

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

11127 SENATE HEALTH, EDUCATION & SOCIAL SERVICES

Alaska Physicians & Surgeons, Inc.

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April 9, 2003

Honorable Fred Dyson
State of Alaska Senate
State Capitol – Room 121
Juneau, Alaska 99801

Dear Senator Dyson:

Alaska Physicians & Surgeons is in favor of annulling Regulation 12AAC 52.240, adopted by the Board of Pharmacy primarily from a patient care issue. The regulation has done nothing to enhance the current good standard of care provided to patients by the Alaska medical community. It specifically creates a situation where a patient may receive any type of medication without seeing a physician or a medical care provider licensed to prescribe. This could result in patient harm.

Secondly, it is difficult to understand where the statutory authority to adopt this regulation came from.

Alaska Physicians & Surgeons is very supportive of Senate Bill 138, and is concerned for patient safety until this is passed.

Sincerely,



Michael Norman, MD
President/Chairman of Board
Alaska Physicians & Surgeons

SB-136

MICHAEL B. ARMSTRONG, M.D.
Diplomate American Board of Internal Medicine
Subspecialty of Rheumatology
2841 DeBarr Rd., Suite 44
Anchorage, Alaska 99508
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April 11/02

Senator Jim Oyson.
Alaska State Legislature.

Re: SB 138.

I urge you to support
this measure to annual
prescriptive authority for
pharmacists. Only physicians
& clinical practitioners
should have this authority.

Michael Armstrong

Alaska State Hospital & Nursing Home Association

We're helping people care for people!

April 15, 2003

Senator Fred Dyson
Alaska State Legislature
State Capitol Building, Room 121
Juneau AK 99801-1182

Dear Senator Dyson:

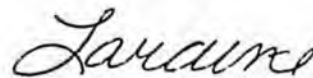
I am writing in relation to Senate Bill No. 138, annulling a regulation relating to the use of protocols.

Our hospitals have been using protocols for years. Use of protocols allows a more efficient and effective operation within the hospital as physicians and pharmacists alike know what is expected of them. Any changes in this area of medical practices will cause problems on both pharmacy and physician employees.

I am asking you to hold SB 138 until the medical association and pharmacy board have time to get together and cooperatively reach agreement on this issue. As so often happens, we try to fix one "problem" only to create others. I believe this is a true case of the "rotten apple" syndrome.

ASHNHA is an organization of hospitals and nursing homes. As such we lobby for the combined interests of our members. Holding SB 138 is in the best interest of our members.

Sincerely yours,



Laraine L. Derr
President/CEO

The logo for the National Association of Chain Drug Stores (NACDS) features the acronym "NACDS" in a bold, serif font, centered within a dark rectangular box with horizontal lines above and below the text.

NATIONAL ASSOCIATION OF
CHAIN DRUG STORES

April 15, 2003

The Honorable Fred Dyson
Honorable Members of the Senate Health, Education and Social Services Committee
Alaska State Senate
State Capitol, Room 121
Juneau, AK 99801-1182

RE: Senate Bill 138 – Collaborative Practice Authority Repeal

Dear Chair Dyson and Members of the Committee,

On behalf of the Alaska members of the National Association of Chain Drug Stores, I would like to voice my strong opposition to the repeal of the Board of Pharmacy Regulation that allows pharmacists and prescribers to **voluntarily** enter into written collaborative arrangements that directly benefit the citizens of Alaska. NACDS members in Alaska include Costco, Kmart, Safeway (Carr's) and Wal-Mart and operate just over half of the 83 community pharmacies located in Alaska. In addition, they employ over 5,300 full and part-time employees and pay over \$4.6 million in taxes to the state.

413 North Lee Street
P.O. Box 1417-D49
Alexandria, Virginia
22313-1480

I am surprised that in a State such as Alaska, with boroughs and villages spread out across the state that legislation would be introduced that could severely limit access to state residents in remote and rural areas. Collaborative agreements enacted in states across the country allow prescribers and pharmacists to better manage a patient's care and ensure healthy outcomes. These are all done through written protocols and are generally patient specific. States that allow some form of collaborative practice agreements include: Arizona, Arkansas, California, Connecticut, Florida, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington and Wyoming.

Chain community pharmacies do not believe that pharmacists should be given prescribing authority independent of physicians. However, in specific instances, consultation with a pharmacist is a safe, convenient, and more cost-effective way of addressing a drug therapy problem. Consider these examples:

Example 1: A patient taking penicillin comes in or calls a pharmacy reporting he has hives. Under a written agreement, a pharmacist may be authorized to change his medication to alleviate the allergic reaction.

Example 2: A patient complains of ringing in her ears and is taking anti-inflammatory medication. The pharmacist could, under the written agreement,

(703) 549-3001

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www.nacds.org

lower the dosage instructions for the patient to try and eliminate the side effect while still achieving the desired results.

Example 3: A patient on blood pressure medication complains of dizziness and fainting. Under a written agreement, a pharmacist could adjust the dosage of his medication to improve blood pressure and alleviate the unwanted effects of the medication.

Under the terms of collaborative practice agreements, the pharmacist would make the patient's physician aware of any change in drug therapy.

Collaborative practice agreements improve patient care in a variety of ways. Studies have shown that up to one-half of all patients do not completely comply with their prescription drug therapy. Pharmacy services administered by pharmacists in chain and independent pharmacies have been proven to improve compliance and prevent unnecessary hospitalizations caused by drug misuse. Collaborative practice agreements are another mechanism to increase the opportunities for pharmacists to contribute their expertise to drug therapies.

Collaborative practice agreements increase patient accessibility to necessary services and also strengthen the pharmacist-physician relationship, ensuring that patients receive the most appropriate and comprehensive drug therapy.

Community pharmacists **ARE NOT** seeking independent prescribing authority. Collaborative practice agreements would only allow pharmacists to modify, continue or discontinue a patient's prescription drug therapy under **written** protocol after a physician's diagnosis.

Community pharmacists **ARE NOT** seeking to require physicians to participate in collaborative practice agreements. In order to function more efficiently in a marketplace ruled by capitation, physicians may seek to share some of their traditional responsibilities with their professional colleagues. Collaborative practice agreements will allow physicians and pharmacist to **voluntarily** engage in these arrangements.

Community pharmacists **ARE NOT** seeking to require patients to engage in any relationship with which they are uncomfortable. If patients do not want pharmacists modifying their drug therapy or wish to maintain their relationship with pharmacists who are not covered by an arrangement, they are under no obligation to participate in a collaborative practice agreement.

These agreements, that through legislation you are proposing to "outlaw", allow for the voluntary participation of the physician, the patient and the pharmacist. For any pharmacist, physician or patient not comfortable with an agreement, they can simply

choose to not participate. For those that see the benefit of working in collaboration together, this gives them the opportunity to pursue a working relationship of this nature.

In the State of Washington, the medical community has been working collaboratively with the pharmacy community for over 20 years. The agreements in Washington exist in both the retail and the institutional setting. Physicians, pharmacists and patients are pleased with the positive health outcomes in which these agreements have resulted. In the retail setting pharmacists are able to administer vaccinations, participate in asthma, diabetes and heart disease state management programs, as well as initiating smoking cessation programs. All these are done through written protocols between a licensed physician and a licensed pharmacist.

I strongly encourage you to not undo what has been done, and not prohibit this practice in the State of Alaska.

Sincerely,



Lis Merten
Regional Director, State Government Affairs
924 Capitol Way South, Suite 216
Olympia, WA 98501
(360) 236-1246
lmerten@nacds.org

cc: Senator Lyda Green
Senator Gary Wilken
Senator Betty Davis
Senator Gretchen Guess



March 22, 2003

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Tel 907.562.2211

The Honorable Fred Dyson
Alaska State Senate
State Capitol, Room 121
Juneau, Alaska 99801-1182

MAR 28 2003

RE: Senate Bill 138 - Collaborative Practice Authority Repeal

Dear Senator Dyson:

On behalf of the Alaska Pharmacists' Association I am writing to urge you to withdraw Senate Bill 138 which would annul the State Board of Pharmacy Collaborative Practice Regulation (section 12 AAC 52.240). This regulation defines the *standards and scope of practice guidelines* for pharmacists who wish to work collaboratively with physicians in caring for patients, specifically by managing drug therapy *once a diagnosis is made*.

Collaborative practice agreements are voluntary on the part of a physician and include protocols developed jointly by the physician/s and pharmacist/s.

Collaborative practice between pharmacists and physicians is not a new concept. Collaborative Drug Therapy Management is addressed in legislation of 39 states, 33 with statutes or regulations, 7 via Medical Practice Acts or other rulings. Thirty-eight include institutions and 29 include community pharmacies.

Collaborative practice services are of great benefit to patients and physicians:

In community pharmacy settings and clinics, collaborative practice arrangements have resulted in a number of positive affects on patient outcomes, as demonstrated in several clinical studies. Patients managed by pharmacist's in an anticoagulation clinic had fewer emergency room visits, fewer hospitalizations and showed a total cost savings of \$1,621 per patient.¹ Community pharmacists conducting an asthma management clinic decreased hospitalizations by 77% and emergency room visits by 78%.² Pharm.acists providing asthma management services to two employers decreased cost, improved care and improved work absence rates.³ Pharmacists providing flu and pneumonia immunizations increased vaccination rates in high risk patients by 74%, with resultant cost savings from reductions in complications due to the infections.⁴ In addition to improvement in outcomes and cost savings, collaborative practice can quicken needed doses or drug adjustments, increase patients' adherence to therapeutic plans, reduce adverse drug reactions through early detection and improve access to the healthcare system.

In hospitals, physicians and pharmacists have been involved in collaborative practice agreements for more than 30 years in the areas of pain, anticoagulant, antibiotic and parenteral nutrition management and drug dosing in kidney impairment, to name a few. Pharmacists improve care of patients and leverage physicians numerous times daily in any one hospital.

Many of the services provided under the collaborative practice umbrella have developed due to the expertise of the pharmacist in those areas, recognition of that expertise by physicians, and their desire to

employ the most efficient approach to managing the therapy. *Annulling this regulation does not mean going back to the status quo (in hospitals) prior to its passage. An annulment may mean total elimination of these services.*

Annulling the regulation will also result in more telephone calls to physicians who have hospitalized patients, burdening already stretched pharmacists and physicians. Pharmacists would otherwise be screening orders written by physicians for the same service. In many cases pharmacists would have reason to call a physician with an alternative recommendation, need for clarification, etc., or write a note resulting in a delay of optimal therapy. More than 90% of these communications result in a change by the physician. Why impose unnecessary burden by eliminating collaborative practice agreements?

Innovation and creativity is required to improve care for patients with chronic conditions. Society is aging. Older adults require more medications and have more chronic diseases that complicate their use of medications. Frailties can interfere with taking medications. Medication use is growing (6.9% of healthcare expenditures in 1995 to 9% in 2000, \$121.8 billion). Use of alternative therapies that can influence traditional medications is widespread. Medication costs are increasing. Pharmacists are the 3rd largest healthcare provider group (RN 2.2 million, MD 598,000, RPh 200,000) and are at a point of easy access to the system. *Pharmacists are responsible for contributing jointly to improve care and control costs to the patient, community and state. We can do this most effectively through collaborative practice.*

The return on investment in pharmaceutical care services is great from the standpoints of drug costs and outcomes. The collaborative practice regulation may provide a foundation for future governmental reimbursement for such services. Financial support will allow pharmacists to more effectively serve as members of the healthcare team.

In Collaborative Practice, pharmacist activities may include:

- Assisting physicians in improving medication management and continuity of care (regular communication)
- Providing, initiating, modifying, continuing, discontinuing, and monitoring a patient's drug therapy
- Ordering, performing and interpreting medication-related lab tests
- Assessing patient response to therapy
- Counseling and educating a patient regarding medications
- Administering certain medications such as vaccines

The following examples illustrate the process and some benefits:

Warfarin Dosing Clinic: Warfarin is a medication used to prevent life-threatening blood clots. Dosing is very dependent on patient factors, diet and other medications. If dosed too low, the patient may experience a clot resulting in hospitalization or death; if too high, bleeding may occur and can be fatal. Lab tests must be checked regularly and doses adjusted frequently according to the protocol. A physician refers a patient to the pharmacist at the clinic and the dosing, lab checks and patient education are done by the pharmacist. There is regular reporting of a patient's status to the physician and documentation of patient visits in a medical record. Physicians are consulted for circumstances outlined in the protocol or when situations occur that are outside the protocol. Patients are not always compliant with appointments for their lab tests - a tight tracking mechanism ensures they are called with a reminder. Warfarin dosing clinics have provided a degree of oversight not usually attainable by physician offices and have

decreased the adverse events associated with over or under dosing. Pharmacists are excellent providers of this service as a result of their training in pharmacology, diet-drug interactions and drug-drug interactions. Visits to these clinics are less costly to the patient and provide regular contact with a patient on a high-risk drug. Oftentimes, other medical problems are noted during the visit and the patient is referred to the physician.

Aminoglycoside Dosing: Aminoglycosides are antibiotics used for serious infections, most often in the hospital. Successful treatment of an infection and avoidance of toxic drug effects depends on proper blood levels of the drugs. Physicians will write an order for a pharmacist to dose the antibiotic. The pharmacist orders the lab tests required for dosing and safe use, according to the Pharmacy and Therapeutics Committee guidelines, until the physician discontinues the medication. Special analytical calculations are sometimes required to determine the correct dosage. This service optimizes drug levels earlier, potentially speeding recovery, avoids toxicity and decreases the number of blood tests a patient must undergo, thereby decreasing cost of care.

In recent discussion between pharmacists and physicians regarding the Collaborative Practice Regulations, several concerns have been raised.

1. Pharmacists will be able to provide, initiate or discontinue medications autonomously: Per a collaborative practice agreement, the physician is requesting that a medication be initiated or discontinued according to the protocol. In the case of a clinic or community pharmacy, the protocol would be created by a physician and a pharmacist or group of pharmacists employed by the pharmacy. In the case of a hospital, the Pharmacy and Therapeutics Committee represents the medical staff and is the usual approval body for protocols applicable to inpatients. Protocols define type of patient, disease state, drug or drug category involved, what authority is authorized in each case and the steps to follow when making decisions. Some protocols may contain a decision algorithm to identify need.
2. The State Board of Pharmacy does not have the right to dictate physician delegation of prescribing: The regulation applies to *pharmacists* entering into agreements with physicians.
3. Physicians will not be aware of the patient's status: Protocols are required to identify the methods of documentation and communication with the physician. Decisions must be evaluated by the physician/s at least once every 3 months. In many cases, this occurs much more frequently; in the hospital, daily.
4. Pharmacists aren't qualified for drug therapy management: Pharmacists are the only healthcare professionals whose training primarily focuses on medication use. All pharmacists have had a minimum of 3 years of pharmacy education after 2 years of general college. Some previous grads and all current grads receive a clinical doctorate degree, Pharm.D., after a minimum of 4 years of pharmacy education, including:
 - Didactic coursework in disease states and evidence based therapeutics
 - Basic physical assessment
 - Experiential training in care planning (patient-specific drug choice, outcome goals, monitoring plans, dose adjustment, drug-drug and drug-disease interaction management) and collaboration with other disciplines
 - How to educate regarding medications
 - Philosophy of direct responsibility to the patient

Senator Fred Dyson
Page 4.
March 25, 2003

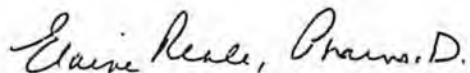
Pharmacists may also have completed general or specialty residencies or have received certification: National Institute for Standards in Pharmacist Credentialing (Asthma, DM, Anticoagulation, Lipid, etc.); Board of Pharmaceutical Specialties, (Pharmacotherapy, Nutrition, Oncology, Psychiatry)

Collaborative Practice Protocols must specify whether completion of additional training is required.

