

ALASKA LEGISLATURE COMMITTEE FILES 2007-2008 SHES 12478

The coming quarter-century will usher in a dramatic period of growing need for senior services in Alaska. Nevertheless, seniors' many contributions to the state and its economy are recognized, and the State considers it a privilege to plan for and provide the services needed to preserve their quality of life. Alaska's State Plan for Senior Services, FY 2008 – FY 2011 presents a wide-ranging, inclusive vision to guide the effort to provide those services in a respectful manner that upholds the dignity and independence of older Alaskans.

# FISCAL NOTE

**STATE OF ALASKA  
2008 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: SB 243  
 ( ) Publish Date: \_\_\_\_\_  
 Dept. Affected: Health & Social Services  
 RDU: Senior and Disabilities Svcs  
 Component: Senior/Disabilities Svcs Admin

ID(File name) SB243-DHSS-SDSA-1-24-2008  
 Title: COMMISSION ON AGING  
 Sponsor: DAVIS  
 Requester: SENATE HES

Component No. 2663

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

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

	Appropriation Required	Information					
	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL EXPENDITURES</b>							
<b>CHANGE IN REVENUES (0)</b>							

**FUND SOURCE (Thousands of Dollars)**

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1037 GF/Mental Health							
Other(Specify Type-do not abbreviate)							
Other(Specify Type-do not abbreviate)							
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time							
Part-time							
Temporary							

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

This bill has zero fiscal impact. It seeks to bring into alignment grant duties and responsibilities that were previously given to DHSS when the Commission on Aging and Division of Senior Services became part of this department. Any fiscal impact from these changes has already been realized and assimilated into the grants process.

Prepared by: Rod Moline, Division Director  
 Division: Senior and Disabilities Services  
 Approved by: Karleen Jackson, Commissioner  
 Agency: Department of Health and Social Services

Phone 465-3819  
 Date/Time 01/23/2008  
 Date 01/24/2008

# LEGAL SERVICES

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

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Mail Stop 3101

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

## MEMORANDUM

February 25, 2008

**SUBJECT:** CSSB 243( ), Sectional Summary  
(Work Order No. 25-LS1351\C)

**TO:** Senator Bettye Davis  
Attn: Tom Obermeyer

**FROM:** Jean M. Mischel  
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 duties for the Department of Health and Social Services that include establishing policy for Older Alaskans and administering grants for Older Alaskans, adult day care, and family respite care.

**Section 2.** Adds a duty to the Mental Health Trust Authority to set policy for Older Alaskans.

**Section 3.** Changes the duties of the executive director for the Alaska Commission on Aging to formulate for the department a statewide plan for Older Alaskans and deletes the duties pertaining to administering related federal grants and programs.

**Section 4.** Makes the Alaska Commission on Aging statewide plan subject to the review of the department and deletes policy and program responsibilities of the commission.

**Section 5.** Limits the authority of the Alaska Commission on Aging to recommending standards of services provided to Older Alaskans that are administered by the department and deletes rulemaking authority of the commission.

**Section 6.** Defines "department" to be the Department of Health and Social Services.

**Section 7.** Replaces the commission's authority for distribution of appropriations for services to Older Alaskans with the department.

**Section 8.** Replaces the commission's allocation authority for program funding for services to Older Alaskans with the department.

**Section 9.** Replaces the commission's allocation authority for pilot project grants for services to Older Alaskans with the department.

**Section 10.** Replaces the commission's authority to set contribution amounts for grants with the department.

**Section 11.** Replaces the commission's authority to request state assessor computations with the department.

**Section 12.** Replaces the commission's authority to estimate program costs for grant awards with the department.

**Section 13.** Replaces the commission's authority to waive contributions and adopt regulations for waivers with the department.

**Section 14.** Replaces the commission's authority to administer grants and make payments for services to Older Alaskans with the department.

**Section 15.** Replaces the commission's authority to make grants for adult day care and family respite services with the department.

**Section 16.** Replaces the commission's authority to enter into contract and grant agreements with the department.

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**Section 18.** Replaces the commission's authority to award grants for family respite care and adult day care services with the department.

**Section 19.** Defines "department" to be the Department of Health and Social Services.

February 25, 2008

Representative Doll  
Senator Davis  
Capitol Building  
Juneau Alaska 99801

Greetings,

I would like to thank you both for sponsoring bills to increase the access to support services for people experiencing brain damage caused by fetal alcohol spectrum. This bill will remove one of the major barriers to effective diagnosis, by increasing the knowledge of one of the key indicators. I believe this bill still maintains the relationships between medical provider and parents.

I worked closely for a number of years with a young person experiencing FASD. I witnessed the frustration of fellow staff members and community members, and the negative attitudes toward this individual.

