

**ALASKA STATE LEGISLATURE**  
**LEGISLATIVE BUDGET AND AUDIT COMMITTEE**  
Division of Legislative Audit



P. O. Box 113300  
Juneau, AK 99811-3300  
(907) 465-3830  
FAX (907) 465-2347

October 4, 1995

Members of the Legislative Budget  
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

**DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT**  
**BOARD OF EXAMINERS IN OPTOMETRY**

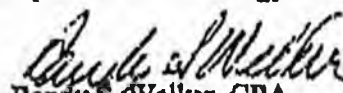
October 4, 1995

Audit Control Number  
08-1436-96

This audit was conducted under the requirements of AS 44.66.050 and the authority of AS 24.20.271(1). In the report we assess the operations and performance of the Board of Examiners in Optometry utilizing the criteria set out in AS 44.66.050(c). This criteria relates to assessing the demonstrated public need for a given board, commission, agency, or program subject to the sunset review process. Currently under AS 08.03.010(c)(19), the Board of Examiners in Optometry is scheduled for termination on June 30, 1996. The board would be allowed one year in which to conclude its affairs.

In our opinion, the Board of Examiners in Optometry should be reestablished. The regulation and licensing of qualified professionals is necessary to protect the public's health, safety, and welfare. We recommend that the legislature extend the Board of Examiners in Optometry until June 30, 2002.

The audit was conducted in accordance with generally accepted government auditing standards and the criteria set out in AS 44.66.050(c). Fieldwork procedures utilized in developing this report are discussed further in the Objectives, Scope, and Methodology section on page one.

  
Randy S. Welker, CPA  
Legislative Auditor

### ANALYSIS OF PUBLIC NEED

#### Limited Analysis

The following analyses of board activities relate to the public need factors defined in the "sunset" law, AS 44.66.050. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

#### The extent to which the board, commission, or program has operated in the public interest.

The Board of Examiners in Optometry has operated in the public interest. The board has spent considerable time in developing regulations for basic education, training, and establishing licensure and licensure endorsement requirements. Further, the board pursued passage of legislation furthering the public interest, health, and welfare.

The board developed, and the legislature passed, two amendments to the optometry statutes during the 1992 legislative session — AS 08.72.175(a) dealing with license endorsements, and AS 08.72.272, which related to the use of pharmaceutical agents. Further, the board developed and the legislature passed, legislation to enact AS 08.72.273. The statute allowed optometrists to remove foreign objects from the eyes of patients. The board, in conjunction with the Department of Law, developed companion regulations related to these statutory changes.

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As an example, in the past when optometrists visited remote areas of the State to perform optometry examinations they were not allowed to prescribe and use topical pharmaceutical agents or remove foreign objects. Instead, optometrists would have to refer the patient to a physician, that in many cases may have less experience or knowledge of the diagnosis and treatment of eye conditions and diseases than the optometrist.<sup>3</sup> If a physician was not available, the patient would either have to wait for an ophthalmologist or physician to arrive, or would have to fly out to receive proper treatment from an ophthalmologist.

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The board's operations have been impeded by the following:

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*The extent to which the board, commission, or agency has recommended statutory change that are generally of benefit to the public interest.*

The board made several statutory recommendations that were adopted by the 1992 legislature. As discussed earlier in this section, the board supported passage of legislation that allowed properly credentialed optometrists to utilize topical therapeutical agents and to non-invasively remove superficial foreign bodies from the eye. This bill benefited the public by increasing the number and types of services optometrists are able to provide patients without having to refer them to either general practitioners (physicians) or ophthalmologists. Often referrals of this nature required patients to travel from rural areas of the State to metropolitan centers to receive these services. Requiring these individuals to travel potentially increased the risk of damage to their eyes and the costs of their treatment.

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**KETCHIKAN  
Eye Care Center**

*Advanced Vision & Health Care for Your Family's Eyes*

*Jerry - this is a (S) + C spon.  
bill - in S rules -  
Dave has file*

Rick D. Swearingen, O.D.  
Erik D. Christianson, O.D.

February 18, 2000  
Senator Jerry Mackie  
State Capitol  
Juneau, AK 99801-1182

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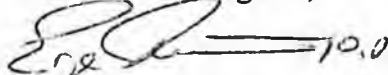
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351 Carlanna Lake Road  
Ketchikan, Alaska 99901  
907-225-2020  
Fax: 907-247-2015

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Professional Regards,



Erik D. Christianson, O.D.