5. Pharmacists will compete with physicians for patients: Collaborative practice is not independent practice. Pharmacists wish to join in the restructuring of healthcare via a team approach using knowledge and skills that are complimentary to those of other disciplines.⁵

Please consider these points and the potential contribution of pharmacists in helping resolve our burgeoning healthcare problems. Surely this will lead you to a different point of view on the State Board of Pharmacy Collaborative Practice Regulation.

Sincerely Yours,



Elaine Reale, Pharm.D., Clinical Manager
Providence Alaska Medical Center
Member, Alaska Pharmacists' Association

Attachment

¹Comparison of an anticoagulation clinic with usual medical care. Anticoagulation control, patient outcomes and health care costs. Chiquette E, et.al. Arch Int Med 1998;158:1641-7.

²Developing and marketing a community pharmacy-based asthma management program. Rupp MT, et.al. J Amer Pharm Assoc; 1997 Nov-Dec;37(6):694-9.

³The Ashville Project. Pharm Times. Romaine Pierson Pub. Westbury:NY. Oct 1998.

⁴Community pharmacists as immunization advocates: a pharmacoepidemiologic experiment. Int J Pharm Pract Grabenstein JD. 1993;2:5-10.

⁵Quality Chasm Report, 2001 Institute of Medicine

Collaborative Drug Therapy Management

What is Collaborative Drug Therapy Management (CDTM)?

Pharmacists and physicians voluntarily enter into an agreement to jointly manage a patient's drug therapy via a predetermined protocol. Pharmacist activities may include:

- Assisting physicians in improving medication management and continuity of care (regular communication)
- Providing, initiating, modifying, continuing, discontinuing, and monitoring a patient's drug therapy
- Ordering, performing and interpreting medication-related lab tests
- Assessing patient response to therapy
- Counseling and educating a patient regarding medications
- Administering certain medications such as vaccines

Benefits

- Improves drug therapy outcomes
- Reduces delays in modifying drug regimens
- Increases patient adherence to therapeutic plans
- Reduces adverse drug reactions through early detection
- Reduces emergency department visits
- Improved access to the healthcare system

How are pharmacists prepared to do CDTM? Why pharmacists?

- The only healthcare professionals whose training primarily focuses on medication use.
- Clinical doctorate degree, Pharm.D., after a minimum of 4 years of pharmacy education including:
 - Didactic coursework in disease states and evidence based therapeutics
 - Basic physical assessment
 - Experiential training in care planning (patient-specific drug choice, outcome goals, monitoring plans, dose adjustment, drug-drug and drug-disease interaction management) and collaboration with other disciplines
 - How to educate regarding medications
 - Philosophy of direct responsibility to the patient
- General and specialty residencies - intensive experience in clinical application and collaboration
- Certification - National Institute for Standards in Pharmacist Credentialing (Asthma, DM, Anticoag, Lipid, etc.); Board of Pharmaceutical Specialties, (Pharmacotherapy, Nutrition, Oncology, Psych)
- 3rd largest healthcare provider group: (RN 2.2 million, MD 598,000, RPh 200,000); Point of easy access to system

Why is legislation necessary?

- Define scope of practice at State level
- Establish standards of practice
- Foundation for reimbursement to support service provision

National Statistics on CDTM

- 39 states have some form of CDTM (33 with statutes or regulations, 7 via Med Practice Acts or other rulings)
- 34 states include hospitals in addition to other types of facilities
- 29 states include community pharmacies
- 67% of 376 integrated health systems have pharmacists who routinely participate in ambulatory clinics for chronic diseases (ASHP 2001 survey)

Increasing Need for Medication-Related Services and Pharmacist Involvement

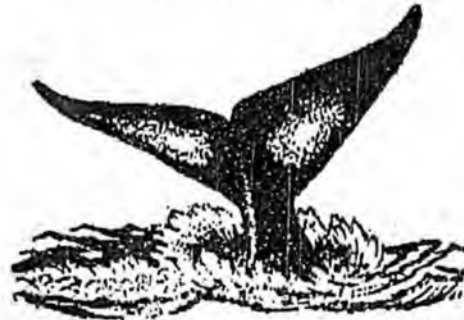
- Aging of society – Older adults require more medications and have more chronic diseases complicating their use of medications. Frailties can interfere with taking medications.
- Medication use is growing: 1995 6.9% of healthcare expenditures to 9% in 2000 (\$121.8 billion)
- Use of alternative therapies that can influence traditional medications is widespread
- Medication costs are increasing
- Shortages of other healthcare personnel

Supporting Concepts from National Medical Leadership

2001 Institute of Medicine Quality Chasm Report: The healthcare system must be restructured incorporating a team approach utilizing the combined efforts of a variety of healthcare providers with overlapping knowledge and skills; improve care for patients with chronic conditions via innovation and creativity. **American College of Physicians and American Society of Internal Medicine in 2002:** Endorsed the evidence based value of pharmacist contributions in hospital settings and recommended more rigorously investigating the value of pharmaceutical care services in the community. **"Interdisciplinary care requires common values, a common vision and an intuitive understanding of teamwork."** (Max Ray) **Inherent in teamwork is trust.**

THE
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WHALE TAIL PHARMACY
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(907) 826-5750/Fax: 826-5752



Honorable Senator Fred Dyson
Alaska State Senate

4 April 2003

Dear Senator Dyson,

I have just read over Pharmacy Board Regulation 12 AAC 52.240 relating to pharmacist collaborative practice authority. I would like to list some considerations to this regulation which come to my mind:

* This particular "type" of practice is currently being used extensively in the rural areas of Alaska by the Native health facilities. Health aids are initiating treatments and dispensing prescription medications to their patients based on a "flow chart" system used by Native health. Whether good or bad, the situation necessitates this practice. I have worked in pharmacies in 16 different rural areas in our state and know that this is a common practice. It seems to work relatively well based on the protocols.

* My wife and I have worked in Medical Missions in three different locations. There were always treatment protocols in place in all 3 of these places, similar to "collaborative practice agreements". They seemed to increase the level of timely patient care and reduce overall expenses at these mission hospitals.

* We have worked in other states in the U.S. as pharmacists and this type of practice seems to be the standard of care for other locations in the U.S.

* We currently work in a rural, remote part of Alaska here on **Prince of Wales Island** - in southeast Alaska. We, as pharmacists, are often the most available health care personnel to the public. Folks have access to us when other medical providers are not immediately available. There are many small communities in Alaska which are similar to our situation.

* We have heard that the issue of emergency contraception is part of the reason for this practice now being an issue. It seems to me that other standing protocols between health professionals for these other disease states are much more important and should be considered as being retained before contemplating a discontinuation of the entire collaborative practice. Pharmacists (ourselves included) feel that there is a place for the continuation of collaborative practice agreements between physicians and pharmacists.

Hope this is of help. Thank you for your service to the State in the Alaska Senate. I will be praying for you as you address the difficult decisions unique to your position.

Sincerely,

A handwritten signature in cursive script that reads "Bill Atland". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Bill Atland, Registered Pharmacist



April 15, 2003

The Honorable Fred Dyson
Alaska State Senate
State Capitol, Room 121
Juneau, AK 99801-1182

RE: Senate Bill 138 – Collaborative Practice Authority Repeal

Dear Chair Dyson,

On behalf of Costco Wholesale and our Pharmacy locations in Alaska, I would like to voice my strong opposition to the repeal of the Board of Pharmacy Regulation that allows pharmacists and prescribers to voluntarily enter into written collaborative arrangements that directly benefit the citizens of Alaska.

I am surprised that in a State such as Alaska, with boroughs and villages spread out across the state that legislation would be introduced that could severely limit access to state residents in remote and rural areas. Collaborative agreements enacted in states across the country allow prescribers and pharmacists to better manage a patient's care and ensure healthy outcomes. These are all done through written protocols and are generally patient specific. States that allow some form of collaborative practice agreements include: Arizona, Arkansas, California, Connecticut, Florida, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington and Wyoming.

Costco Pharmacy does not believe that pharmacists should be given prescribing authority independent of physicians. However, in specific instances, consultation with a pharmacist is a safe, convenient, and more cost-effective way of addressing a drug therapy problem. Consider these examples:

Example 1: A patient taking penicillin comes in or calls a pharmacy reporting he has hives. Under a written agreement, a pharmacist may be authorized to change his medication to alleviate the allergic reaction.

Example 2: A patient complains of ringing in her ears and is taking anti-inflammatory medication. The pharmacist could, under the written agreement, lower the dosage instructions for the patient to try and eliminate the side effect while still achieving the desired results.

Example 3: A patient on blood pressure medication complains of dizziness and fainting. Under a written agreement, a pharmacist could adjust the dosage of his medication to improve blood pressure and alleviate the unwanted effects of the medication.

Under the terms of collaborate practice agreements, the pharmacist would make the patient's physician aware of any change in drug therapy.

Collaborative practice agreements improve patient care in a variety of ways. Studies have shown that up to one-half of all patients do not completely comply with their prescription drug therapy. Pharmacy services

administered by pharmacists in chain and independent pharmacies have been proven to improve compliance and prevent unnecessary hospitalizations caused by drug misuse. Collaborative practice agreements are another mechanism to increase the opportunities for pharmacists to contribute their expertise to drug therapies.

Collaborative practice agreements increase patient accessibility to necessary services and also strengthen the pharmacist-physician relationship, ensuring that patients receive the most appropriate and comprehensive drug therapy.

Costco pharmacists **ARE NOT** seeking independent prescribing authority. Collaborative practice agreements would only allow pharmacists to modify, continue or discontinue a patient's prescription drug therapy under written protocol after a physician's diagnosis.

Costco pharmacists **ARE NOT** seeking to require physicians to participate in collaborative practice agreements. In order to function more efficiently in a marketplace rules by capitation, physicians may seek to share some of their traditional responsibilities with their professional colleagues. Collaborative practice agreements will allow physicians and pharmacist to **voluntarily** engage in these arrangements.

Costco pharmacists **ARE NOT** seeking to require patients to engage in any relationship with which they are uncomfortable. If patients do not want pharmacists modifying their drug therapy or wish to maintain their relationship with pharmacists who are not covered by an arrangement, they are under no obligation to participate in a collaborative practice agreement.

These agreements, that through legislation you are proposing to "outlaw", allow for the voluntary participation of the physician, the patient and the pharmacist. For any pharmacist, physician or patient not comfortable with an agreement, they can simply choose to not participate. For those that see the benefit of working in collaboration together, this gives them the opportunity to pursue a working relationship of this nature.

In our home State of Washington, the medical community has been working collaboratively with the pharmacy community for over 20 years. The agreements in Washington exist in both the retail and the institutional setting. Physicians, pharmacists and patients are pleased with the positive health outcomes in which these agreements have resulted. In the retail setting pharmacists are able to administer vaccinations, participate in asthma, diabetes and heart disease state management programs, as well as initiating smoking cessation programs. All these are done through written protocols between a licensed physician and a licensed pharmacist.

I strongly encourage you to not undo what has been done, and not prohibit this practice in the State of Alaska.

Sincerely,



Michael Mastromonica, R.Ph.
Assistant GMM, Pharmacy



File SB-138

April 7, 2003

Senator Fred Dyson
State Capitol—Room 121
Juneau, AK 99801-1182

Re: SB 138, Collaborative Practice

Dear Senator Dyson:

Our organization, the Academy of Managed Care Pharmacy (AMCP), rarely takes positions on state legislative proposals. We feel compelled to do so in this instance because of **our opposition to Senate Bill 138**. SB 138 would annul an already existing regulation permitting collaborative practice agreements between pharmacists and prescribers, whereby pharmacists may initiate or modify drug therapy “in accordance with a written protocol established and approved...by a practitioner authorized to prescribe drugs.” If enacted, SB 138 would seriously incapacitate our pharmacist members in their ability to provide appropriate drug therapy management within the State of Alaska, and we believe that would be to the detriment of the citizens of your state.

The Academy of Managed Care Pharmacy is a professional association of pharmacists and associates who serve patients and the public by the promotion of wellness and rational drug therapy through the application of managed care principles. The Academy has more than 4,800 members nationally who provide comprehensive coverage and service to the more than 200 million Americans served by managed care.

AMCP strongly supports the concept of collaborative practice agreements—which are currently allowed in 34 states, including Alaska—whereby a pharmacist can initiate, modify, or continue drug therapy in accordance with written guidelines or protocols previously established and approved by a practitioner authorized to prescribe medications. The purpose of a collaborative practice agreement is to improve the general public health by extending higher quality health care services to more patients than is currently available.

Examples of the specific services pharmacists can provide under a collaborative practice agreement include:

- Monitoring and evaluating the patient’s response to therapy and providing recommendations regarding necessary changes
- Managing and monitoring drug therapy in patients receiving treatment for cancer or chronic conditions such as asthma and diabetes
- Consulting with patients and their families on proper use of medications

President
C.E. (Gone) Reeder, RPh, PhD
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College of Pharmacy
Columbia, SC

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ProPharma Pharmaceutical
Consultants, Inc.
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Director
Debbie Stern, RPh
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- Conducting wellness and disease prevention programs to improve public health
- Overseeing medication use in a variety of settings: home care settings, hospitals, ambulatory care, nursing homes and other long-term care facilities, clinics, and intensive care units.

Collaborative practice agreements are particularly useful in areas where health care services are widely dispersed, because they afford patients access to pharmacists, when other health care professionals may not be as easily accessible.

Working closely and collaboratively with physicians, the pharmacist can serve as a trusted counselor to help streamline drug therapies prescribed by a number of specialists and match effective therapies with a patient's unique needs. The pharmacist can also play a vital role in follow-up care, by monitoring patient response and advising physicians on changes in dosage, medicine, or delivery method. By incorporating the pharmaceutical care process into the patient's health care plan, the health care team assumes responsibility for ensuring that positive therapeutic and quality of life outcomes are achieved.

We strongly urge you to withdraw SB 138 from consideration.