Once it was determined that the person's behaviors were a result of FASD, there was a dramatic change in treatment of this individual. People working with her experienced much less frustration, and were much more effective in working with her. This resulted in a higher quality of life, work, and relationships for the individual.

This bill is a win-win for people with FASD, the people that care for them, and the State of Alaska in general. Thank you for sponsoring this legislation.

Joy Lyon  
570 Seater  
Juneau AK 99801



**SENATE COMMITTEE REPORT**  
**First Committee of Referral**

DATE: 1/19/08

FURTHER: Finance

Date of 5-Day Notice: \_\_\_\_\_  
 (in accordance with Uniform Rule 23)

DATE TURNED  
 IN TO OFFICE: 2/26/08

Health, Education and Social Services Committee considered

SENATE BILL NO. 243

SB 243 COMMISSION ON AGING

"An Act relating to the duties and powers of the Alaska Commission on Aging and the Department of Health and Social Services."

and recommends:

be replaced with  SCS or  CS SB 243 (HES)

adopt previous  SCS or  CS \_\_\_\_\_ (\_\_\_\_\_)

attached amendment(s)

adopt \_\_\_\_\_ Letter of Intent

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

<b>SENATE BILL:</b>
<input type="checkbox"/> Same Title
<input type="checkbox"/> New Title
<hr/>
<b>HOUSE BILL:</b>
<input type="checkbox"/> Same Title
<input type="checkbox"/> Technical Title Change
<input type="checkbox"/> New Title w/ SCR # _____

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#
H.S.S.	1/24/08			✓	

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Elton	✓			
	Thomas	✓			
				✓	
CHAIR:	DAVIS	✓			



February 25, 2008

The Honorable Bettye Davis, Chair  
Senate Health, Education and Social Services Committee  
Alaska State Capitol, Room 30  
Juneau, AK 99801-1182

RE: SB 243 (Davis) – Support

Dear Chair Davis,

On behalf of the members of AARP in Alaska, we encourage you and your colleagues on the Senate Health, Education and Social Services Committee to support SB 243 which you authored.

SB 243 is basically a "clean up" bill which brings the Alaska Commission on Aging into compliance with changes that have been in place for several years that deal with Commission responsibilities and those of Senior and Disability Services.

SB 243 incorporates the recommendations of the Legislative Auditor.

AARP recommends an "AYE" vote on SB 243.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Marie Darlin".

Marie Darlin, Coordinator  
AARP Capital City Task Force  
415 Willoughby Avenue, Apt. 506  
Juneau, AK 99801  
586-3637 (voice)  
463-3580 (fax)

CC: Senator Joe Thomas  
Senator John Cowdery  
Senator Fred Dyson  
Senator Kim Elton

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**Section 19.** Defines "department" to be the Department of Health and Social Services.

**SB**

**245**

**SENATE COMMITTEE REPORT  
First Committee of Referral**

DATE: 1/19/08

FURTHER: Finance

Date of 5-Day Notice: \_\_\_\_\_  
(in accordance with Uniform Rule 23)

DATE TURNED  
IN TO OFFICE: 3/31/08

Health, Education and Social Services Committee considered

SENATE BILL NO. 245

**SB 245 HEALTH CARE: PLAN/COMMISSION/FACILITIES**

"An Act establishing the Alaska Health Care Commission and the Alaska health care information office; relating to health care planning and information; repealing the certificate of need program for certain health care facilities and relating to the repeal; annulling certain regulations required for implementation of the certificate of need program for certain health care facilities; and providing for an effective date."

and recommends:

- be replaced with  SCS or  CS SB 245 (HES)
- adopt previous  SCS or  CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt \_\_\_\_\_ Letter of Intent
- further referral to \_\_\_\_\_ Committee

<b>SENATE BILL:</b>	
<input type="checkbox"/>	Same Title
<input checked="" type="checkbox"/>	New Title
<b>HOUSE BILL:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

**NEW FISCAL NOTE(S):**

Department	Date	Area	Impact	Notes
DHSS/2077	3/28/08			✓
DHSS/2766	3/28/08	✓		
DHSS/317	3/28/08			✓
-	?			

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Area	Impact	Notes
HSS	1/17/08		✓	
HSS	1/18		✓	

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS	NAME	DO NOT	DO NOT	RECOMMEND
<i>[Signature]</i>	Ellen		✓	
<i>[Signature]</i>	Thomas	✓		
<i>[Signature]</i>	Dyson			✓
<i>[Signature]</i>	Cooney	✓		
CHAIR: <i>[Signature]</i>	DAVIS	✓		

# Alaska State Legislature

Interim (May - Dec.)  
16 W. 4<sup>th</sup> Ave.  
Anchorage, AK 99501  
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Session (Jan - May)  
State Capitol, Suite 30  
Juneau, AK 99801-1182  
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Senator\_Bettye\_Davis@legis.state.ak.us  
<http://www.akdemocrats.org>

## Senator Bettye Davis Senate HESS Committee

### Senate Bill No. 245

"An Act establishing the Alaska Health Care Commission and the Alaska health care information office; relating to health care planning and information; repealing the certificate of need program for certain health care facilities and relating to the repeal; annulling certain regulations required for implementation of the certificate of need program for certain health care facilities; and providing for an effective date."