P.S. As I am writing this letter I have been asked to see a patient referred from Seaview Medical Center in Craig, AK. This patient has been hospitalized at Ketchikan General with an acute infection of the tear drainage duct. Dr. Williams Anthes is her primary physician, but has asked me to use my expertise to help him with her care. Treatment for this will entail the use of topical, oral, and IV medications. Currently I am called on to make the diagnosis and start treatment for my eye care patients. When oral or other systemic medications are called for I must track down the referring doctor, tell them what is needed, and ask the referring doctor to call the prescription to a pharmacy. This is time consuming, inefficient, and frustrating for me and my patients. . I need to have the full range of medications at my disposal to be able to treat eye disease. This will make me the best I can be at my job...for the benefit of Southern southeast patients

FAXED 02/18/00



James N. Matson, O.D., P.C.  
 Jill L. Geering, O.D.  
 Doctors of Optometry

March 19, 1997

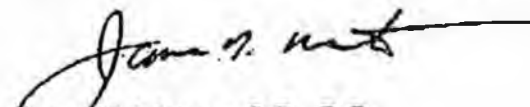
Re: HB-195

As chair of the Board of Examiners in Optometry for the State of Alaska, I am writing this in support of House Bill 195 for the following reasons:

- ◆ I have attended the past two International Board of Examiners in Optometry meetings as a representative of our state. I have found that Alaska statutes lag far behind most states in scope of practice and in "as qualified" language. Passage of this bill will enable Alaskan optometrists to provide care at a level for which we have been trained and licensed. This is important when considering the cost of changing our legislation every time advanced diagnostic or therapeutic procedures and treatments become available.
- ◆ This bill would also provide better care to the citizens of our state by reducing the amount of referrals. Referrals to secondary and tertiary care providers are routine in our care. However, referrals for procedures that fall within our scope of practice are redundant and a disservice to our patients both monetarily and in the time it takes to begin treatment.
- ◆ Having served on the Alaska Board of Examiners in Optometry for many years, there have not been any problems or complications as a result of expanding optometrist's scope of practice to include diagnostic and therapeutic pharmaceutical agents.

Overall, I feel the benefits of this bill will greatly enhance the quality of eyecare the citizens of our state receive.

Sincerely,

  
 James N. Matson, O.D., P.C.  
 Chair  
 Alaska Board of Examiners in Optometry

*Magnum - 5 JB*  
*The original is in the mail to you -*  
*Jim*

800 Glacier Avenue  
 Juneau, AK 99801  
 (907) 586-9864

**DONALD W. DIPPE, M.D.**

A PROFESSIONAL CORPORATION  
DIPLOMATE  
AMERICAN BOARD OF OPHTHALMOLOGY  
DISEASES AND SURGERY OF THE EYE

SUITE 35  
2841 DeBARR ROAD  
ANCHORAGE, ALASKA 99508

TELEPHONE  
(907) 264-1405

April 23, 1999

Senator Jerry Mackie  
State Capitol, Room 427  
Juneau, AK 99802-1182

Subject: SB 78

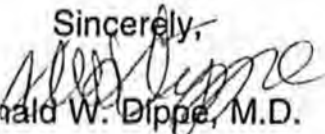
Dear Senator Mackie:

Optometrists have filed a "bad medicine" Bill in the Alaska Legislature. This Bill would authorize Optometrists to prescribed ORAL AND INJECTABLE DRUGS AND CONTROLLED SUBSTANCES in Alaska.

SB 78 threatens the public health. This bill would allow Optometrists to use all oral and injectable drugs in the treatment of eye diseases. The State Board of Optometry would be the only authority on ensuring competence by optometrists to prescribe these oral and injectable pharmaceutical agents. SB 78 will also remove the current safeguards in existing law that prohibit optometrists from prescribing Schedule IIIA, IVA, and VA controlled substances. Optometrists do not have sufficient training or experience to use systemic drugs. Moreover, as we have seen in other states, passage of legislation which authorizes optometrists to prescribe oral and injectable pharmaceutical agents to treat eye diseases will expedite the timetable for introducing legislation authorizing optometrists to use laser surgical devices.