Sincerely,



William Hermelin
Director of Government Relations and General Counsel

Enclosures:

Where We Stand: Collaborative Practice Agreements
Where We Stand: Compensation for Pharmaceutical Care Services
Concepts in Managed Care Pharmacy: Pharmaceutical Care

CC:

Senate Labor and Commerce Committee: Senators Bunde, Seekins, Stevens, Davis, French
Senate Judiciary Committee: Senators Seekins, Ogan, Therriault, Ellis, French



AMERICAN ASSOCIATION
OF COLLEGES OF PHARMACY

WILLIAM G. LANG IV, MPH
DIRECTOR-GOVERNMENT RELATIONS

1426 Prince Street • Alexandria, Virginia 22314-2841 • (703) 739-2330 x1038
FAX: (703) 836-8982 • wlang@aacp.org



JASW SB-138

AMERICAN ASSOCIATION
OF COLLEGES OF PHARMACY

April 1, 2003

The Honorable Fred Dyson
Alaska State Senate
State Capitol, Room 121
Juneau, Alaska 99801-1182

Dear Senator Dyson:

I am writing to you today to ask you to reconsider your intention to repeal Alaska's pharmacist/physician collaborative practice act, (12AAC 52.240).

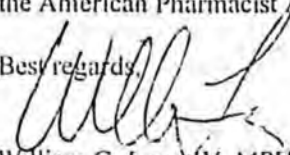
Collaborative practice acts are particularly effective in rural and frontier states like Alaska, where access to health care services can be severely limited. Collaborative practice acts, including Alaska's, do not allow pharmacists to prescribe drugs. A pharmacist's actions are at all times determined by the contract developed and signed with the authorized prescriber. A pharmacist acting outside this contract is subject to disciplinary action by the Alaska State Board of Pharmacy.

The American Association of Colleges of Pharmacy (AACCP) is a member of the Alliance for Pharmaceutical Care (APC). This coalition of pharmacy organizations annually hosts a large exhibit during the National Conference of State Legislators annual meeting. The exhibit is a well-attended event that demonstrates the clinical capabilities of today's pharmacist. State legislators see first hand why collaborative practice laws are important mechanisms that improve patient health outcomes. A recent study in Minnesota concludes, "The results of this study suggest that decisions made by pharmaceutical care practitioners, working in collaboration with physicians and other care givers to provide drug therapy management services, are clinically credible...."¹ The Alliance would certainly welcome the opportunity to demonstrate to you the value of pharmaceutical care services should you attend the NCSL meeting this year in San Francisco.

Since there is not a school of pharmacy in Alaska, I cannot invite you to visit and see the in-depth knowledge pharmacy students are instilled with regarding pharmaceuticals and their impact on humans. The pharmacist as a clinical health care professional is gaining increased recognition throughout our nation's health care delivery system. The power, number, and increased use of pharmaceuticals make it imperative that physicians and other authorized prescribers have ready access to a pharmacist. Collaborative practice acts make this a reality.

Should you need additional information or wish to discuss our request, please do not hesitate to give me a call. You can also find additional information regarding the Alliance for Pharmaceutical Care and collaborative practice through the website of the American Pharmacist Association at www.aphanet.org.

Best regards,


William G. Lang IV, MPH
Director of Government Affairs

1426 Prince Street • Alexandria, Virginia 22314-2841 • (703) 739-2330 • Fax (703) 836-8982 • www.aacp.org

¹ Isetts, B, et al. Quality Assessment of a Collaborative Approach for Decreasing Drug-Related Morbidity and Achieving Therapeutic Goals. *Archives of Internal Medicine* 2002.



Anchorage Pioneers' Home

Nancy O. Davis 907 583-7880

JASW
SB-138

p.03

ROBERT ALBERTSON
CS, CGP, FASCP
Chief Pharmacist

State of Alaska
Department of Administration
Alaska Longevity Program Division
E-mail: robert_albertson@admin.state.ak.us

Ph: (907) 343-7294
Fax: (907) 343-7270
923 W. 11th Avenue
Anchorage, AK 99501

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March 27, 2003

RE: SB 138, Collaborative Practice Authority Repeal

Dear Senator Dyson,

I must ask you to reconsider your bill SB 138. This bill will undermine the cooperation and collaboration that physicians and pharmacists have practiced for decades. Pharmacists have worked with physicians, nurses, and patients to provide smooth integration of care, to decrease over all healthcare costs, and improve patient outcomes.

The Board of Pharmacy regulations concerning collaborative practice were issued on the request of the profession and other health care professionals *to help formalize and regulate a standard of practice* that has been practiced in hospitals and community setting for years. It does not issue prescriptive authority to pharmacists.

Pharmacists are extensively qualified, due to our length and depth of training, to implement a physician directed protocol. As laid out in the collaborative practice regulations, these interventions are shown to improve patient care. Many studies have shown that by improving patient health through collaborative practice -type protocols, the overall health dollars spent is drastically reduced. In addition these types of interventions help free the already limited time of busy physicians.

To repeal this regulation will not bring the profession of pharmacy back to the time just prior to the enactment of these regulations, but will undo the last 30 years of pharmaceutical advancement in community and hospital practice.

It is in the interest of patient's well being that I implore you to withdraw this bill, SB 138.

Sincerely,


pharmacist

Note: not one lawsuit has been filed in WA state against CDTP.

MEMORANDUM

Communication received 9/17/03

They TO: have General Medical Staff of PAMC had protocols

in place FROM: Peter B. Adams, M.D. Chief of Staff, Providence Alaska Medical Center

since DATE: 1979. March 11, 2003

PBA.

RE: Pharmacy Collaborative Practice Act & Compliance at PAMC

At the February Medical Executive Committee meeting, Dr. Bundtzen, Chair of the Pharmacy & Therapeutics (P&T) Committee, informed the members that in 2002 the Board of Pharmacy enacted Collaborative Practice regulations. Collaborative Practice is an agreement between a physician and pharmacist(s) that permits the pharmacist(s) to manage specific drug therapies in accordance with a written protocol. These protocols must meet specific requirements. While the language of the legislation is geared toward retail pharmacy practice, the board did decide that hospitals needed to submit protocols that had been approved by the organization's Pharmacy and Therapeutics committee. Any physician on a hospital's medical staff could activate these protocols by writing an order for a specific patient. An example would be a request for pharmacy to dose a specific aminoglycoside by protocol.

Jim Moran, Director of PAMC Pharmacy, requested that the Medical Executive Committee allow Dr. Bundtzen, as the P&T Committee Chair, to sign a protocol representing the Medical Staff's ability to participate in collaborative practice with pharmacists at PAMC. A discussion ensued regarding concerns of the Alaska State Medical Association related to inclusion of physician prescribing authority delegation in the regulation. Members agreed that Dr. Bundtzen sign the protocol so that Providence Pharmacy may be in compliance with the law until the issues in question are worked through.

(Note: in-risk medical sys., heparin, lidocaine, gentamicin, coumadin, total parenteral nutrition)

At the February 13, 2003 State Board of Pharmacy meeting, the following wording was approved for submission as an addition to the current regulation: "Nothing in this section (regarding collaborative practice) shall be construed to prohibit pharmacists practicing in an institutional facility from participating in drug therapy protocols and guidelines approved by the Pharmacy and Therapeutics Committee or other medical staff governing bodies of the institution. Records will be maintained and available to the board upon request." This exempts hospitals whose protocols are approved by their P&T Committee from submitting protocols to the Pharmacy Board for approval. Should this addition proceed successfully through legislative channels in the next year, protocols for hospitals will not require State Board of Pharmacy approval if they already have been approved by P&T.

Others

Providence Department of Pharmaceutical Care Services is now in full compliance with the regulation, allowing our current and preexisting practices of collaboration with physicians' in-patient care to continue.

SB 138

Subject: FW: Threat to Coumadin Clinic

Date: Mon, 14 Apr 2003 12:54:05 -0800

From: "Snyder, Jean" <jsnyder1@provak.org>

To: "Senator_Fred_Dyson@legis.state.ak.us" <Senator_Fred_Dyson@legis.state.ak.us>

>
> I have been made aware today of SB 138 that would repeal the provision in
> the current statutes that allows for collaborative relationships between
> physicians and pharmacist that permits the pharmacist to initiate or modify
> drugs in accordance with a written protocol approved by the pharmacy board
> and the person with the prescriptive authority. Please reconsider. If
> this bill passes our coumadin clinic would disappear, which is a
> tremendous service to our patients. It would also prevent emergency
> contraception resulting in an increase in unwanted pregnancies and the
> resultant abortions.
>
> Thanks.

Jean Snyder MD

This message is intended for the sole use of the individual to whom it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you are not the addressee you are hereby notified that you may not use, copy, disclose, or distribute to anyone the message or any information contained in the message. If you have received this message in error, please immediately advise the sender by reply email and delete this message.

Subject: SB 138

Date: Mon, 7 Apr 2003 17:29:51 -0800

From: "Schwartz, John" <jschwartz@provak.org>

To: "Senator_Fred_Dyson@legis.state.ak.us" <Senator_Fred_Dyson@legis.state.ak.us>

Dear Senator Dyson,

I am writing to urge you to stop further consideration of SB 138 relating to collaborative agreements between pharmacists and physicians. I have been in the practice of medicine in Alaska for 23 years and I am board certified in internal medicine, family medicine and geriatric medicine and am currently a faculty member of the Alaska Family Medicine Residency that trains family physicians for practice in Alaska. Our patients are cared for by over 30 physicians and mid-level practitioners and we are busy with the job of caring for an increasing number of older Alaskans who are unable to be seen by the private community due to the access issues caused by a failing medicare program. We have had a collaborative relationship with the pharmacists at Providence Hospital to manage patients on a blood thinner called coumadin that has worked very well over the last couple of years. This program has increased the safety for our patients in taking a potentially dangerous but beneficial medicine and is a good example of what could not take place in the future if your bill is adopted. I would be happy to discuss this issue with you or testify at a committee meeting. Thanks for your attention. Sincerely yours, John H. Schwartz M. D. This message is intended for the sole use of the individual to whom it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you are not the addressee you are hereby notified that you may not use, copy, disclose, or distribute to anyone the message or any information contained in the message. If you have received this message in error, please immediately advise the sender by reply email and delete this message.

TAG

Subject: Physician opinion opposed to SE 138

Date: Tue, 8 Apr 2003 13:39:56 -0800

From: "Janssen, Andrew" <ajanssen@provak.org>

To: "Senator_Fred_Dyson@legis.state.ak.us" <Senator_Fred_Dyson@legis.state.ak.us>

CC: "Janssen, Andrew" <ajanssen@provak.org>

Dear Senator Dyson:

I am writing regarding Senate Bill 138 that would repeal the current statues that allow for collaborative relationships between physicians and pharmacists. As a family practice resident in Anchorage I have many elderly patients who cannot easily afford health care and need as much "team" assistance as possible. Medical research has shown that Coumadin Clinics, as we have at the residency, provide substantially better care to many elderly patients who need coumadin to prevent strokes. This is a great relationship between physicians and pharmacists.

I strongly urge you not to pursue SB 138 as it would compromise the care many physicians provide to their patients.

Thank you for your time and effort.

Respectfully,

Andrew Janssen, MD

This message is intended for the sole use of the individual to whom it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you are not the addressee you are hereby notified that you may not use, copy, disclose, or distribute to anyone the message or any information contained in the message. If you have received this message in error, please immediately advise the sender by reply email and delete this message.

The Honorable Senator Fred Dyson
Alaska State Senate
State Capitol, Room 121
Juneau, AK 99801-1182

March 27, 2003

RE: SB 138, Collaborative Practice Authority Repeal

Dear Senator Dyson,

I must ask you to reconsider your bill SB 138. This bill will undermine the cooperation and collaboration that physicians and pharmacists have practiced for decades. Pharmacists have worked with physicians, nurses, and patients to provide smooth integration of care, to decrease over all healthcare costs, and improve patient outcomes.

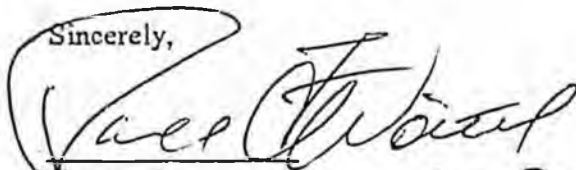
The Board of Pharmacy regulations concerning collaborative practice were issued on the request of the profession and other health care professionals *to help formalize and regulate a standard of practice* that has been practiced in hospitals and community setting for years. It does not issue prescriptive authority to pharmacists.

Pharmacists are extensively qualified, due to our length and depth of training, to implement a physician directed protocol. As laid out in the collaborative practice regulations, these interventions are shown to improve patient care. Many studies have shown that by improving patient health through collaborative practice -type protocols, the overall health dollars spent is drastically reduced. In addition these types of interventions help free the already limited time of busy physicians.

To repeal this regulation will not bring the profession of pharmacy back to the time just prior to the enactment of these regulations, but will undo the last 30 years of pharmaceutical advancement in community and hospital practice.

It is in the interest of patient's well being that I implore you to withdraw this bill, SB 138.

Sincerely,



Pharmacist

2685 Mill Bay Rd.
KODIAK, AK 99605
907-486-6040

The Honorable Fred Dyson
Alaska State Senate
State Capitol, Room 121
Juneau, AK 99801-1182

RE: Senate Bill 138 - Collaborative Practice Authority Repeal

Dear Senator Dyson,

I must ask you to reconsider your bill SB 138. This bill you have introduced is a legislative bill which will undermine cooperation and collaboration that physicians and pharmacist have practiced for decades.

We, as pharmacists, have worked with physicians, nurses, patients, and other health care providers to provide

- smooth integration of patient care,
- to decrease cost, and
- improve patient outcomes.
- Increase patient understanding of how drugs are tools in health care and how that proper relationship leads to better outcomes
- The Board of pharmacy regulations was issued on the request of the profession and other health care professionals to
 - help formalize and regulate a standard of practice that have been practiced in hospitals and community settings for years,
 - it does not issue prescriptive authority as other providers have been granted by the state over the past years,
 - though we feel that we are ultimately qualified because of our back ground, length, and depth of training we are asking only to implement agreed on, in advanced, physician orders to better patient care.
 - to recognize formally, collaborative agreements with other health care providers that have already existed for years.
 - to help coordinate care to have more consistant outcomes
 - thus reduce costs and improve patient outcomes
 - by taking care of maintenance and pre-authorized changes,
 - freeing up the limited time of other busy providers.
 - we can take a turn around in order changes normally now of 4 hours to 2 weeks, to if collaborative care is available, as little as 10-20 minutes.
 - saving time, dollars, and improving patient outcomes.

The Republican platform is and has been to have less government interference, to increase efficiencies by letting business do its job better, this bill will run counter to that mandate. It will actually bring chaos to the delivery of health care by slowing down communication. The legislature has many pressing issues this year to resolve, to take time for this issue, violates fundamental party platforms. Allow the legislative body to spend more time on real issues, to efficiently run state government, that is the legislature's mandate. Let the boards that represent the state regulate the profession., that is their mandate. Please withdraw SB 138.

Sincerely Yours,
Gerald KW Brown, president
Alaska Pharmacist Association
PO Box 70196
Fairbanks, Alaska 99707
gkwbrown@alaska.com
907-452-1514(W) 907-452-1917(Fax work)

File PRESCRIPTIVE AUTHORITY

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT IN ANCHORAGE

ALASKA STATE MEDICAL ASSOCIATION, an Alaska Corporation,

Plaintiff,

vs.