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### Work Drafts

02/11/08

GS2050 L - Senate CS amending "K" version with changes

2/08/08

GS2050 K - Senate CS amending "M" version with changes

2/5/08

25-GS2050 M - Senate CS amending "E" version and adding 2 more public members

2/1/08

25-GS2050 E - Senate CS incorporating House composition of Commission

1/29/08

25-GS2050 C - Senate CS to incorporate Governor's Amendments

1/25/08

Staff Memo, Senator Davis - regarding summary of Governor's Bill

1/19/08

25-GS2050 A - Governor's Bill with Amendments, Sectional Analysis and Fiscal Notes

1/30/08

25-GH2050 E - CS for House Bill 337(HES) with notes from HSS

25-GS2050 K  
Mischel  
2 8 08

**CS FOR SENATE BILL NO. 245( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FIFTH LEGISLATURE - SECOND SESSION**

**BY**

**Offered:  
Referred:**

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

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act establishing the Alaska Health Care Commission and the Alaska health care**  
2 **information office; relating to health care planning and information; relating to and**  
3 **repealing the certificate of need program for certain health care facilities and relating to**  
4 **the repeal; annulling certain regulations required for implementation of the certificate**  
5 **of need program for certain health care facilities; and providing for an effective date."**

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

7 **\* Section 1. AS 18.05.010(b) is amended to read:**

8 (b) In performing its duties under this chapter, AS 18.09, and AS 18.15.355 -  
9 18.15.395, the department may

10 (1) flexibly use the broad range of powers set out in this title assigned  
11 to the department to protect and promote the public health;

12 (2) provide public health information programs or messages to the  
13 public that promote healthy behaviors or lifestyles or educate individuals about health

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issues:

(3) promote efforts among public and private sector partners to develop and finance programs or initiatives that identify and ameliorate health problems;

(4) establish, finance, provide, or endorse performance management standards for the public health system;

(5) develop, adopt, and implement

**(A) a statewide health plan under AS 18.09 based on recommendations of the Alaska Health Care Commission established in AS 18.09.010; and**

**(B) public health plans and formal policies through regulations adopted under AS 44.62 or collaborative recommendations that guide or support individual and community public health efforts;**

(6) establish formal or informal relationships with public or private sector partners within the public health system;

(7) identify, assess, prevent, and ameliorate conditions of public health importance through surveillance; epidemiological tracking, program evaluation, and monitoring; testing and screening programs; treatment; administrative inspections; or other techniques;

(8) promote the availability and accessibility of quality health care services through health care facilities or providers;

(9) promote availability of and access to preventive and primary health care when not otherwise available through the private sector, including acute and episodic care, prenatal and postpartum care, child health, family planning, school health, chronic disease prevention, child and adult immunization, testing and screening services, dental health, nutrition, and health education and promotion services;

(10) systematically and regularly review the public health system and recommend modifications in its structure or other features to improve public health outcomes; and

(11) collaborate with public and private sector partners, including municipalities, Alaska Native organizations, health care providers, and health insurers.

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*definition of a health care facility*

within the public health system to achieve the mission of public health.

\* **Sec. 2.** AS 18.07.111(8) is amended to read:

(8) "health care facility"

**(A)** means

**(i)** a nursing home; or

**(ii)** a facility that is located in a community in which a hospital is designated by the department as a critical access hospital and that is a private, municipal, state, or federal hospital, psychiatric hospital, independent diagnostic testing facility, residential psychiatric treatment center, tuberculosis hospital, [SKILLED NURSING FACILITY,] kidney disease treatment center, [( including freestanding hemodialysis units (]), intermediate care facility, and ambulatory surgical facility;

**(B)** does not include [THE TERM EXCLUDES]

**(i)** [(A)] the Alaska Pioneers' Home and the Alaska Veterans' Home administered by the Department of Health and Social Services under AS 47.55; and

**(ii)** [(B)] the offices of private physicians or dentists whether in individual or group practice;

\* **Sec. 3.** AS 18.07.111 is amended by adding new paragraphs to read:

(11) "critical access hospital" means a facility that is a hospital licensed in the state that satisfies the criteria set out in 42 U.S.C. 1395i-4(c)(2)(B) (Social Security Act) and meets the conditions of participation set out in 42 C.F.R. 485.601 - 485.647;

(12) "nursing home" means a nursing facility as defined in 42 U.S.C. 1396ta) (Social Security Act).