SB 78 will be heard on the Senate Floor shortly. Optometrists are currently making calls to the members of the Alaska Senate and are asking for a favorable review of SB 78. I urge you to vote against passage of SB 78. This is a "bad medicine" Bill and should not be permitted to come into law. I urge your support in voting against passage of SB 78.

Sincerely,

  
Donald W. Dippe, M.D.



# Pennsylvania College of Optometry

1200 West Godfrey Avenue

Philadelphia, Pa. 19141-3399

March 27, 1997

Dr. Maynard Falconer  
1833 West 15th St.  
Anchorage, Alaska 99501

Office of the President

(215) 276-6210

Fax (215) 276-6081

President's Internet Address:

6817026@MCIMAIL.COM

Dear Maynard:

This letter is in response to your inquiry regarding the preparation of students at the Pennsylvania College of Optometry related to the pending legislation in Alaska regarding the scope and practice of optometry. You had specifically requested information about students' training in oral medications, new procedures and the use of lasers.

I have enclosed for you a table which lists the courses related to pharmacology. As you will see from the table, students at the Pennsylvania College of Optometry, in addition to having basic pharmacology courses in both ocular and systemic medications, also study the application of these medications to the treatment of both ocular and systemic diseases. Beyond their classroom training, students have the opportunity to apply these drugs in a live patient environment both on and off campus. The College's externship program includes many multi- and interdisciplinary settings in which the students manage a very diverse patient population.

Technology has had a major impact on society in general and certainly in health care. The College prides itself in making available to students the latest training on new procedures that impact the practice of optometry which often involve the cutting edge technological advancements. Although it is extremely costly to have the latest equipment, it is something that the College deems necessary to provide state-of-the-art education.

I've enclosed for you a syllabus of the ophthalmic laser course which is taught in the spring quarter to third year students. This syllabus should give you a thorough understanding of the students' education in this area. The course does include two laboratories in which students have an opportunity to utilize the lasers on animal models to perform capsulotomies, iridotomies, trabeculoplasty, retinal photocoagulation, and excimer laser PRK.

Finally, I've included for you a current College catalogue which will give you a complete overview of the curriculum. If you have any questions regarding the current curriculum at the Pennsylvania College of Optometry as it applies to your legislation, please feel free to contact me.

With warmest regards,

Thomas L. Lewis, O.D., Ph.D.  
President

TLL/ljl

Tom\lei\lalconer

*Shaping the Future of Vision Care*



# Pennsylvania College of Optometry

1200 West Godfrey Avenue

Philadelphia, Pa. 19141-3399

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(215) 276-6210

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## PENNSYLVANIA COLLEGE OF OPTOMETRY

### Courses Which Include Information on Pharmacology

Pharmacology I	4 QH	Systemic Pharmacology
Pharmacology II	3.5 QH	Ocular Pharmacology

### Courses Involving the Use of Pharmaceutical Agents to Diagnose and Treat Diseases of the Eye

Anterior Segment Disease	4.5 QH
Posterior Segment Disease	2.5 QH
Neuro Eye Disease	2.5 QH
Perspectives in the Diagnosis and Management of Ocular Disease/Ocular Emergencies	2.5 QH
Diagnosis and Management of the Glaucomas	1.5 QH

### Courses Involving the Use of Pharmaceutical Agents to Treat Systemic Disease

Clinical Medicine I	-	3.25 QH
Clinical Medicine II	-	3.25 QH

\* one quarter hour (QH) = 10 hours of lecture or 20 hours of laboratory

*Shaping the Future of Vision Care*

AMENDMENT

OFFERED IN THE HOUSE

by Representative

TO: SB 78

- 1 Page 1, line 10, following "of",
- 2 Insert ", and affects only"

AMENDMENT

OFFERED IN THE HOUSE

by Representative

TO: SB 78

- 1 Page 1, line 11, following "anaphylaxis".  
2 Delete "and (3)", and insert,  
3 "(3) an ophthalmologist is not present in the community in which the optometrist is  
4 practicing; and  
5 (4)"

**S B**

**8 5**



# General Teamsters Local 959 State of Alaska

*Alliliated with International Brotherhood of Teamsters*

ANCHORAGE, ALASKA 99503, 520 E. 34TH AVE. (907) 565-8122 FAX (907) 565-8205 GERALD L. HOOD, Secretary-Treasurer