THE STATE OF ALASKA, Department of Community and Economic Development, Division of Occupational Licensing, Board of Pharmacy,

Defendants.

Case No. 3AN-02-_____ CI

COMPLAINT FOR PERMANENT INJUNCTION

Plaintiff complains against the defendant as follows:

- 1. Plaintiff is an Alaska Corporation in good standing, which has paid all taxes and filed all reports which are due and is in all respects qualified to prosecute this action. Plaintiff's membership consists of licensed physicians, resident physicians and medical students in the State of Alaska currently engaging in the practice of medicine.
2. Defendant Board of Pharmacy ("the Board") is a Board statutorily created pursuant to AS 08.80.010 et. seq.

COMPLAINT FOR PERMANENT INJUNCTION ALASKA STATE MEDICAL ASSN V. SOA CASE NO. 3AN-02-_____ CIVIL

3. The Pharmacy Board has adopted a regulation, 12 AAC 52.240 ("the regulation") which purports to allow pharmacists to enter into a collaborative practice agreement the terms of which allow the pharmacist to initiate or modify drug therapy in accordance with a written protocol, make therapeutic decisions and engage in other medical, dental and/or nursing activities. The regulation also allows the Board to determine whether or not the pharmacist has been adequately trained in the procedures outlined in the protocols.
4. The Board has acted outside the scope of its statutory authority by adopting this regulation and is therefore in violation of AS 44.62.020 and .030.
5. Plaintiff is entitled pursuant to AS 44.62.300 to bring this action for a judicial declaration that the regulation is invalid.
6. The regulation violates AS 08.80.261(9) which prohibits a pharmacist from dispensing a controlled substance without a specific prescription.
7. The regulation violates AS 08.80.295(a) by allowing a pharmacist to prescribe without a specific prescription.
8. The regulation violates AS 08.80.480(21) (27) (30) and (31) by allowing pharmacists to operate beyond the statutorily prescribed boundaries of the practice of pharmacy and engage in the activities which are reserved by statute to practitioners authorized to prescribe and administer drugs in the course of their professional practice.
9. The regulation invades the statutorily granted authority of the Medical Board to prescribe regulations governing the responsibilities of supervising physicians (AS

COMPLAINT FOR PERMANENT INJUNCTION
ALASKA STATE MEDICAL ASSN V. SOA
CASE NO. 3AN-02-_____ CIVIL

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08.64.107 (4)) as well as the statutorily granted authority of the Medical, Dental and Nursing Boards to regulate the practice of medicine, dentistry and nursing (AS 08.64.100, 08.36.075 and 08.68.160.)

10. The regulation violates AS 08.64.170, 08.36.100 and 08.68.160 by granting pharmacists the right to engage in practices that are only authorized to be performed by persons licensed under AS 08.64, 08.36 and 08.68.

11. The regulation violates AS 08.64.380(6)(A), 08.36.360 and 08.68.410(8) by allowing pharmacists to practice medicine, dentistry and/or nursing without a license.

12. The regulation violates 12 AAC 40.967(8) which makes it unprofessional conduct for a physician to delegate responsibilities that require a license or permit under AS 08.64 to persons who do not possess the appropriate education, training, or licensure to perform the responsibilities.

13. The regulation allows the Board to determine the training and competence of those who are making decisions concerning the initiation or modification of drug therapy, making therapeutic decisions, monitoring patients and engaging in other medical, dental and/or nursing activities. These determinations are beyond the scope of the Board's authority, beyond the competence of its members and invade the province of the Medical, Dental and Nursing Boards.

COMPLAINT FOR PERMANENT INJUNCTION
ALASKA STATE MEDICAL ASSN V. SOA
CASE NO. 3AN-02- CIVIL

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14. The Board has actually approved numerous protocols pursuant to this regulation, all of which violate the statutes and regulations cited above. Each of these protocols poses a potential threat to the health and safety of medical patients in the State of Alaska.

A. Exhibit A is an agreement which allows pharmacists employed by the SEARHC Clinic Juneau Pharmacy to initiate warfarin therapy, gather appropriate subjective data, adjust dosage following guidelines set up for physicians, deviate from those protocols if the pharmacist decides the clinical situation warrants, assess vital signs and interpret medical histories.

B. Exhibit B is an agreement which allows pharmacists employed by the Providence Alaska Medical Center pharmacy to manage anticoagulant therapy including patient assessment of signs and symptoms of acute medical problems and/or complications including bleeding, drug intolerance, and thrombotic events; change dosages; prescribe by phone; and document their assessments in the patient's medical chart.

C. Exhibit C is an agreement which allows pharmacists employed by the Providence Alaska Medical Center pharmacy to dose or adjust doses of numerous medications; assess patients' response to these doses; therapeutically exchange medications; monitor patients' blood levels; determine if dosages are safe and therapeutically optimal; assess renal function, EKG, electrolytes and other lab tests; determine what lab tests are appropriate; write doses for specific

COMPLAINT FOR PERMANENT INJUNCTION
ALASKA STATE MEDICAL ASSN V. SOA
CASE NO. 3AN-02-_____ CIVIL

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medications not specified in usual protocols; write orders in the patient's medical charts; assess the patient's status and therapeutic progress; develop action plans; and manage patient therapy solely by the pharmacist at the request of a physician.

D. Exhibit D is an agreement which allows pharmacists employed by the Fred Meyer Pharmacy in Anchorage to dispense emergency contraceptive pills after assessing the need for the pills; make judgments concerning whether or not the patient could be pregnant or have contacted a sexually transmitted disease; and counsel the patient on medical options.

WHEREFORE, plaintiff requests the following relief from the Court:

1. Declare 12 AAC 52.240 null and void and order it struck from the Alaska Administrative Code.
2. Permanently enjoin the Division of Occupational Licensing and/or the Pharmacy Board from enforcing the regulation and/or adopting any further protocols pursuant to that regulation.
3. Declare any protocol established and approved by the Division of Occupational Licensing and/or the Pharmacy Board pursuant to 12 AAC 52.240 be null and void.
4. Order the Division of Occupational Licensing and/or the Pharmacy Board to notify any person or entity which is a party to any protocol established and approved pursuant to 12 AAC 52.240 that the protocol is null and void.
5. Award the plaintiff its costs and attorney's fees.

COMPLAINT FOR PERMANENT INJUNCTION
ALASKA STATE MEDICAL ASSN V. SOA
CASE NO. 3AN-02-_____ CIVIL

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6. Grant the plaintiff such other and further relief as may be appropriate.

DATED at Anchorage, Alaska this ____ day of December, 2002.

BISS & HOLMES
Attorneys for Plaintiff

By: _____
Roger F. Holmes
ABA No. 7011060

COMPLAINT FOR PERMANENT INJUNCTION
ALASKA STATE MEDICAL ASSN V. SOA
CASE NO. 3AN-02-_____ CIVIL

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BISS AND HOLMES
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Senator Gary Stevens
Alaska State Legislature

INTERIM ADDRESS:
112 Mill Bay Road
Kodiak, Alaska 99615
(907) 486-4925
Fax: (907) 486-5264

SPONSOR STATEMENT-SB 145

SB 145, "An Act relating to reemployment of and benefits for retired teachers and principals who participated in retirement incentive programs and to the employment as teachers of members of the public employees' retirement system who participated in a retirement incentive program; and providing for an effective date."

Alaska, like the rest of the nation, is experiencing a severe shortage of qualified teachers and principals. Research has shown that a qualified teacher in the classroom is the single most important school-based factor in a student's success. It is incumbent upon the Legislature to provide additional tools to Alaskan school districts to combat the current teacher shortage and thus continue to assist school districts in their efforts to improve student learning.

SB 145 is companion legislation to HB 20. It would allow schools experiencing a shortage of education professionals to reemploy teachers and principals who had retired under a Retirement Incentive Program (RIP). This bill would not require any school district to reemploy any particular retired individual; it would only give them the option to do so.

School districts would be required to certify that they are experiencing a shortage in order to reemploy a RIP-retired teacher or principal. Those reemployed under this provision would not be required to pay back their retirement incentive as currently required by statute.

This bill would also allow the Department of Education and the Department of Labor to hire regular and RIP-retired teachers and principals for the Mt. Edgecumbe High School, the Alaska State School for the Deaf and Hard of Hearing, and the Alaska Vocational Technical Center.

SB 145 will provide one more tool to school districts suffering from the shortage of education professionals. I urge your support.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 145
 (S) Publish Date: 5/1/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title An Act relating to reemployment of BRU Centralized Admin Services
and benefits for retired teachers..... Component Retirement & Benefits
 Sponsor Senator Stevens
 Requester Senate State Affairs Component No. 64

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This bill amends the Teachers' Retirement System (TRS) statutes to: (1) allow school districts to hire teachers who previously elected to retire under a state-sponsored Retirement Incentive Program (RIP) using the expanded rehired retiree provisions, and removing any penalties associated with such reemployment; (2) grant authority to the Department of Education and Early Development to hire retired teachers under the expanded rehired retiree provisions; and (3) remove the RIP penalties for Public Employees' Retirement System (PERS) retirees who are hired under the provisions of AS 14.20.135(a).

 This legislation will have no actuarial impact to the TRS or PERS since the full actuarial cost of the Retirement Incentive Program was paid by the employer and the employee at retirement.

Prepared by: Guy Bell Phone _____
 Division Retirement & Benefits Date/Time April 28, 2003
 Approved by: Mike Miller, Commissioner Date April 28, 2003
 Agency Department of Administration

HB 20/SB 145

LEGAL SERVICES

JAN 27 2002

**DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

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

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

January 27, 2003

SUBJECT: Reemployment of retired teachers (Work Order No. 23-LS0130A)

TO: Representative Gary Stevens
Attn: Doug

FROM: Barbara R. Craver *BRC*
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1: Adds the Department of Education and Early Development to this subsection. The department may pass a resolution if it finds teacher shortages in particular specialties, and rehire qualified retired teachers. The department is required to notify the TRS administrator if it rehires retired teachers.

Section 2. Adds the Department of Education and Early Development to this subsection which allows retired teachers to elect to continue receiving retirement benefits while reemployed. The prohibition on rehiring teachers who participated in a retirement incentive program (RIP) is deleted to allow the rehiring of RIP members.

Section 3. Provides that if a person is hired as a teacher under AS 14.20.135 and if that person had retired from a PERS employer under a RIP they will not lose the incentive credit they received under the RIP and will not be subject to the reemployment indebtedness otherwise imposed by the RIP.

Section 4. Amends the 2001 uncodified law which repeals the sections involving rehiring retired teachers because of shortages to include the changes above in the repeal on July 1, 2005.

Section 5. Repeals AS 14.20.135(c) which prohibited districts from hiring RIP teachers.

Section 6. Establishes an immediate effective date for the act.

BRC:med
03-055.med

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329


MEMORANDUM

February 17, 2003

SUBJECT: Amendments incorporated into CSHB 20(STA)
(Work Order No. 23-LS0130\D)

TO: Representative Bruce Weyhrauch
Attn: Ginny

FROM: Barbara R. Craver 
Legislative Counsel

 Enclosed is the draft you requested. Amendment number three adds the term "employees" to the phrase describing the policy which must be adopted to support employment of retired teachers. The repeated purpose of this section is to address "a shortage of teachers qualified to teach in a particular discipline or specialty." The addition of "public employees", as the amendment sponsor requested, or even "employees" to the policy requirements seems to open up the purpose of this section to address a shortage of more than just teachers. If that is intended then several more changes should be made to the bill to clearly refer to a shortage of teachers and employees. The amended bill with the change in just one place clouds the meaning of the section, and makes it neither fish nor fowl. In that one place the policy is for a shortage of teachers and other employees, yet all other references are only to retired teachers.¹

¹ AS 14.20.135(a) with emphasis added:

(a) A school district or regional educational attendance area that has or anticipates having a shortage of teachers qualified to teach in a particular discipline or specialty may, by resolution, adopt a policy that permits the employment of retired teachers who are qualified to teach in the discipline or specialty in accordance with this section. The policy must describe the circumstances that constitute the shortage. If a shortage of teachers exists as described in the policy, the district or attendance area shall notify the administrator of the teachers' retirement system (AS 14.25) that it is hiring retired teachers under this section.

AS 14.25.043(b) with emphasis added:

(b) A school district or regional educational attendance area that has adopted a policy that permits the employment of retired teachers in accordance with AS 14.20.135 shall notify the administrator that it is hiring retired teachers under AS 14.20.135. A teacher who retired under AS 14.25.110(a) and subsequently becomes an active member under a policy adopted in accordance with AS 14.20.135 may, within 30 days of the date of reemployment, elect to continue receiving benefit payments during the period of

Representative Bruce Weyhrauch
February 17, 2003
Page 2

The addition of the word "work" in Amendment number one adds to the question of whether this shortage is of teachers. A teacher could be considered to "teach" or "work" but either way, the teacher must be qualified. The use of two terms raises the question of what a teacher is doing that "works" rather than "teaches" in a particular educational discipline or specialty. Combine this with the "teacher or employee" issue, and the scope of the section becomes broader and less clear. In the interest of caution, I have changed the title to include "employees."

To prevent further confusion, I used the term "employees" rather than "public employees." The use of the term "public employees" seems to add active PERS employees to the mix, perhaps "retired public employees" would be clearer, however to the extent that the idea is to include retired public employees who have subsequently become qualified to teach, that situation is already addressed in Section 3 of the bill. This section makes it clear that a PERS retiree who participated in a RIP would be not be subject to retirement indebtedness if the retiree were rehired as a teacher under this section.

The TRS system, generally refers to employees within the plan as "teachers" or "members." This allows changes in membership to be handled in the definition section, AS 14.25.220(42), and minimizes the need to rewrite the entire chapter when some new group or subset is added or removed from TRS membership. If the term "members" was used rather than "employees", it would be more compatible with the TRS terminology, but would still open up the scope of the type of employee who could be rehired for a teacher shortage.

If I may be of further assistance, please advise.

BRC:med
03-156.med

Enclosure

reemployment by filing a waiver of coverage with the administrator on a form provided by the administrator. An election under this subsection waives coverage for the period of reemployment and is irrevocable during the period of reemployment. Deductions from the member's salary may not be made under AS 14.25.050 during the period of reemployment, and the member may not receive credited service for the period of reemployment. A member who participated in a retirement incentive program under ch. 26, SLA 1986; ch. 89, SLA 1989; ch. 65, SLA 1996; ch. 4, FSSLA 1996; or ch. 92, SLA 1997, is not eligible to make an election under this subsection.