\* **Sec. 4.** AS 18 is amended by adding a new chapter to read:

**Chapter 09. Statewide Health Care Planning and Information.**

**Article 1. Alaska Health Care Commission; State Health Plan.**

**Sec. 18.09.010. Alaska Health Care Commission.** The Alaska Health Care Commission is established in the Department of Health and Social Services. The

1 purposes of the commission are

2 (1) to provide recommendations for and foster the development of a  
3 statewide plan to address the quality, accessibility, and availability of health care for  
4 all citizens of the state; and

5 (2) to review and approve facility health care information for  
6 placement on the department's Internet database established under AS 18.09.110.

7 **Sec. 18.09.020. Composition; chair.** (a) The commission consists of 12  
8 members as follows:

9 (1) the state officer assigned the duties of medical director for the  
10 department;

11 (2) one member representing the Department of Administration,  
12 appointed by the commissioner of administration;

13 (3) one member representing the Department of Commerce,  
14 Community, and Economic Development, appointed by the commissioner of  
15 commerce, community, and economic development;

16 (4) one member representing the Department of Labor and Workforce  
17 Development, appointed by the commissioner of labor and workforce development;

18 (5) five public members, appointed by the governor; one of the  
19 members appointed under this paragraph must be a small business owner in the state;

20 (6) one ex officio nonvoting member from the house of  
21 representatives, appointed by the speaker of the house;

22 (7) one ex officio nonvoting member from the senate, appointed by the  
23 president of the senate; and

24 (8) one ex officio nonvoting member representing the Office of the  
25 Governor.

26 (b) The department's representative appointed under (a)(1) of this section shall  
27 serve as chair of the commission.

28 **Sec. 18.09.030. Term of office.** (a) Public members of the commission  
29 appointed under AS 18.09.020(a)(5) serve for staggered terms of three years.

30 (b) If a vacancy occurs in a public member's seat on the commission, the  
31 governor shall make an appointment for the unexpired portion of that member's term.

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

**Sec. 18.09.040. Executive director.** The commission shall employ an executive director who may not be a member of the commission. The executive director serves at the pleasure of the commission. The commission shall establish the duties of the executive director. The executive director is in the partially exempt service under AS 39.25 (State Personnel Act).

**Sec. 18.09.050. Staff.** The department may assign employees of the department to serve as staff to the commission. The commission shall prescribe the duties of the commission staff.

**Sec. 18.09.060. Bylaws.** The commission, on approval of a majority of its membership and consistent with state law, shall adopt and amend bylaws governing proceedings and other activities, including provisions concerning a quorum to transact commission business and other aspects of procedure; frequency and location of meetings; and establishment, functions, and membership of committees.

**Sec. 18.09.070. Duties of the commission.** (a) The commission shall serve as the state health planning and coordinating body. Consistent with state and federal law, the commission shall provide recommendations for and foster the development of a statewide health plan containing the following:

- (1) a comprehensive statewide health care policy;
- (2) a strategy for
  - (A) encouraging personal responsibility in prevention and healthy living for all residents of the state;
  - (B) reducing health care costs for all residents of the state to below the national average;
  - (C) ensuring access in communities to safe water and wastewater systems;
  - (D) developing a sustainable health care workforce in the state;
  - (E) ensuring access to quality health care for all residents of the state; and
  - (F) increasing the number of residents of the state who are



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(B) licensed pharmacists and pharmacies located in the state;  
(C) emergency and urgent care facilities located in the state;  
(D) health insurance companies offering coverage in the state;  
(E) health care providers licensed in the state, including the provider license number, type, and expiration date along with disciplinary actions, if any;

(F) long-term, in-home, and hospice care providers located in the state;

(G) public assistance offices of the department;

(3) a list of the 100 most commonly prescribed medications in the state and the source and price, updated monthly, of the medications;

(4) a list of the 100 most commonly conducted medical procedures in the state, organized by the cash and negotiated price of the procedure at available providers and insurers, updated annually; the list must include medical procedures covered by workers' compensation under AS 23.30;

(5) available hospital ratings, including the rates of hospital acquired infections and mortality occurring at each hospital located in the state;

(6) consumer education information on topics that include body mass index, diet and nutrition, exercise, smoking cessation, and alcohol and drug addictions, that includes the location of available sites that provide care and treatment related to those issues;

(7) a list of procedures approved by state agencies for emergency response and treatment;

(8) disease management support information;

(9) insurance information that includes

(A) a navigator to determine insurance eligibility using a matrix of available insurers;

(B) links to Internet websites for purchasing insurance policies;

(C) an explanation of mandatory and optional insurance coverage;

(10) a list of primary care clinics that cater to uninsured and self-pay

1 patients; and

2 (11) information on the quality of health care facilities, including any  
3 actions taken by state or federal agencies related to

4 (A) licensure and accreditation of a health care facility; or

5 (B) a licensed professional practicing in a health care facility.