FAIRBANKS, ALASKA 99707, P.O. Box 70609 (907) 452-2959 FAX (907) 452-5051  
JUNEAU, ALASKA 99901, 306 Willoughby (907) 586-3225 FAX (907) 586-1227  
KENAI, ALASKA 99611, P.O. BOX 3150 (907) 283-4498 FAX (907) 283-6030

March 8, 1999

Senator Jerry Mackie, Chair  
Senator Tim Kelly, Vice Chair  
Labor and Commerce  
State Capitol  
Juneau, AK 99801

Re: SB 85 PERS Credited Service for Temporary Employment

Dear Senator Mackie & Senator Kelly,

*On behalf of the members that we represent around the State in public sector employment I am pleased on their behalf to see the introduction of SB 85. Under current law those employees covered by the Public Employee Retirement System (PERS) can purchase their temporary time but it is not credited to the minimum service time needed for retirement. For example, while a member in their younger days was going to college, they would work a temporary position during their summer off months and return to school in the fall. If they worked for four (4) summers, that temporary time (if bought) would not be credited toward the minimum service time for retirement purposes.*

*In reviewing SB 85, we believe this bill would correct a huge inequity within the system and possibly allow members an opportunity in using this book time to retire earlier than anticipated. We support the passage of this bill and ask for the committee support as well.*

*If I can be of any assistance or provide additional information, please let me know.*

Sincerely,

TEAMSTERS LOCAL 959

  
Gerald L. Hood  
Secretary-Treasurer

cc: Senator Dave Donley  
Senator Loren Leman  
Senator Lyman Hoffman





Official Business

# Alaska State Legislature

## SENATE LABOR & COMMERCE COMMITTEE

State Capitol  
Juneau, AK 99801-1182

Senator Jerry Mackle, Chair  
Senator Tim Kelly, Vice Chair  
Senator Dave Donley  
Senator Loren Leman  
Senator Lyman Hoffman

(907) 465-3844

SB 85 - "AN ACT RELATING TO CREDITED SERVICE IN THE PUBLIC EMPLOYEES'  
RETIREMENT SYSTEM FOR TEMPORARY EMPLOYMENT."

### INDEX

- I. Sponsor Statement SB 85 by Senator Mackle with Press Release attachment
- II. SB 85
- III. Fiscal Note - Department of Administration 3/1/99
- IV. Alaska Statute 39.35.345
- V. Position Paper - Department of Administration 3/1/99
- VI. Support petitions and letters

KODIAK OFFICE  
112 MILL BAY ROAD  
KODIAK, ALASKA 99615  
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ALASKA STATE LEGISLATURE



STATE CAPITOL  
JUNEAU, ALASKA 99801-1182  
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(800) 821-4925 (TOLL FREE)  
(907) 465-3517 (FAX)

**SENATOR JERRY MACKIE**

SENATE MAJORITY LEADER

SPONSOR STATEMENT

**SB 85 - "An Act relating to credited service in the public employees' retirement system for temporary employment."**

This legislation amends **AS 39.35.345(d)** to allow employees covered by the Public Employee Retirement System (PERS) to buy up any temporary time and have it credited toward the minimum service time for retirement. Employees in this system can currently buy back their temporary time, however their temporary time is not credited toward the minimum service time needed for retirement.

SB 85 would allow employees to choose whether the credited service granted is used for normal retirement under the "20 and out" and the "30 and out" retirement options cited below:

**AS 39.35.370(a) Retirement benefits.** Subject to AS 39.35.450, a terminated employee is eligible for a normal retirement benefit

- (2) with at least 20 years of credited service as a peace officer or fire fighter; or
- (3) with at least 30 years of credited service for all other employees

Temporary service as recognized under the retirement system under AS 39.35.345, provides that the full actuarial cost of using the temporary service be paid by the employee. The provisions of this bill will not result in any additional costs to the State of Alaska Retirement System. It is, however, more likely for the state to realize cost savings; the employees prone to use this for retirement credit are employees with higher service totals, thus they are on the higher end of the pay scale. I believe SB 85 is an option that provides us with a reasonable and fair remedy in minimizing the impact of current and future budget reductions.