Advocates for Alaska's Youth

AASB Position HB 20 – Reemployment of Retired Teachers

The Association of Alaska School Boards (AASB) is supportive of maintaining broad latitude for school districts to rehire teachers, administrators, and members of the public employee's retirement system retired under incentive programs. This position is based on the following perspectives:

- School districts participated in the retirement incentive programs primarily due to the saving afforded them during times of challenging budgets. Districts achieved the economies envisioned by the legislature through the retirement of more costly employees in exchange for employees costing less.
- The current challenge of attracting and retaining teachers in Alaska is compounded by the growing shortage of teachers nationwide. By permitting high quality retired teachers and administrators back into the Alaska educational system while allowing these individuals to retain their retirement benefit is good for the children of Alaska. These individuals have already demonstrated their commitment to Alaska and because districts retain control as the hiring authority, individuals of less than the highest skill level or those experiencing "burnout" are avoided.
- School districts realize much needed economies of scale even if the teacher/administrator retains the same salary as the benefit (health insurance, TRS district contribution, life insurance, etc.). The cost saving could easily be in the 20-30% range. Given the substantial savings, even as outline in the aforementioned situation, districts are in the best position to determine salary levels for returning retired teachers.
- A bonus to retirement incentive returnees, many of whom have "bottomed out" on the salary schedule, is their retirement stipend plus their ongoing salary to encourage their continued work on behalf of a district's children.
- Employment of individuals as teachers who retired under a retirement incentive program offered by the public employee's retirement system (PERS) is also a significant benefit to education in Alaska. Some PERS retirees undoubtedly return to higher education to secure a teaching or administrative credential and will be lost to other states if prohibited from joining districts in Alaska.

In summary, Alaska will lose the majority of these retirement incentive professionals to other states who are eager to develop attractive incentive packages to gain their employment. These states are unconcerned about whether the potential employee has a retirement benefit from another state. Let's keep the opportunity for the rehire of retired teachers, administrators, and members of the public employee's retirement system as open as possible and let local districts and negotiated agreements determine entry status. Allowing retirees to return to the profession in Alaska is mutually beneficial – good for the professional who retains retirement benefits and continues the work he/she enjoys, and good for the district that secures or maintains a quality professional at an overall cost savings to the district. Thank you.

SB145 / HB 20



Honorable Bruce Weyhrauch, Chair
House State Affairs Committee
Alaska Capital, Room 102
Juneau, AK 99801-1182

**Corrected letter for HB 20,
originally identified as HB 15.
Please excuse the error.**

February 15, 2003

RE: HB 20 (Stevens) - Support

Dear Chair Weyhrauch:

On behalf of the AARP members in Alaska, we encourage you and your colleagues on the House State Affairs Committee to support HB 20, authored by Representative Gary Stevens and co-sponsored by Representative Carl Gatto.

At this time when we have a variety of shortages among skilled educators, HB 20 will offer flexibility to educational institutions and school districts to re-employ their retirees without causing financial penalties for the retiree. Later life should offer many options. Returning to work and employment ought to be one of them.

HB 20 is a "win, win, win" bill. Educational entities will have another source of skilled, able and willing educators to fill vacant positions. Educators who miss working and the classroom will have an opportunity to return to their chosen career. Students who want to learn from experience, dedicated, lifelong "seasoned" teachers will have that door opened to them.

Representatives Stevens and Gatto have a good bill that deserves your support. AARP recommends an "AYE" vote on HB 20.

Should you have any questions about our position, please feel free to contact Marie Darlin (907.586.3637), Coordinator of the AARP Capital City Task Force; Patrick Luby (907.762.3314), AARP Legislative Representative; or me (907.245.5259).

Thank you for your consideration.

Sincerely,

Marguerite Stetson

Marguerite Stetson
AARP Alaska
Executive Council Member for Advocacy
3009 Northwood Street
Anchorage, AK 99517-1871
907.245.5259 voice
907.245.5279 fax
ffmas@aurora.uaf.edu

cc: Vice-Chair Jim Holm
Representative Nancy Dahlstrom
Representative Bob Lynn
Representative Paul Seaton
Representative Ethan Berkowitz
Representative Max Gruenberg
Representative Gary Stevens
Representative Carl Gatto
Marie Darlin
Patrick Luby

Email in Support of SB145/ HB 20

From: "Karen Pennington" <penningtonkaren@hotmail.com>
To: Representative_Gary_Stevens@legis.state.ak.us

Dear Representative Stevens:

I write to you from Moscow, Russia, where at times I feel exiled. Well, one has to have a sense of humor about these things..

I am actually writing to ask how I can support your HB 20 which would allow teachers who retired under the RIP program to teach again in Alaska. I would like to come home.

I lived in Ketchikan for 35 years. In 1990 I retired from the Ketchikan Gateway Borough School District with 20 years experience. At the time I had 2 small sons, ages 1 and 3--one who had severe asthma problems. I wanted to stay home with them. As they grew, I went back to work in part time positions doing consultant work for the district in early entry kindergarten and preschool screening. For three years I worked as the Activities/Athletic Director for the District on a personal contract and also substituted at all levels.

In 1998, not by my choice, I found myself divorced and the sole provider for my two sons. I also found that I could not support them in Alaska because I could not go back to work in education which is my chosen profession. I joined the Foreign Service. I now am Administrative Assistant/Office Manager for Ambassador Alexander Vershbow, US Ambassador to Russia, and I have lived in Moscow for four years. I must say that this is an interesting and always exciting job, and it has given my sons and me an opportunity to see many parts of the world.

However, Alaska is my home. Like many of you, I was born in another state but moved there with my family when I was young. I feel disappointed that my sons cannot be Alaskan. My oldest is now in 10th grade, and I would like for him to spend his last 2 years in Ketchikan. There are opportunities for me to work there now, but (1) I cannot by law and (2) I could not afford to because of the repayment. Thus, I would like to do whatever I can to see HB 20 passed this year.

While I do not have the figures, I would imagine there are few retirees who actually WANT to go back to work full time. I just happen to be only 55 years old and feel that I have another 10 years that I would like to be employed. It is my understanding that there would be restrictions on being able to acquire MORE years of service towards retirement so my working would not actually financially impact the TRS.

I also feel that the break in service afforded by my retirement has been a

growing period for me. I have so much to bring back to education--a world perspective that I did not have before.

Please let me know who I can contact and/or what I can do to support HB 20. Thank you for introducing it.

Karen Pennington
US Embassy Moscow
PSC 77, EXEC
APO AE 09721
7-095-728-5190 (work)
7-095-728-5432 (home)
7-095-728-5159 (FAX)
penningtonkaren@hotmail.com OR penningtonKL2@state.gov

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Senator Gary Stevens

Alaska State Legislature

INTERIM ADDRESS:
112 Mill Bay Road
Kodiak, Alaska 99615
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SPONSOR STATEMENT-CSSB 145 (Updated May 5, 2003)

SB 145 "An Act relating to reemployment of and benefits for retired teachers or employees, including those who participated in retirement incentive programs, and to the employment as teachers of members of the public employees' retirement system who participated in a retirement incentive program; relating to benefits for retired teachers or employees who participated in retirement incentive programs and are subsequently reemployed as a commissioner; and providing for an effective date."

Alaska, like the rest of the nation, is experiencing a severe shortage of qualified teachers and principals. Research has shown that a qualified teacher in the classroom is the single most important school-based factor in a student's success. It is incumbent upon the Legislature to provide additional tools to Alaskan school districts to combat the current teacher shortage and thus continue to assist school districts in their efforts to improve student learning.

SB 145 is companion legislation to HB 20. It would allow schools experiencing a shortage of education professionals to reemploy teachers and principals who had retired under a Retirement Incentive Program (RIP). This bill would not require any school district to reemploy any particular retired individual; it would only give them the option to do so.

School districts would be required to certify that they are experiencing a shortage in order to reemploy a RIP-retired teacher or principal. Those reemployed under this provision would not be required to pay back their retirement incentive as currently required by statute.

This bill would also allow the Department of Education and the Department of Labor to hire regular and RIP-retired teachers and principals for the Mt. Edgecumbe High School, the Alaska State School for the Deaf and Hard of Hearing, and the Alaska Vocational Technical Center. The Senate State Affairs Committee amended SB 145 to also allow the hiring of a RIP individual as a Commissioner by the Department of Education and Early Development.

SB 145 will provide one more tool to school districts suffering from the shortage of education professionals. I urge your support.



Alaska State Legislature

Please enter into the record my testimony to the Senate Health, Education & Social Services
committee name

Committee on _____, dated _____
bill # / subject public hearing date

The Kenai Peninsula Borough School District does not support SB 202. In its current form, the bill does not take into account the distance our buses must travel to reach our students, the increased costs due to inflation, and our increasing special education population that we must, by federal law, transport. For the Kenai Peninsula Borough School District, this bill means fewer and fewer dollars for students in the classroom as each year passes. What the grant does not cover our district must fund.

SB 202 ties transportation funds to student enrollment. Our district is a combination of both urban and rural areas, and the number of our routes is driven not by total student population but by distance and lack of public transportation services. For example, we have two routes that travel 100 plus live miles. Our total student population is declining; however, this decline does not automatically equate to a corresponding decline in the number of bus routes or miles driven.

SB 202 does not allow for adjustments to counter the costs of inflation, a factor which affects our district-operated routes as well as our contracted routes. Bus replacement costs are rising as are fuel and labor expenses. The new state minimum wage for bus drivers is now \$14.30 an hour. Our contract with Laidlaw contains a cost of living clause, and next year our per day rates will increase by 1.9%. To counter these increases, we will lengthen our capital equipment replacement cycle for district-owned buses and eliminate routes in both district and contractor areas. However, we will soon reach a point where basic service and student safety are affected.

SB 202 does not take into account federally mandated special needs transportation. Although total KPBSD student population is decreasing, the number of KPBSD students requiring special needs transportation is increasing. Special needs transportation is very expensive. These students require specialized buses and equipment as well as individualized care during transport. In addition, some of these students live a considerable distance from the nearest program. This adds to the expense of transportation and limits the number of special needs students we can move. This year we will spend approximately 25 percent of our total transportation budget on special needs transport. Next year, we expect a greater percentage of our budget to be spent on these federally mandated services. The more KPBSD spends on special needs services, the less it has to spend on regular education transportation and possibly the classroom.

Page 2 of 2 Spence testimony on SB 202 SHES 5-5-03

SB 202 does reduce government involvement and shift authority from the state to local districts. However, in its current form the bill will not maximize efficiencies in transportation services as intended because it shifts future transportation cost increases from the state to the districts (some of whom are facing severe budget cuts) with no provision for adjustments. SB 202 could impact education in a way not anticipated: fewer students attending school on a regular basis and less money for the classroom.

The Kenai Peninsula Borough School District does recognize a need to both contain the costs of transportation for all of our state's students as well as bring parity to the system. This proposed legislation is a step in the right direction, however, it needs further development. Our district recommends the establishment of a state-wide task force of individuals most intimately aware of the transportation system. A plan whose consequences have not been well-thought through could potentially create another one-sided venue that rewards inefficiency and punishes those attempting to be financially responsible.

Thank you for your consideration.

Signed: Dave Spence

Testifier

 Kenai Peninsula School District

Representing (optional)

 148 N Binkley Soldotna, AK 99669

Address

 262-5846

Phone number

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Senator Gary Stevens
Alaska State Legislature

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(907) 486-4925
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Memorandum

To: Senator Fred Dyson
Chair, Senate HESS Committee
Fr: Senator Gary Stevens
Re: SB 145
Dt: May 1, 2003

I would like to request a committee hearing on SB 192, "An Act relating to reemployment of and benefits for retired teachers or employees, including those who participated in retirement incentive programs, and to the employment as teachers of members of the public employees' retirement system who participated in a retirement incentive program; relating to benefits for retired teachers or employees who participated in retirement incentive programs and are subsequently reemployed as a commissioner; and providing for an effective date."

Thank you for your consideration of this request.

Sincerely,



Senator Gary Stevens

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

May 4, 2003

SUBJECT: Sectional Summary of CS SB 145(STA)
(Work Order No. 23-LS0812N)

TO: Senator Gary Stevens
Attn: Doug Letch

FROM: Barbara R. Craver 
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. AS 14.20.135(a). Adds the Departments of Education and Early Development, and Labor and Workforce Development to this subsection. Each of the entities listed may adopt a policy if any has or anticipates having teacher shortages in particular specialties, so that it can rehire qualified retired teachers under this section. The entity adopting a policy under this section is required to notify the TRS administrator if it rehires retired teachers.

Section 2. AS 14.25.043(a). Makes a reference change to reflect reorganization of this section.

Section 3. AS 14.25.043(b). Adds the Departments of Education and Early Development, and Labor and Workforce Development to this subsection which has been changed to cover only the requirement that the TRS administrator be notified if retired teachers are being rehired under AS 14.20.135.

Section 4. AS 14.25.043. Adds a new subsection (d) to this section which generally concerns rehiring retired teachers to provide that eligible members may make an election to continue to receive the retirement benefits they had been getting while rehired. The member would get both retirement benefits and the salary of the new job. No deductions would be made for TRS benefits, and the member would not get any additional years of TRS service added to their account since they would not be actively participating during the rehire. If the member does not make the election under this section, their retirement

Senator Gary Stevens
May 4, 2003
Page 2

pay is stopped while they are working again, and that time is added to their TRS service to increase their retirement pay when they do eventually retire. This subsection only applies to teachers rehired under AS 14.20.135, or teachers rehired as commissioners.

This section also adds another new subsection, (e), which provides that teachers or commissioners rehired who had retired from a TRS employer under a RIP will not lose the incentive credit they received under the RIP and will not be subject to the reemployment indebtedness otherwise imposed by the RIP.

Section 5. AS 14.25.043(d). This section removes the changes to AS 14.25.043(d) made by this bill. See sec. 10 for the future effective date of this section. It will take effect when the temporary changes made under sec. 12, ch. 57, SLA 2001 are repealed, currently set for July 1, 2005.

Section 6. AS 39.35.150(b). This change allows a member reemployed as a commissioner who had retired from a PERS employer to make a similar election as in the TRS section explained in section 4 of this memorandum.

Section 7. AS 39.35.150. This adds a new section to provide that a member reemployed as a commissioner who had retired from a PERS employer under a RIP will not lose the incentive credit they received under the RIP and will not be subject to the reemployment indebtedness otherwise imposed by the RIP.

Section 8. Amends the 2001 uncodified law which repeals the sections involving rehiring retired teachers because of shortages to include the changes above in the repeal on July 1, 2005.

Section 9. Repeals AS 14.20.135(c) which prohibited rehiring teachers who had participated in RIP programs from being rehired to fill teacher shortages.

Section 10. Provides that when the changes for teacher shortages are repealed, sec. 5 will become effective.

Section 11. Provides for an immediate effective date for all sections except sec. 5 and sec. 10.

If I may be of further assistance, please advise.

BRC:med:mdr
03-478.med

SENATE COMMITTEE REPORT

DATE: 5/1/03

FURTHER:

DATE TURNED
IN TO OFFICE: 5.5.03

Health, Education and Social Services Committee considered

SENATE BILL NO. 145

SB 145 REEMPLOYMENT OF RETIRED TEACHERS

"An Act relating to reemployment of and benefits for retired teachers or employees, including those who participated in retirement incentive programs, and to the employment as teachers of members of the public employees' retirement system who participated in a retirement incentive program; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS SB 145 (STA)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
ADM	4/28		X	

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Gary White</i>			✓	
<i>Linda Green</i>				✓
<i>Arthur Jones</i>	✓			
CHAIR: <i>Fred Dyson</i>			✓	

Wilken
Green
Guesz

Dyson

SB

154

SENATE BILL NO. 154
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY SENATOR FRENCH

Introduced: 3/20/03

Referred: Health, Education and Social Services, Labor and Commerce, Finance

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to a student loan repayment program for nurses, and amending the
2 duties of the Board of Nursing that relate to this program; and providing for an effective
3 date."