6 (c) The department may contract with a private entity to provide services and  
7 information required under (a) of this section.

8 (d) The department shall develop and consistently update an Internet website  
9 to provide residents of the state timely and accurate information regarding prevention  
10 and healthy living.

11 (e) The department shall post and make available information related to the  
12 commission, including the commission's annual reports under AS 18.09.070(c).

13 **Sec. 18.09.120. Mandatory reporting.** (a) A health care facility shall provide  
14 to the department the following information related to the facility's health care services  
15 for placement in the database developed under AS 18.09.110:

16 (1) information on costs to the consumer for health care services;

17 (2) types of insurance and payment accepted by the health care facility  
18 for health care services;

19 (3) each location where the health care facility operates, and the hours  
20 of operation;

21 (4) the types and scope of health care services offered at the health  
22 care facility;

23 (5) the Internet address of any Internet website of the health care  
24 facility the purpose of which is to provide factual information to aid the consumer;

25 (6) any other readily accessible information that the department  
26 determines would help the consumer to make informed decisions about the health care  
27 facility's services.

28 (b) The department shall develop a standard form or format for reporting the  
29 information required in (a) of this section. The department shall adopt regulations  
30 specifying the timing and frequency of the reporting of the information required by (a)  
31 of this section.

1 (c) The department shall notify the health care facility of a failure to report  
2 under (a) of this section and give the health care facility an opportunity to contest or  
3 cure the failure. If the health care facility does not promptly cure the failure, the  
4 department shall post the notice of failure on the database developed under  
5 AS 18.09.110.

6 **Sec. 18.09.130. Coordination of departments.** The Department of  
7 Administration, the Department of Commerce, Community, and Economic  
8 Development, the Department of Labor and Workforce Development, and the  
9 Department of Law shall

10 (1) provide to the commission for placement on the database  
11 developed under AS 18.09.110 information regarding an adverse action taken against  
12 a health care facility in the state or against a licensed professional practicing in a  
13 health care facility in the state; and

14 (2) cooperate with the commission in the performance of its duties.

15 **Article 3. General Provisions.**

16 **Sec. 18.09.900. Regulations.** The department may adopt regulations under  
17 AS 44.62 (Administrative Procedure Act) to carry out the purposes of this chapter.

18 **Sec. 18.09.990. Definitions.** In this chapter,

19 (1) "commission" means the Alaska Health Care Commission  
20 established in AS 18.09.010;

21 (2) "costs to the consumer" means actual price paid by the consumer  
22 for health care services;

23 (3) "department" means the Department of Health and Social Services;

24 (4) "health care facility" means

25 (A) a facility licensed under AS 47.32;

26 (B) an independent diagnostic testing facility providing  
27 services in the state;

28 (C) a provider of a home and community based waiver service  
29 that is certified under regulations adopted by the department;

30 (D) a provider of personal care services that is certified under  
31 regulations adopted by the department.

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2           **Sec. 18.26.220. Facility compliance with health and safety laws and**  
3           **licensing requirements.** A medical facility constructed, acquired, improved, financed,  
4           or otherwise under the provisions of this chapter and all actions of the authority are  
5           subject to [AS 18.07.] AS 47.32 [.] and any other present or future state licensing  
6           requirements for the facilities or services provided under this chapter. [A MEDICAL  
7           FACILITY ISSUED A CERTIFICATE OF NEED UNDER SEC. 4, CH. 275, SLA  
8           1976, BY VIRTUE OF BEING IN EXISTENCE OR UNDER CONSTRUCTION  
9           BEFORE JULY 1, 1976, MUST FULLY MEET THE REQUIREMENTS OF  
10          AS 18.07 IN ORDER TO BE ELIGIBLE FOR FUNDING UNDER THIS  
11          CHAPTER.]

12 \* **Sec. 6.** AS 21.86.030(e) is amended to read:

13           (e) Nothing in this section relieves a health maintenance organization that  
14           wishes to exercise the power described in (a)(1) of this section from the requirements  
15           of

16                           (1) [AS 18.07, REGARDING OBTAINING A CERTIFICATE OF  
17           NEED;

18                           (2) AS 47.32, regarding regulation of hospitals; and

19                           **(2)** [(3)] other statutes applicable to hospitals or other health care  
20           facilities.