This legislation provides equity to all state employees in temporary positions by enabling them to count their temporary time towards retirement eligibility. The passage of SB 85 is not only an opportunity to send a positive message to Alaska's State employees during a critical economic period within our state, it is the right thing to do.

**History**

To provide a historical background, the Blue Ribbon Commission Report on the State Personnel Act to the Eleventh Alaska State Legislature concluded that temporary employees received none of the benefits provided to permanent employees by the state. As a result of the Commission's findings, *Senate Bill 198 passed in 1980* to redefine the term "temporary" to "nonpermanent" and eliminate the inconsistencies and abuses in hiring of "temporary" employees.

Temporary employees throughout the State of Alaska elected to "**buy back**" their **service time (increases benefit amount)**. As cited in **AS 39.35.345 (a)** Benefits are not payable on this credited service unless the employee makes retroactive contributions to the system for the period of time that credited service is claimed. The retroactive contribution is the full actuarial cost of providing benefits for the credited service claimed. Therefore, there were no additional costs to the State of Alaska Retirement System.

During this period of reclassification of employees, the issue of time spent as a "temporary" employee being counted towards service based retirement was not addressed.



# Senate Majority News

Maggie Wall, Senate Majority Press Secretary  
State Capitol, Room 413  
Juneau, AK 99801  
Phone: (907) 465-4582

For Broadcast Actualities: (800) 478-6540  
Web Site: <http://www.akrepublicans.org>

**For Immediate Release: February 24, 1999 Contact: Senator Jerry Mackie at (907) 465-4925**

## Bill Allows Temporary Employees To Credit Time Toward Retirement

(JUNEAU)—State employees with temporary service would be able to buy up any temporary time and have it credited toward the minimum service time for retirement if a proposed Senate bill becomes law.

Senate Bill 85, sponsored by Senator Jerry Mackie (R-Craig), fixes an inequity in the Public Employee Retirement System (PERS). "This legislation provides equity to all state employees in temporary positions by enabling them to count their temporary time toward retirement eligibility," said Sen. Mackie.

Currently, temporary employees in the PERS system can buy back their temporary time, however their temporary time is not credited toward the minimum service time needed for retirement.

Provisions of the change proposed by Sen. Mackie will result in no additional cost to the State of Alaska Retirement System. "It's more likely for the State to realize cost savings," said Sen. Mackie. "The employees prone to use this for retirement credit are employees with higher service totals, thus they are on the higher end of the pay scale. I believe SB 85 is an option that provides us with a reasonable and fair remedy in minimizing the impact of current and future budget reductions," Sen. Mackie said.

"The passage of SB 85 is not only an opportunity to send a positive message to Alaska's State employees during a critical economic period in our state, it is the right thing to do," said Sen. Mackie.

SB85 is in the Senate Labor and Commerce Committee which is chaired by Sen. Mackie.

###

SENATE BILL NO. 85

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY SENATOR MACKIE

Introduced: 2/22/99  
Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to credited service in the public employees' retirement system  
2 for temporary employment."

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

4 \* Section 1. AS 39.35.345(d) is repealed and reenacted to read:

5 (d) An employee may choose whether the credited service granted under this  
6 section is used to satisfy the credited service requirements for normal retirement under  
7 AS 39.35.370(a)(2) or (3) or is only used for the calculation of benefits. An election  
8 under this subsection is irrevocable and applies to all temporary credited service that  
9 the employee has accrued when the employee retires.

10 \* Sec. 2. A member of the public employees' retirement system who has claimed credited  
11 service under AS 39.35.345 before the effective date of this Act may exercise the election  
12 established under AS 39.35.345(d), as amended by sec. 1 of this Act, before the member is  
13 appointed to retirement.

# FISCAL NOTE

**III**

BILL NO. SB 85 (L&C)

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
 Title: An Act relating to credited service that vested members of PERS receive for temporary service  
 Sponsor: Senator Mackie  
 Requestor: (S) L & C

Department Affected: Administration  
 BRU: Centralized Administrative Services  
 Component: Retirement and Benefits  
 COMPONENT SERIAL NO. 64

**Expenditures/Revenues:** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	4.0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
<b>TOTAL OPERATING</b>	<b>4.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL EXPENDITURES	0	0	0	0	0	0
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CHANGE IN REVENUES ( )	0	0	0	0	0	0
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**FUND SOURCE:** (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1037 GF/Mental Health	0	0	0	0	0	0
OTHER (1029 P/E Retire)	4.0	0	0	0	0	0
<b>TOTAL</b>	<b>4.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimate of any current year (FY 99) cost: \$ 0

**POSITIONS:**

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

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

Since the full actuarial cost of this service is to be paid by the member, there is no anticipated cost to the Public Employees' Retirement System employers. Contracted Services are required to provide computer system modifications.