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

5 * Section 1. The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 FINDINGS; PURPOSE. (a) The legislature finds that a shortage of qualified nurses
8 exists in this state.

9 (b) The purpose of this Act is to establish the Alaska nurse recruitment loan
10 repayment program to provide financial incentives through the repayment, in whole or part,
11 by the state of education loans for nurses upon the nurse's completing a term of employment
12 as a nurse in the state.

13 * Sec. 2. AS 08.68.100(a) is amended by adding a new paragraph to read:

14 (10) establish standards and eligibility criteria for the Alaska nurse

1 recruitment loan repayment program under AS 14.43.530 - 14.43.590, including the
 2 adoption of necessary regulations and determination of areas of the state that have a
 3 shortage of nurses.

4 * Sec. 3. AS 14.42.030(b) is amended to read:

5 (b) The commission shall

6 (1) administer the financial aid and interstate education compact
 7 programs under AS 14.43.091 - 14.43.920 and 14.43.990, and AS 14.44;

8 (2) administer the provisions of AS 14.48 concerning regulation of
 9 postsecondary educational institutions;

10 (3) resolve disputes under a consortium or other cooperative agreement
 11 between institutions of public and private higher education in the state; [AND]

12 (4) serve as the state agency required under 20 U.S.C. 1001 - 1155;

13 and

14 (5) perform duties assigned under AS 14.43.530 - 14.43.590

15 (Alaska nurse recruitment loan repayment program).

16 * Sec. 4. AS 14.42.040 is amended by adding a new subsection to read:

17 (c) The executive director of the commission shall administer the Alaska nurse
 18 recruitment loan repayment program under AS 14.43.530 - 14.43.590 in accordance
 19 with standards and eligibility criteria set by the Board of Nursing under AS 08.68.100.

20 * Sec. 5. AS 14.42.295(a) is amended to read:

21 (a) The board may elect to pay the state a return of contributed capital, or a
 22 dividend, for each base fiscal year that the corporation's net income equals or exceeds
 23 \$2,000,000. The payment may not be less than 10 percent nor more than 35 percent,
 24 as approved by the board, of the corporation's net income for the base fiscal year, and
 25 is subject to the provisions of any applicable bond indentures of the corporation. If a
 26 payment is authorized under this section, payment must be made available by the
 27 corporation before the end of the fiscal year in which payment has been authorized.
 28 The corporation shall notify the commissioner of revenue when the amount of the
 29 payment authorized under this section is available for appropriation. The money
 30 made available under this subsection may be appropriated for the Alaska nurse
 31 recruitment loan repayment program under AS 14.43.530 - 14.43.590.

1 * Sec. 6. AS 14.43 is amended by adding new sections to read:

2 **Article 9A. Alaska Nurse Recruitment Loan Repayment Program.**

3 **Sec. 14.43.530. Program established.** (a) There is established the Alaska
4 nurse recruitment loan repayment program to provide financial incentives for qualified
5 nurses to work in this state through the repayment of education loans.

6 (b) The program is not a financial obligation of the corporation. ?

7 **Sec. 14.43.540. Alaska nurse recruitment loan repayment program**
8 **account.** (a) The Alaska nurse recruitment loan repayment program account is
9 created in the general fund. The account shall be used to provide financial awards for
10 the repayment of education loans under the program and to pay for the costs of
11 administering the program.

12 (b) The account includes money that the legislature appropriates from the
13 corporation's dividend to the state under AS 14.42.295 and the interest and earnings on
14 money that are appropriated to the account. If money available is inadequate to
15 finance the requests from eligible nurses under this program for a fiscal year,
16 additional money may be requested from the general fund and appropriated to the
17 account for the program.

18 **Sec. 14.43.550. Administration.** (a) The Alaska nurse recruitment loan
19 repayment program shall be administered by the executive director using

20 (1) the standards and eligibility criteria of the program established by
21 the Board of Nursing under AS 08.68.100 and the eligibility criteria established under
22 AS 14.43.560; and

23 (2) the financial management standards for proper administration of
24 the Alaska nurse recruitment loan repayment program account as established by the
25 commission.

26 (b) After consultation with the Board of Nursing, the commission may adopt
27 regulations to carry out its duties and the executive director's duties under the
28 program.

29 **Sec. 14.43.560. Eligibility criteria.** (a) In addition to program standards and
30 eligibility criteria established under AS 08.68.100, an applicant must meet the
31 following criteria:

- 1 (1) the applicant was hired as a nurse in this state on or after July 1,
- 2 2003;
- 3 (2) the applicant has the required license to practice as a nurse in this
- 4 state;
- 5 (3) the applicant shall agree to fulfill any requirement of the program;
- 6 (4) the applicant has outstanding education loans from a recognized
- 7 entity to be repaid under the program;
- 8 (5) if the applicant does not fulfill obligations under the program, the
- 9 applicant shall repay the money paid under this section and may not receive further
- 10 loan repayments under the program.

- 11 (b) The executive director shall distribute information regarding the program
- 12 (1) to hospitals in the state; and
- 13 (2) to others upon request.

14 **Sec. 14.43.570. Conditions and limitations on loan payments.** (a) The total
 15 amount of financial awards for repayment of educational loans and interest on loans
 16 may not exceed \$10,000 in a lifetime for a nurse. The annual amount eligible to be
 17 repaid under this section is equal to the following percentages of the total amount
 18 received by the applicant plus interest, up to a total of 100 percent of the total amount
 19 plus interest:

*5 years
employment
100% repay*

- 20 (1) one year employment in the state as a nurse, 20 percent;
- 21 (2) two years employment in the state as a nurse, an additional 20
- 22 percent;
- 23 (3) three years employment in the state as a nurse, an additional 20
- 24 percent;
- 25 (4) four years employment in the state as a nurse, an additional 20
- 26 percent;
- 27 (5) five years employment in the state as a nurse, an additional 20
- 28 percent.

29 (b) A financial award must be conditioned on the availability of money for the
 30 program. The executive director shall monitor the outstanding financial awards made
 31 under the program to ensure the adequacy of the balance of the account to meet

1 program needs. If the executive director finds that the balance of the account is
 2 insufficient to pay for existing awards and incur additional obligations to new
 3 applicants, the executive director shall advise the commission and the Board of
 4 Nursing. Until the commission and the Board of Nursing determine the account is
 5 sufficient to incur additional obligations, the executive director shall

6 (1) prorate the money available in the account among all existing
 7 award recipients, except as required under (d) of this section; and

8 (2) suspend the acceptance of new applications and the processing of
 9 pending applications under the program.

10 (c) The provisions of AS 14.43.920 apply to the repayment of a loan under the
 11 program.

12 (d) An educational loan or interest on a loan is not eligible for repayment
 13 under the program if the loan or interest is eligible for repayment under another
 14 source, including another loan repayment or forgiveness program.

15 (e) If the executive director prorates money under (b)(1) of this section, a
 16 priority shall be given to recipients who work in an area of the state or a specialty that
 17 the Board of Nursing determines has a shortage of nurses.

18 **Sec. 14.43.590. Definitions.** In AS 14.43.530 - 14.43.590, unless the context
 19 otherwise requires,

20 (1) "account" means the Alaska nurse recruitment loan repayment
 21 program account established in AS 14.43.540;

22 (2) "executive director" means the executive director of the
 23 commission;

24 (3) "nurse" means a person licensed as a registered or practical nurse
 25 under AS 08.68.170;

26 (4) "program" means the Alaska nurse recruitment loan repayment
 27 program.

28 * Sec. 7. The uncoded law of the State of Alaska is amended by adding a new section to
 29 read:

30 TRANSITION: REGULATIONS. Notwithstanding sec. 9 of this Act, the state Board
 31 of Nursing and the Alaska Commission on Postsecondary Education may immediately

- 1 proceed to adopt regulations necessary to implement their respective duties under this Act.
 2 The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before
 3 July 1, 2003.
 4 * Sec. 8. Section 7 of this Act takes effect immediately under AS 01.10.070(c)
 5 * Sec. 9. Except as provided in sec. 8 of this Act, this Act takes effect July 1, 2003.

↳ Are any nursing employment programs currently offering repayment programs? pg 5, line 14 ✓

↳ preference for Alaska-grown students? ✓

↳ Fiscal Note?

↳ How many nurses are we short? short-staffed or fill-ins?

Senator Hollis French

Capitol Room 504
465-3892
465-6595 fax



MEMORANDUM

Date: March 27, 2003

To: Senator Fred Dyson, Chair
HESS Committee

From: Senator Hollis French

RE: Request for Hearing -- SB 154 - "An Act relating to a student loan repayment program for nurses, and amending the duties of the Board of Nursing that relate to this program; and providing for an effective date."

This is a request that you schedule a hearing on SB 154 - "An Act relating to a student loan repayment program for nurses, and amending the duties of the Board of Nursing that relate to this program; and providing for an effective date" at the earliest possible date.

I have attached a copy of the bill, a sponsor statement, and a sectional analysis for your use. Additional materials will be made available to your committee aide prior to the hearing.

Attachments

SPONSOR STATEMENT – SS SB 154

Alaska Nurse Recruitment Loan Repayment Program

Alaska is suffering from a severe shortage of nurses, and Alaskans' health care is suffering because of that shortage. SB 154, which establishes the Alaska Nurse Recruitment Loan Repayment Program, could help to change that. Offering financial incentives to nurses working in Alaska will help attract new nurses to the state and encourage Alaskans to pursue their nursing vocations here at home.

In 2002, the Alaska Colleagues in Caring, in collaboration with the Alaska Hospital and Nursing Home Association, surveyed facilities in Alaska regarding nursing workforce needs. Results showed that vacancy rates for RNs had increased from 5.7% in 2000 to 11.5% in 2002, with increasing vacancy rates projected into the future. Facilities in western and northern Alaska reported a vacancy rate of over 20% and, according to information from other sources, the vacancy rate in some remote areas of Alaska is as high as 35 percent.

The Alaska Nurse Recruitment Loan Repayment Program will provide repayment of up to \$10,000, over five years, of educational loans an individual has accumulated while training to become a nurse. To qualify for loan reimbursement, an individual must be hired as a nurse in Alaska on or after July 1, 2003, be licensed to practice as a nurse in Alaska, work as a nurse in the state throughout the loan repayment period, and have outstanding educational loans from a recognized lending institution.

Additional eligibility criteria and guidelines for the loan program will be set in regulations adopted by the Board of Nursing, in consultation with the Alaska Commission on Postsecondary Education. These may include guidelines on establishing priorities for participation in the loan repayment program if funding for the program is not adequate to meet need. The guidelines may include determinations based on areas of the state and nursing specialties affected by shortages,

Funding for the program may be appropriated from the Student Loan Corporation dividend (the return of contributed capital authorized in AS 14.42.295(a)) or alternate state, federal, or other sources. The executive director of the Alaska Commission on Postsecondary Education will administer the program.

SECTIONAL ANALYSIS – SS SB 154

ALASKA NURSE RECRUITMENT LOAN REPAYMENT PROGRAM

- Section 1:** Findings and purpose.
- Section 2:** Adds responsibility for establishing standards and eligibility criteria for the Alaska Nurse Recruitment Loan Repayment Program, including the adoption of necessary regulations and determination of areas of the state and specialties that have a shortage of nurses, to the Alaska Board of Nursing, in consultation with the Alaska Commission on Postsecondary Education.
- Section 3:** Adds responsibility to perform duties relating to the Alaska Nurse Recruitment Loan Repayment Program to the list of responsibilities of the Alaska Commission on Postsecondary Education (ACPE).
- Section 4:** Directs the executive director of ACPE to administer the Alaska Nurse Recruitment Loan Repayment Program.
- Section 5:** Establishes that the money made available to the state from the dividend of the Student Loan Corporation may be appropriated for the Alaska Nurse Recruitment Loan Repayment Program.
- Section 6:** Establishes the Alaska Nurse Recruitment Loan Repayment Program.

Sec. 14.43.530 – Establishes the loan repayment program to provide financial incentives for qualified registered nurses to work in the state through the repayment of education loans.

Sec. 14.43.540 – Establishes the Alaska Nurse Recruitment Loan Repayment Program account in the general fund. The account shall be used to provide financial awards for the repayment of education loans and to pay for the costs of administering the program. The account includes money appropriated by the legislature from the dividend paid to the state by the Alaska Student Loan Corporation or other sources.

Sec. 14.43.550 – Establishes that the Alaska Nurse Recruitment Loan Repayment Program shall be administered by the executive director of the ACPE using standards and eligibility criteria established by the Board of Nursing and financial management standards established by the commission. Gives the commission authority to adopt regulations to carry out the duties involved with administering the program, after consultation with the Board of Nursing.

Sec. 14.43.560 – Establishes these eligibility criteria:

- Applicant was hired as a nurse in Alaska on or after July 1, 2003.
- Applicant is employed as a nurse in Alaska during the loan repayment period.
- Applicant is licensed to practice as a nurse in Alaska.
- Applicant must agree to fulfill any requirement of the program.
- Applicant must have outstanding education loans from a recognized lending institution..

Sec. 14.43.570 – Establishes conditions and limitations on loan payments. The total repayment amount to any individual is limited to \$10,000. An annual loan repayment to an individual may be the lesser of \$2,000 or 20 percent of the total loan and interest owed by the person.

Financial awards under the program will be conditioned on the availability of funds. If adequate funds are not available to meet all needs, the executive director of ACPE may prorate available funds and suspend the acceptance of new applications or award funds available for new or pending applicants according to criteria approved by the Board of Nursing.

A loan is not eligible for repayment under the program if it is eligible for repayment or forgiveness under any other program

Sec. 14.43.590 – Definitions of terms.

- Section 7:** Allows the Board of Nursing and ACPE to adopt necessary regulations immediately upon passage of the Act.
- Section 8:** Establishes an immediate effective date for Section 7.
- Section 9:** Establishes an effective date of July 1, 2003, for the remainder of the Act.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB154
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education
 Title An Act relating to student loan repayment program BRU ACPE
 for nurses, and amending the duties of the Board of Nurses that... Component Student Loan Program
 Sponsor Senator Hollis French
 Requester (S)HESS Component No. 213

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	11	11	12	12	12	12
Travel						
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Supplies						
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Grants & Claims						
Miscellaneous	338.0	714.0	1,180.0	1,664.0	2,150.0	2,636.0
TOTAL OPERATING	348.7	725.2	1,191.5	1,175.7	2,161.9	2,648.1

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

FUND SOURCE	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
1002 Federal Receipts						
1003 GF Match						
1004 GF	338.0	714.0	1,180.0	1,664.0	2,150.0	2,636.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1106 P-Sec Rcpt	11	11	12	12	12	12
TOTAL	348.7	725.2	1,191.5	1,175.7	2,161.9	2,648.1

Estimate of any current year (FY2003) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation establishes the Alaska Nurse Recruitment Loan Repayment Program as an incentive tool to attract and retain nurse to work in the state. Eligibility criteria will be set by the Alaska Board of Nursing and administrative criteria will be set by the Alaska Commission on Postsecondary Education. The Executive Director of the Commission is the designated program administrator. A program Fund is established within the General Fund and while Section 6 contemplates that the Legislature may make appropriation to the Fund from the Alaska Student Loan Corporation's annual dividend to the state, that appropriation is not mandated and, therefore, this fiscal note reflects the fund source as GF. Individual benefits may be paid to program participants of up to \$10,000 in exchange for five years of employment in the state as a nurse.