21 \* **Sec. 7.** AS 39.25.120(c)(7) is amended to read:

22           (7) the principal executive officer of the following boards, councils, or  
23           commissions:

24                           (A) Alaska Public Broadcasting Commission;

25                           (B) Professional Teaching Practices Commission;

26                           (C) Parole Board;

27                           (D) Board of Nursing;

28                           (E) Real Estate Commission;

29                           (F) Alaska Royalty Oil and Gas Development Advisory Board;

30                           (G) Alaska State Council on the Arts;

31                           (H) Alaska Police Standards Council;

1 (I) Alaska Commission on Aging;

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3 (K) State Medical Board;

4 (L) Governor's Council on Disabilities and Special Education;

5 (M) Advisory Board on Alcoholism and Drug Abuse;

6 (N) Statewide Suicide Prevention Council;

7 (O) the State Board of Registration for Architect, Engineers,  
8 and Land Surveyors;

9 **(P) Alaska Health Care Commission;**

10 \* **Sec. 8.** AS 18.07.021, 18.07.031, 18.07.035, 18.07.041, 18.07.043, 18.07.045, 18.07.051,  
11 18.07.061, 18.07.071, 18.07.081, 18.07.091, 18.07.101, 18.07.111; and AS 47.80.140(b) are  
12 repealed.

13 \* **Sec. 9.** (a) The following regulations are annulled:

14 (1) 7 AAC 07.010, 7 AAC 07.012, 7 AAC 07.015, 7 AAC 07.025, 7 AAC  
15 07.031, 7 AAC 07.032, 7 AAC 07.033, 7 AAC 07.035, 7 AAC 07.040, 7 AAC 07.042, 7  
16 AAC 07.050, 7 AAC 07.052, 7 AAC 07.060, 7 AAC 07.067, 7 AAC 07.070, 7 AAC 07.072,  
17 7 AAC 07.079, 7 AAC 07.080, 7 AAC 07.092, 7 AAC 07.095, 7 AAC 07.105, 7 AAC  
18 07.107, and 7 AAC 07.900;

19 (2) 7 AAC 09.030(3) and 7 AAC 09.170(5);

20 (3) 7 AAC 43.689(g)(4)(B);

21 (4) 15 AAC 118.020(c)(3) and (d)(1).

22 (b) The commissioner of health and social services shall immediately proceed under  
23 AS 44.62 to amend or annul the following regulations in accordance with the provisions of  
24 this Act:

25 (1) 7 AAC 09.020;

26 (2) 7 AAC 43.679, 7 AAC 43.685, 7 AAC 43.686, and 7 AAC 43.709.

27 \* **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to  
28 read:

29 **TRANSITION: PENDING APPLICATIONS, ADMINISTRATIVE APPEALS, AND**  
30 **COURT ACTIONS FOR THE CERTIFICATE OF NEED PROGRAM.** The commissioner of  
31 health and social services through the Department of Law shall immediately take steps to seek

1 dismissal of pending administrative appeals and court actions concerning the issuance of  
2 certificates of need, as appropriate, under AS 18.07, as amended by secs. 2 and 3 of this Act  
3 or implementation of AS 18.07.

4 \* **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to  
5 read:

6 **TRANSITION: PENDING APPLICATIONS, ADMINISTRATIVE APPEALS, AND**  
7 **COURT ACTIONS FOR THE CERTIFICATE OF NEED PROGRAM.** (a) The  
8 commissioner of health and social services through the Department of Law shall immediately  
9 take steps to seek dismissal of pending administrative appeals and court actions concerning  
10 the issuance of certificates of need under AS 18.07 or implementation of AS 18.07.

11 (b) The Department of Health and Social Services shall immediately close all pending  
12 application files under AS 18.07. The Department of Health and Social Services shall send  
13 written notification to applicants of the action taken under this subsection.

14 \* **Sec. 12.** The uncodified law of the State of Alaska is amended by adding a new section to  
15 read:

16 **TRANSITION: REGULATIONS.** The Department of Health and Social Services may  
17 proceed to adopt regulations necessary to implement the changes made by this Act. The  
18 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the  
19 effective date of the statutory change.

20 \* **Sec. 13.** Sections 5, 6, 8, 9, and 11 of this Act take effect July 1, 2010.

21 \* **Sec. 14.** Except as provided in sec. 13 of this Act, this Act takes effect July 1, 2008.

25-GS2050/M

Mischel

2 5 08

**CS FOR SENATE BILL NO. 245( )**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

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

**A BILL****FOR AN ACT ENTITLED**

1 "An Act establishing the Alaska Health Care Commission and the Alaska health care  
2 information office; relating to health care planning and information; repealing the  
3 certificate of need program for certain health care facilities and relating to the repeal;  
4 annulling certain regulations required for implementation of the certificate of need  
5 program for certain health care facilities; and providing for an effective date."