Prepared by: Guy Bell, Director  
 Division: Retirement and Benefits

Phone: 465-4471  
 Date: \_\_\_\_\_

Approved by Commissioner: Robert Poe Jr.  
 Agency: Department of Administration

Date: 3/1/99

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Sec. 39.35.345. Temporary service credit.

(a) A vested employee is entitled to credited service for periods in which the employee regularly rendered full-time personal service to an employer but was not qualified to participate in the system because of the exclusion of temporary workers as described in AS 39.35.680(21)(C)(iii). Benefits are not payable on this credited service unless the employee makes retroactive contributions to the system for the period of time that credited service is claimed. The retroactive contribution is the full actuarial cost of providing benefits for the credited service claimed.

(b) To obtain credited service under this section, an employee shall elect to do so and shall verify the period of temporary service. When eligibility for temporary service credit has been established, an indebtedness shall be determined as provided in (a) of this section. Any outstanding indebtedness existing at the time an employee retires requires an actuarial adjustment to the benefits payable based on the temporary service. Interest as prescribed by regulation accrues on the indebtedness beginning

(1) July 1, 1981, or one year following the date the employee first becomes vested, whichever is later, for an employee who claims temporary service credit no more than one year after the employee becomes vested;

(2) the date of vesting, for an employee who becomes vested after June 30, 1980, who is claiming temporary service credit more than one year after vesting for service performed before the employee vested;

(3) July 1, 1980, for an employee who became vested before July 1, 1980, who is claiming temporary service credit after June 30, 1981, for service performed before July 1, 1980;

(4) one year after completing the temporary service, for an employee who was vested on the last day of employment as a temporary employee and who claims the temporary service no more than one year after completing the service;

(5) on the date of completing the temporary service, for an employee who was vested on the last day of employment as a temporary employee and who claims temporary service more than one year after completing the service.

(c) A deferred vested employee on July 1, 1980, is eligible to claim credited service under (a) of this section. To obtain credited service under this section, a deferred vested employee shall elect to do so and shall verify the period of temporary service. When eligibility for temporary service credit has been established, an indebtedness shall be determined as provided in (a) of this section. Interest as prescribed by regulation accrues on that indebtedness beginning July 1, 1981. Any outstanding indebtedness existing at the time a deferred vested employee retires requires an actuarial adjustment to the benefits payable based on the temporary service.

(d) The credited service granted under this section may not be used to satisfy the credited service requirements for normal or early retirement.

History -

(Sec. 29 ch 146 SLA 1980; am Sec. 25, 26 ch 106 SLA 1988)

Revisors Notes -

Enacted as AS 39.35.156. Renumbered in 1980.



Department of Administration

Contact: Guy Bell

Bill Number: SB 85

Phone: 465-4471

Bill Title: An act relating to credited service that vested members of the Public Employees' Retirement System receive for temporary service.

This bill would allow a member to claim temporary service as either "credited" service, which only increases the benefit amount, or "membership" service, which enables the member to reach the minimum service requirements for retirement, in addition to increasing the benefit. Under present law, temporary service may only be claimed as "credited" service.

This bill would enable employees to use temporary service to retire under the "20 and out" and "30 and out" retirement provisions.

Since the full actuarial cost of using the temporary service must be borne by the employee, the provisions of this bill will not result in any cost to the retirement system. However, this bill will have the effect of allowing employees to meet the retirement eligibility threshold sooner than would otherwise be anticipated.

  
\_\_\_\_\_  
Robert Poe Jr., Commissioner

3/1/99  
Date

SB 85 - "AN ACT RELATING TO CREDITED SERVICE IN  
THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
FOR TEMPORARY EMPLOYMENT."

Sponsor: Senator Jerry Mackie

*SUPPORT LETTERS AND PETITIONS*