Prepared by: Sheila King, Finance Officer
 Division Finance
 Approved by: Diane Barrans, Executive Officer *Diane Barrans*
 Agency Alaska Commission on Postsecondary Education

Phone 465-6757
 Date/Time 4/7/03 10:12 AM
 Date 4/7/2003

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

BILL NO. SB154

ANALYSIS CONTINUATION

The chart below provides additional details relating to the cost estimates in this fiscal note. Staff has assumed an average individual education loan debt burden of \$16,000 based on average borrowing in this field from the Alaska state education loan programs and have used participant projections from a recent state health workforce report for the expected numbers of participants in each of the first six years of program operations.

Growth/Cost Projection Estimates for Alaska Nurse Recruitment Loan Repayment Program
(Dollar Amounts Shown in Thousands)

Year	# of New Nurses	2004	2005	2006	2007	2008	2009
2003	169	\$ 338.0	\$ 338.0	\$ 338.0	\$ 338.0	\$ 338.0	\$ 338.0
2004	188		\$ 376.0	\$ 376.0	\$ 376.0	\$ 376.0	\$ 376.0
2005	233			\$ 466.0	\$ 466.0	\$ 466.0	\$ 466.0
2006	242				\$ 484.0	\$ 484.0	\$ 484.0
2007	243					\$ 486.0	\$ 486.0
<hr/>							
	1,075	\$ 338.0	\$ 714.0	\$ 1,180.0	\$ 1,664.0	\$ 2,150.0	\$ 2,636.0



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aknurse@aknurse.org

April 2, 2003

Honorable Hollis French
State Capitol
Juneau, AK 99801-1182

Dear Senator French;

On behalf of Alaska's 6,000 RNs I would like to thank you for taking the leadership in drafting SB 154, "An Act relating relating to a student loan repayment program for nurses."

Alaska is already facing a nursing shortage with health care facilities reporting average vacancy rates of 11%, with some rural facilities reporting vacancies as high as 35%. This shortage is only going to get worse over the next five years since the average age of nurses in the state is 47, and many hospital nurses retire in their mid-fifties.

The nursing shortage is contributing to the rise in health care costs because it is forcing health care institutions to staff with traveling and agency nurses who are more expensive to institutions than their regular staff. It is also leading to an increase in overtime, which is expensive to institutions and has be shown to contribute to nursing errors and injury.

The University of Alaska is responding to this shortage by doubling the number of nursing students they teach each year by the year 2006. SB 154 is an excellent companion to this effort by the University. It will provide an incentive for Alaskans to enter the profession, and remain in the state to practice.

With the armed conflict in the middle east, the threat of bioterrorism, and the emergence of fatal illnesses such as West Nile virus and SARS, now more than ever we need to take action to insure we have an adequate number of nurses to serve Alaskans in the coming years.

Sincerely,

Patricia K. Senner, MS, RN, ANP
President

Alaska State Legislature



For Immediate Release: March 27, 2003

Contact: Senator Hollis French: 888-465-3892
Representative Peggy Wilson, 800-686-3824

Loan Repayment Program to Reward Nurses **Bipartisan Effort to Improve Alaska's Healthcare**

(JUNEAU)--Nurses who work in Alaska could have up to \$10,000 of educational loans repaid under the provisions of companion bills recently introduced by Senator Hollis French (D-Anchorage) and Representative Peggy Wilson (R-Wrangell).

"Alaska faces a severe shortage of nurses. Offering financial incentives to nurses working in Alaska will help address this problem, which affects the quality of medical care in Alaska," said Senator French. The Alaska Nurse Recruitment Loan Repayment Program (SB 154 and HB 111) would repay nurses 20 percent or up to \$2,000 of an educational loan per year the nurse is employed in the state, for up to five years and a total of \$10,000.

"Lightening a nurse's loan repayment burden by even this modest amount should encourage Alaskans training to be nurses to work in state, and help attract more nurses to Alaska from outside the state," said Representative Wilson.

In 2002, the Alaska Colleagues in Caring, in collaboration with the Alaska Hospital and Nursing Home Association, surveyed facilities in Alaska regarding nursing workforce needs. Results showed that vacancy rates for RNs had increased from 5.7% in 2000 to 11.5% in 2002, with increases in those rates projected into the future. Facilities in western and northern Alaska reported a vacancy rate of over 20%.

(MORE)

Loan Repayment Program to Reward Nurses

March 27, 2003

2-2-2-2-2

"The Alaska Nurses Association (AaNA) applauds Senator French's and Representative Wilson's sponsorship of this program, which is essential to nursing in the state," said Camille Soleil, Executive Director of AaNA. "Not only will new nurses be attracted to beginning their practice here, this progressive loan repayment program is aimed at retaining nurses for multiple years, a critical step in addressing the growing nurse shortage."

The Alaska Department of Labor and Workforce Development projections show that the employment demand for RNs is expected to grow nearly 40 percent between 1998 and 2008, much faster than the all-occupation average (16.6 percent). The University of Alaska and health care institutions in the state are cooperating in an effort to expand nursing education opportunities in state and have a goal of doubling the number of nursing graduates by 2006.

"Not only is the quality of our health care clearly in danger because of this shortage, but our health care facilities are spending millions of dollars hiring visiting nurses," said Representative Wilson, who is also a nurse. "Our hospitals could spend those funds much more effectively on nurses who are committed to staying in Alaska communities."

Citing the benefits of this bipartisan effort to address the nursing shortage, Senator French said: "I'm looking forward to working with Representative Wilson on this program that will benefit all Alaskans."

HB 211 was referred to the House Health and Social Services and Finance committees. SB 154 was referred to the Senate Health and Social Services, Labor and Commerce, and Finance committees.

###

State of Alaska
OFFICE OF THE GOVERNOR

Frank H. Murkowski
Governor
P.O. Box 110001
Juneau, Alaska 99811-0001
NEWS RELEASE



John Manly
Press Spokesman
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FAX: 907-465-3532
www.gov.state.ak.us

FOR IMMEDIATE RELEASE: March 27, 2003

No. 03-069

Murkowski Signs Bill to Extend Nursing Board

(Juneau) – Governor Frank H. Murkowski today signed into law HB 74, which extends the sunset date of the Board of Nursing for eight years, or until June 30, 2011. The bill's prime sponsor, Representative Nancy Dahlstrom, attended the signing of her first piece of legislation.

"It is a pleasure to sign Representative Dahlstrom's first bill today," Murkowski said. "The Board of Nursing serves a crucial function for the medical establishment and for the people of Alaska. There is a critical shortage of nurses, as well as other medical professionals, here in Alaska as there is across the country. I hope the Board of Nursing can help to encourage young people to go into nursing and work with the university to educate more nurses. You never know when you're going to need a nurse, so it's certainly reassuring to know they will be there when you do need one."

HB 74 has an immediate effective date.

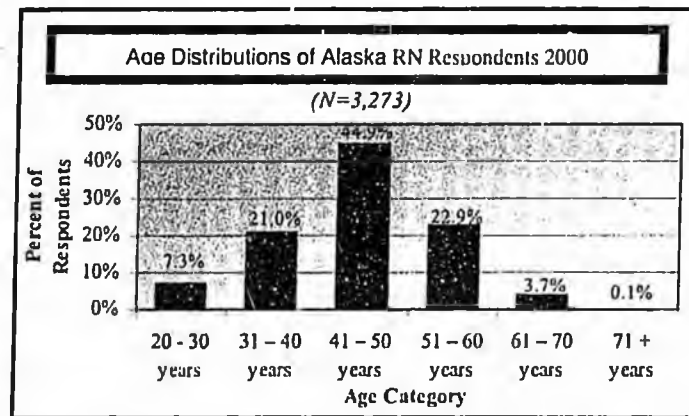
###



Background On the Nursing Shortage in Alaska

There are currently about 5,200 RNs living in Alaska. Since the late 1990's there has been an increasing shortage of Registered Nurses in Alaska and the US as a whole. This has led to an 11.5% vacancy rate for nursing positions in the State. Contributing factors for this shortage include:

- The aging of the workforce. In 2000 the average age of a RN in Alaska 45.1 years compared to 43.3 years nationally. 72% of the RNs in Alaska are over the age of 40 years old. Data from the 2002 license renewal is currently being evaluated, but it is expected that the average age has only increased.¹



- Hospital and nursing home nursing is very physically demanding. Because of this most nurses working in these settings retire in their 50s. Nationally it is projected that half the nursing workforce will retire in the next five years.
- Fewer young people have gone into the profession. This is graphically illustrated by the above figure.¹ Formerly, the two primary occupations available to women were teaching and nursing. Now there are a larger number of options available. Many women who previously would have become nurses are now becoming doctors.
- Increased complexity of patient care. In order to reduce health care costs more procedures are being done on an outpatient basis, and hospital stays have been shortened. This means that the patients in hospitals are much sicker than 15 years ago, requiring more skilled care.
- In order to reduce costs, hospitals in the 90's increased the number of patients nurses were required to care for at the same time that the patients became sicker. This lead many nurses to leave the workforce because of concern about patient and nurse safety.



- A decrease in job satisfaction, as inadequate staffing is preventing RNs from providing high quality care to patients. One of the single most important factors in nurses being satisfied with their working conditions is the RN having ample time to provide quality care to their patients. This is usually directly tied the number and the acuity of the patients they are required to care for.
- Increased work-acquired injury and illness. This is addressed in detail elsewhere, but between the increased number of HIV and hepatitis infected patients and the increased weight of the population, many nurses have suffered career ending injuries or illnesses. It is not unusual for nurses to be asked to care for 300-500 lb patients.

Importance of RNs to Patient Health and Safety

The nursing shortage effects patient care in two main ways. Studies tie RNs to positive patient outcomes and poor staffing causes experienced RNs to leave the profession due to job dissatisfaction.

- A 2000 studyⁱⁱⁱ looked at hospital and Medicare data from hospitals in nine states in five categories of adverse outcomes: length of hospital stay, pneumonia contracted in the hospital, postoperative infection, bed sores, and urinary tract infections contracted while in the hospital. All five measures are markedly decreased with higher levels of RN involvement in patient care.
- A study published in the October 2002 Journal of the American Medical Association^v, found the risk of patient mortality increased by 7% for every additional patient in the average nurse's workload in the hospital;
- The study suggests that RNs contribute importantly to surveillance, early detection, and timely interventions that save lives;
- The benefits of improved RN staffing also extend to larger numbers of hospitalized patients who are not at risk for mortality but nevertheless are vulnerable to a wide range of unfavorable outcomes;
- Higher emotional exhaustion and greater job dissatisfaction in nurses were strongly and significantly associated with patient-to-nurse ratios;
- Improving nurse staffing levels may reduce alarming turnover rates in hospitals by reducing burnout and job dissatisfaction, major precursors of job resignation;
- Improving staffing may not only save patient lives and decrease nurse turnover but also reduce hospital costs, if recently published estimates of the costs of replacing a hospital medical and surgical general unit and a specialty nurse (\$42,000 to \$64,000) are correct.



Health and Safety Issues Related to the Nursing Shortage

Health care is rapidly becoming the most hazardous industry in America, as well as Alaska. RNs report that health and safety concerns play a major role in their decisions to remain in the profession. Nurses and other health care workers are exposed to the following hazards:

- Biological hazards: HIV, hepatitis B and C and more than 20 other infectious agents have caused infections in nurses caring for patients with these infections.
- Ergonomic Injuries – Ergonomics hazards of manual lifting and transfer of patients cause back injuries to over 1/3 of all nurses. Nurses are more prone to back injuries than construction laborer, truck loader, or warehouse worker.^v Nurses accounted for more than 10% of the total for all occupations combined for neck, back and muscle injuries.^{vi}
- Chemical hazards: latex allergy and disinfectants cause occupational asthma, and laser smoke, exposure to carcinogenic chemotherapeutic agents result in illness.

The Shortage Will Grow

Alaska Department of Labor and Workforce Development^{vii} provided the below statistics related to the current and growing nursing shortage.

- Employment demand for RNs is projected to grow nearly 40% between 1998 – 2008, faster than the all-occupational average (16.6%)
- The number of RNs needed to fill the new jobs resulting from industry growth will increase by nearly 1,600.
- If 2008 projections hold true, RNs will be the largest single healthcare occupation and the seventh largest occupation in the state.
- Nursing shortage is nationwide and Alaska must compete for RNs, or grow more of our own, to keep up with demand caused by the aging of society, as well as the aging of the RNs.

Alaska Nursing Employer Survey Results^{viii}

In 2002, the Alaska Colleagues in Caring, in collaboration with the Alaska Hospital and Nursing Home Association, surveyed facilities in Alaska regarding their nursing workforce needs.

- Vacancy rates for RNs increased on average from 5.7% in 2000 to 11.5% in 2002 with the West and North respondents reporting a 20.8% vacancy rate in 2002.



- Rate of Turnover reported for RNs in 2002 was 24% indicating difficulties with retaining RNs
- Employers identified the most successful retention incentives included
 - Decreased workload and greater scheduling choices
 - Educational Options
 - Management education and involvement
 - Positive work environment
- The percentage of facilities that actively recruit RNs from other states increased from 47.6% of facilities in 2000 to 83.3% of facilities in 2002.
- Employers identified the following anticipated changes in demand for nurses in the next two years
 1. Aging population/increased number of nurses retiring
 2. Increase in medical services used and number of patients
 3. Increased need for nurses, especially RNs
 4. Possible closure of facilities
 5. New facilities built/facility expansion
 6. An increased difficulty in recruiting and retaining nurses

Current Nursing Education in Alaska

The University of Alaska is the primary educator of nurses in the state. Weber State has had a small LPN program in the state for many years, but they will soon be leaving the state. Nursing education is very expensive to provide due to the cost of labs and clinical rotations. This cost is why there are not more providers of nursing education, and why nationally there has been a decrease in nursing education programs.