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

7 \* **Section 1.** AS 18.05.010(b) is amended to read:

8 (b) In performing its duties under this chapter, AS 18.09, and AS 18.15.355 -  
9 18.15.395, the department may

10 (1) flexibly use the broad range of powers set out in this title assigned  
11 to the department to protect and promote the public health;

12 (2) provide public health information programs or messages to the  
13 public that promote healthy behaviors or lifestyles or educate individuals about health

1 issues;

2 (3) promote efforts among public and private sector partners to  
3 develop and finance programs or initiatives that identify and ameliorate health  
4 problems;

5 (4) establish, finance, provide, or endorse performance management  
6 standards for the public health system;

7 (5) develop, adopt, and implement

8 **(A) a statewide health plan under AS 18.09 based on**  
9 **recommendations of the Alaska Health Care Commission established in**  
10 **AS 18.09.010; and**

11 **(B)** public health plans and formal policies through regulations  
12 adopted under AS 44.62 or collaborative recommendations that guide or  
13 support individual and community public health efforts;

14 (6) establish formal or informal relationships with public or private  
15 sector partners within the public health system;

16 (7) identify, assess, prevent, and ameliorate conditions of public health  
17 importance through surveillance; epidemiological tracking, program evaluation, and  
18 monitoring; testing and screening programs; treatment; administrative inspections; or  
19 other techniques;

20 (8) promote the availability and accessibility of quality health care  
21 services through health care facilities or providers;

22 (9) promote availability of and access to preventive and primary health  
23 care when not otherwise available through the private sector, including acute and  
24 episodic care, prenatal and postpartum care, child health, family planning, school  
25 health, chronic disease prevention, child and adult immunization, testing and screening  
26 services, dental health, nutrition, and health education and promotion services;

27 (10) systematically and regularly review the public health system and  
28 recommend modifications in its structure or other features to improve public health  
29 outcomes; and

30 (11) collaborate with public and private sector partners, including  
31 municipalities, Alaska Native organizations, health care providers, and health insurers.

1 within the public health system to achieve the mission of public health.

2 \* **Sec. 2.** AS 18.07.111(8) is repealed and reenacted to read:

3 (8) "health care facility" means a private, municipal, state, or federal  
4 hospital that has been designated by the department as a critical access hospital.

5 \* **Sec. 3.** AS 18.07.111 is amended by adding new paragraphs to read:

6 (11) "critical access hospital" means a facility that is a hospital  
7 licensed in the state that satisfies the criteria set out in 42 U.S.C. 1395i-4(c)(2)(B)  
8 (Social Security Act) and meets the conditions of participation set out in 42 C.F.R.  
9 485.601 - 485.647;

10 (12) "nursing home" means a nursing facility as defined in 42 U.S.C.  
11 1396r(a) (Social Security Act).

12 \* **Sec. 4.** AS 18 is amended by adding a new chapter to read:

13 **Chapter 09. Statewide Health Care Planning and Information.**

14 **Article 1. Alaska Health Care Commission; State Health Plan.**

15 **Sec. 18.09.010. Alaska Health Care Commission.** The Alaska Health Care  
16 Commission is established in the Department of Health and Social Services. The  
17 purposes of the commission are

18 (1) to provide recommendations for and foster the development of a  
19 statewide plan to address the quality, accessibility, and availability of health care for  
20 all citizens of the state; and

21 (2) to review and approve facility health care information for  
22 placement on the department's Internet database established under AS 18.09.110.

23 **Sec. 18.09.020. Composition; chair.** (a) The commission consists of 12  
24 members as follows:

25 (1) the state officer assigned the duties of medical director for the  
26 department;

27 (2) one member representing the Department of Administration,  
28 appointed by the commissioner of administration;

29 (3) one member representing the Department of Commerce,  
30 Community, and Economic Development, appointed by the commissioner of  
31 commerce, community, and economic development;

1 (4) one member representing the Department of Labor and Workforce  
2 Development, appointed by the commissioner of labor and workforce development;

3 (5) five public members, appointed by the governor; one of the  
4 members appointed under this paragraph must be a small business owner in the state;

5 (6) one ex officio nonvoting member from the house of  
6 representatives, appointed by the speaker of the house;

7 (7) one ex officio nonvoting member from the senate, appointed by the  
8 president of the senate; and

9 (8) one ex officio nonvoting member representing the Office of the  
10 Governor.

11 (b) The department's representative appointed under (a)(1) of this section shall  
12 serve as chair of the commission.

13 **Sec. 18.09.030. Term of office.** (a) Public members of the commission  
14 appointed under AS 18.09.020(a)(5) serve for staggered terms of three years.

15 (b) If a vacancy occurs in a public member's seat on the commission, the  
16 governor shall make an appointment for the unexpired portion of that member's term.

17 (c) The governor may remove a public member of the commission from office  
18 only for cause.