Current RN Programs Provided by UAA (110 RN graduates per year)

- 2 year RN – Anchorage 32 students admitted per year; Fairbanks 16 students, Kodiak 9 students (every 2 years)
- 4 year RN – Anchorage 80 students admitted per year, with an additional 40 being added this summer
- 1 year LPN – Anchorage 16 students admitted per year, Bethel 7, Fairbanks 8 (rotates), Ketchikan 6 (rotates)

Projected Locations and Numbers of Nursing Students 2006 (220 RN graduates per year)

- 2 year RN – Anchorage 32 students admitted per year, Fairbanks 16, and about 40 students admitted per year in Juneau, Bethel, Kodiak, Kenai, Ketchikan, or Sitka on a rotating basis. Other sites are also being investigated.
- 4 year RN – Anchorage 120 students admitted per year.



Articulation Programs

The University already has an RN to BSN program in place that can be completed through distance learning. UAA is in the process of refining the LPN to RN program to make mobility within the profession easier.

Current Demand for Nursing Education Exceeds Slots

The UAA four-year BSN program has only a minimal waiting list, which should be eliminated with this year's planned expansion. This year the 2-year (AAS) RN program had 2 applicants for every position. Initial interest meetings in expansion sites such as Kenai have shown a tremendous interest from persons in the community.



SOLUTIONS

The Alaska Nurses Association suggests the following solutions to the Alaska nursing shortage, which come under three main categories:

- Recruitment and education of new RNs
- Retention of experienced RNs
- Adapting the work environment to prolong the careers of aging RNs

RECRUITMENT AND EDUCATION

- State funding support of UAA and Industry Consortium's effort to double the number of RN graduates by 2006. This requires the State to match the industries commitment of 2.4 million over the next three years.
- Continue Federal funding of the Recruitment and Retention of Alaska Natives into Nursing (RRANN Program) at UAA.
- Support legislation for tuition loan reimbursement of nurses who work in Alaska. Currently several legislators are working to draft such legislation.
- Support an increase to competitive salaries for nursing professors. RNs can currently make more practicing in a hospital than teaching at the University, making the recruitment of qualified instructors very difficult.
- The Alaska Nurses Association is working to develop a recruitment program aimed at grade school children to show them the variety of careers available in the nursing profession.
- The Alaska Nurses Association, hopefully with the support of the Alaska Department of Labor and the University, is planning to work with high schools in developing a pre-nursing preparation program to ensure a successful foundation is created in math and science, especially for rural and non-traditional students.
- With the help of industry, identify and develop training for post-graduate RNs in high-need specialty areas, such as OR and ICU.
- Encourage employers to provide financial incentives for nurses working in facilities to mentor nursing students and new graduates.



RETENTION OF EXPERIENCED RNS

Workplace Conditions

- Support creation and adoption of legislation and/or standards for an appropriate nurse to patient acuity system that creates a safe and satisfying work environment. Several states have passed or are considering similar legislation.
- Create financial incentives for facilities to apply for Nursing Magnet Status with American Nurses Credentialing Center. Magnet status ensures RN participation in workplace design, and promotes quality patient care, highly increasing job satisfaction.
- Encourage employers to make nursing attractive as a long-term career by increasing retirement and medical benefits.
- Encourage Employers to be responsive to RN needs, such as providing daycare that is available during the hours that nurses work and providing flexible scheduling options.
- Create legislation to prohibit mandatory overtime as a staffing solution to the nursing shortage. Other states have successfully passed such legislation.

Health and Safety Solutions

- Provide legislative or administrative incentives for facilities to purchasing latex free products in order to limit latex injuries to RNs and patients, as well as decrease related costs.
- Support the revision and passage of Alaska's existing Needlestick Legislation^{ix} to meet federal standards, to protect patients and healthcare workers from HIV, Hepatitis, and other infectious diseases.
- Department of Labor's development of Regulations aimed at reducing injuries, and related costs, acquired from lifting and transferring patients in facilities, such as lift teams and assistive devices. Alaska Native Medical Center has had significant success in this area.

ADAPTING THE WORK ENVIRONMENT TO PROLONG THE CAREERS OF AGING RNS

- Encourage institutions to be flexible about working hours and patient loads to allow aging nurses to physically prolong their careers. Many facilities demand 12-hour shifts, which are physically demanding and difficult for aging RNs.
- Fund a study to explore what measures need to be adopted to keep RNs who are over 50 in the workforce.



- Find creative ways to utilize experienced nurses to educate, mentor and recruit new nurses into the profession.

ⁱ "Alaska Colleagues in Caring, Alaska Re-Licensure Survey for RNs, 1996, 1998, and 2000", October 2001

ⁱⁱ Id.

ⁱⁱⁱ ANA's Nurse Staffing and Patient Outcomes in the Inpatient Hospital Setting released in May of 2000.

^{iv} "Hospital Nurse Staffing and Patient Mortality, Nurse Burnout, and Job Dissatisfaction," by Linda Aiken, PhD, RN, et. al., is in the October 23/30, 2002, issue of JAMA. The study looked at 232,342 patients between the ages of 20 and 85 who underwent general surgical, orthopedic, or vascular procedures in 168 Pennsylvania hospitals from April 1, 1998 to November 30, 1999.

^v Labor Department's Bureau of Labor Statistics, in 1998.

^{vi} Id.

^{vii} Alaska Department of Labor and Workforce Development, Research and Analysis Section (April 9, 2002)

^{viii} Alaska Colleagues in Caring Nursing Employer Survey, 1998, 200, & 2002.

^{ix} Sec. 18.60.880. Needlestick and sharps injury protections for health care workers.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB154
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education
 Title An Act relating to student loan repayment program BRU ACPE
for nurses, and amending the duties of the Board of Nurses that... Component Student Loan Program
 Sponsor Senator Hollis French
 Requester (S)HESS Component No. 213

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TOTAL OPERATING	348.7	725.2	1,191.5	1,175.7	2,161.9	2,648.1

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

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TOTAL	348.7	725.2	1,191.5	1,175.7	2,161.9	2,648.1

Estimate of any current year (FY2003) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time		1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation establishes the Alaska Nurse Recruitment Loan Repayment Program as an incentive tool to attract and retain nurses to work in the state. Eligibility criteria will be set by the Alaska Board of Nursing and administrative criteria will be set by the Alaska Commission on Postsecondary Education. The Executive Director of the Commission is the designated program administrator. A program Fund is established within the General Fund and while Section 6 contemplates that the Legislature may make appropriation to the Fund from the Alaska Student Loan Corporation's annual dividend to the state, that appropriation is not mandated and, therefore, this fiscal note reflects the fund source as GF. Individual benefits may be paid to program participants of up to \$10,000 in exchange for five years of employment in the state as a nurse.

Prepared by: Sheila King, Finance Officer Phone 465-6757
 Division Finance Date/Time 4/7/03 10:12 AM
 Approved by: Diane Barrans, Executive Officer *Diane Barrans* Date 4/7/2003
 Agency Alaska Commission on Postsecondary Education

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

BILL NO. SB154

ANALYSIS CONTINUATION

The chart below provides additional details relating to the cost estimates in this fiscal note. Staff has assumed an average individual education loan debt burden of \$16,000 based on average borrowing in this field from the Alaska state education loan programs and have used participant projections from a recent state health workforce report for the expected numbers of participants in each of the first six years of program operations.

Growth/Cost Projection Estimates for Alaska Nurse Recruitment Loan Repayment Program
(Dollar Amounts Shown in Thousands)

Year	# of New Nurses	2004	2005	2006	2007	2008	2009
2003	169	\$ 338.0	\$ 338.0	\$ 338.0	\$ 338.0	\$ 338.0	\$ 338.0
2004	188		\$ 376.0	\$ 376.0	\$ 376.0	\$ 376.0	\$ 376.0
2005	233			\$ 466.0	\$ 466.0	\$ 466.0	\$ 466.0
2006	242				\$ 484.0	\$ 484.0	\$ 484.0
2007	243					\$ 486.0	\$ 486.0
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	1,075	\$ 338.0	\$ 714.0	\$ 1,180.0	\$ 1,664.0	\$ 2,150.0	\$ 2,636.0



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April 2, 2003

Honorable Hollis French
State Capitol
Juneau, AK 99801-1182

Dear Senator French;

On behalf of Alaska's 6,000 RNs I would like to thank you for taking the leadership in drafting SB 154, "An Act relating relating to a student loan repayment program for nurses."

Alaska is already facing a nursing shortage with health care facilities reporting average vacancy rates of 11%, with some rural facilities reporting vacancies as high as 35%. This shortage is only going to get worse over the next five years since the average age of nurses in the state is 47, and many hospital nurses retire in their mid-fifties.

The nursing shortage is contributing to the rise in health care costs because it is forcing health care institutions to staff with traveling and agency nurses who are more expensive to institutions than their regular staff. It is also leading to an increase in overtime, which is expensive to institutions and has be shown to contribute to nursing errors and injury.

The University of Alaska is responding to this shortage by doubling the number of nursing students they teach each year by the year 2006. SB 154 is an excellent companion to this effort by the University. It will provide an incentive for Alaskans to enter the profession, and remain in the state to practice.

With the armed conflict in the middle east, the threat of bioterrorism, and the emergence of fatal illnesses such as West Nile virus and SARS, now more than ever we need to take action to insure we have an adequate number of nurses to serve Alaskans in the coming years.

Sincerely,

A handwritten signature in cursive script that reads "Patricia Senner".

Patricia K. Senner, MS, RN, ANP
President

Alaska State Legislature



For Immediate Release: March 27, 2003

Contact: Senator Hollis French: 888-465-3892
Representative Peggy Wilson, 800-686-3824

Loan Repayment Program to Reward Nurses **Bipartisan Effort to Improve Alaska's Healthcare**

(JUNEAU)--Nurses who work in Alaska could have up to \$10,000 of educational loans repaid under the provisions of companion bills recently introduced by Senator Hollis French (D-Anchorage) and Representative Peggy Wilson (R-Wrangell).

"Alaska faces a severe shortage of nurses. Offering financial incentives to nurses working in Alaska will help address this problem, which affects the quality of medical care in Alaska," said Senator French. The Alaska Nurse Recruitment Loan Repayment Program (SB 154 and HB 111) would repay nurses 20 percent or up to \$2,000 of an educational loan per year the nurse is employed in the state, for up to five years and a total of \$10,000.

"Lightening a nurse's loan repayment burden by even this modest amount should encourage Alaskans training to be nurses to work in state, and help attract more nurses to Alaska from outside the state," said Representative Wilson.

In 2002, the Alaska Colleagues in Caring, in collaboration with the Alaska Hospital and Nursing Home Association, surveyed facilities in Alaska regarding nursing workforce needs. Results showed that vacancy rates for RNs had increased from 5.7% in 2000 to 11.5% in 2002, with increases in those rates projected into the future. Facilities in western and northern Alaska reported a vacancy rate of over 20%.

(MORE)

Loan Repayment Program to Reward Nurses

March 27, 2003

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"The Alaska Nurses Association (AaNA) applauds Senator French's and Representative Wilson's sponsorship of this program, which is essential to nursing in the state," said Camille Soleil, Executive Director of AaNA. "Not only will new nurses be attracted to beginning their practice here, this progressive loan repayment program is aimed at retaining nurses for multiple years, a critical step in addressing the growing nurse shortage."

The Alaska Department of Labor and Workforce Development projections show that the employment demand for RNs is expected to grow nearly 40 percent between 1998 and 2008, much faster than the all-occupation average (16.6 percent). The University of Alaska and health care institutions in the state are cooperating in an effort to expand nursing education opportunities in state and have a goal of doubling the number of nursing graduates by 2006.

"Not only is the quality of our health care clearly in danger because of this shortage, but our health care facilities are spending millions of dollars hiring visiting nurses," said Representative Wilson, who is also a nurse. "Our hospitals could spend those funds much more effectively on nurses who are committed to staying in Alaska communities."

Citing the benefits of this bipartisan effort to address the nursing shortage, Senator French said: "I'm looking forward to working with Representative Wilson on this program that will benefit all Alaskans."

HB 211 was referred to the House Health and Social Services and Finance committees. SB 154 was referred to the Senate Health and Social Services, Labor and Commerce, and Finance committees.

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State of Alaska
OFFICE OF THE GOVERNOR

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Governor
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NEWS RELEASE



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FOR IMMEDIATE RELEASE: March 27, 2003

No. 03-069

Murkowski Signs Bill to Extend Nursing Board

(Juneau) – Governor Frank H. Murkowski today signed into law HB 74, which extends the sunset date of the Board of Nursing for eight years, or until June 30, 2011. The bill's prime sponsor, Representative Nancy Dahlstrom, attended the signing of her first piece of legislation.

"It is a pleasure to sign Representative Dahlstrom's first bill today," Murkowski said. "The Board of Nursing serves a crucial function for the medical establishment and for the people of Alaska. There is a critical shortage of nurses, as well as other medical professionals, here in Alaska as there is across the country. I hope the Board of Nursing can help to encourage young people to go into nursing and work with the university to educate more nurses. You never know when you're going to need a nurse, so it's certainly reassuring to know they will be there when you do need one."

HB 74 has an immediate effective date.

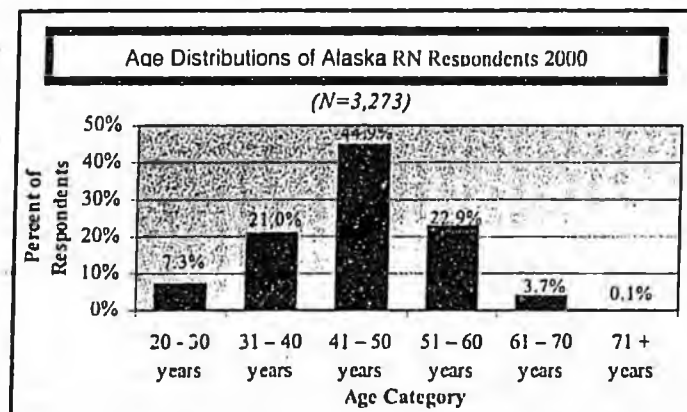
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Background On the Nursing Shortage in Alaska

There are currently about 5,200 RNs living in Alaska. Since the late 1990's there has been an increasing shortage of Registered Nurses in Alaska and the US as a whole. This has led to an 11.5% vacancy rate for nursing positions in the State. Contributing factors for this shortage include:

- The aging of the workforce. In 2000 the average age of a RN in Alaska 45.1 years compared to 43.3 years nationally. 72% of the RNs in Alaska are over the age of 40 years old. Data from the 2002 license renewal is currently being evaluated, but it is expected that the average age has only increased.¹



- Hospital and nursing home nursing is very physically demanding. Because of this most nurses working in these settings retire in their 50s. Nationally it is projected that half the nursing workforce will retire in the next five years.
- Fewer young people have gone into the profession. This is graphically illustrated by the above figure.¹¹ Formerly, the two primary occupations available to women were teaching and nursing. Now there are a larger number of options available. Many women who previously would have become nurses are now becoming doctors.
- Increased complexity of patient care. In order to reduce health care costs more procedures are being done on an outpatient basis, and hospital stays have been shortened. This means that the patients in hospitals are much sicker than 15 years ago, requiring more skilled care.
- In order to reduce costs, hospitals in the 90's increased the number of patients nurses were required to care for at the same time that the patients became sicker. This led many nurses to leave the workforce because of concern about patient and nurse safety.