19 **Sec. 18.09.040. Executive director.** The commission shall employ an  
20 executive director who may not be a member of the commission. The executive  
21 director serves at the pleasure of the commission. The commission shall establish the  
22 duties of the executive director. The executive director is in the partially exempt  
23 service under AS 39.25 (State Personnel Act).

24 **Sec. 18.09.050. Staff.** The department may assign employees of the  
25 department to serve as staff to the commission. The commission shall prescribe the  
26 duties of the commission staff.

27 **Sec. 18.09.060. Bylaws.** The commission, on approval of a majority of its  
28 membership and consistent with state law, shall adopt and amend bylaws governing  
29 proceedings and other activities, including provisions concerning a quorum to transact  
30 commission business and other aspects of procedure; frequency and location of  
31 meeting; and establishment, functions, and membership of committees.

1           **Sec. 18.09.070. Duties of the commission.** (a) The commission shall serve as  
2 the state health planning and coordinating body. Consistent with state and federal law,  
3 the commission shall provide recommendations for and foster the development of a  
4 statewide health plan containing the following:

5                   (1) a comprehensive statewide health care policy;

6                   (2) a strategy for

7                           (A) encouraging personal responsibility in prevention and  
8 healthy living for all residents of the state;

9                           (B) reducing health care costs for all residents of the state to  
10 below the national average;

11                           (C) ensuring access in communities to safe water and  
12 wastewater systems;

13                           (D) developing a sustainable health care workforce in the state;

14                           (E) ensuring access to quality health care for all residents of the  
15 state; and

16                           (F) increasing the number of residents of the state who are  
17 covered by insurance for health care services.

18           (b) The commission shall review and approve health care information for  
19 placement on the department's database developed under AS 18.09.110.

20           (c) The commission shall submit to the governor and the legislature by  
21 January 15 of each year an annual report regarding the commission's  
22 recommendations and activities.

23           **Sec. 18.09.080. Compensation, per diem, and expenses.** A public member  
24 appointed to the commission under AS 18.09.020(a)(5) is not entitled to a salary, but  
25 is entitled to per diem, reimbursement for travel, and other expenses authorized by law  
26 for boards and commissions under AS 39.20.180.

27           **Article 2. Alaska Health Care Information Office.**

28           **Sec. 18.09.100. Office.** The Alaska health care information office is  
29 established in the department. The purpose of the office is to improve access by  
30 residents of the state to consistently updated

31                   (1) information about health care facilities to aid consumers of health

1 care services of health care facilities in the state; and

2 (2) information to encourage personal responsibility in prevention and  
3 healthy living.

4 **Sec. 18.09.110. Dissemination of information.** (a) The department shall  
5 establish and maintain an information database on the Internet of information about all  
6 health care facilities in the state to provide objective, unbiased, and factually based  
7 information on health care facilities in the state. The department may require those  
8 health care facilities to provide information in a standard form or format to the  
9 department for placement in the database. Before information is placed on the  
10 database, the commission shall review the information for accuracy.

11 (b) The database developed under (a) of this section must include the  
12 following:

13 (1) a list of preferred drugs approved by the department for  
14 reimbursement by the department;

15 (2) a complete list, organized by region and address, of

16 (A) health facilities located in the state;

17 (B) licensed pharmacists and pharmacies located in the state;

18 (C) emergency and urgent care facilities located in the state;

19 (D) health insurance companies offering coverage in the state;

20 (E) health care providers licensed in the state, including the  
21 provider license number, type, and expiration date along with disciplinary  
22 actions, if any;

23 (F) long-term, in-home, and hospice care providers located in  
24 the state;

25 (G) public assistance offices of the department;

26 (3) a list of the 100 most commonly prescribed medications in the state  
27 and the source and price, updated monthly, of the medications;

28 (4) a list of the 100 most commonly conducted medical procedures in  
29 the state, organized by the cash and negotiated price of the procedure at available  
30 providers and insurers, updated annually; the list must include medical procedures  
31 covered by workers' compensation under AS 23.30;

1 (5) available hospital ratings, including the rates of hospital acquired  
2 infections and mortality occurring at each hospital located in the state;

3 (6) consumer education information on topics that include body mass  
4 index, diet and nutrition, exercise, smoking cessation, and alcohol and drug addictions,  
5 that includes the location of available sites that provide care and treatment related to  
6 those issues;

7 (7) a list of procedures approved by state agencies for emergency  
8 response and treatment;

9 (8) disease management support information;

10 (9) insurance information that includes

11 (A) a navigator to determine insurance eligibility using a  
12 matrix of available insurers;

13 (B) links to Internet websites for purchasing insurance policies;

14 (C) an explanation of mandatory and optional insurance  
15 coverage;

16 (10) a list of primary care clinics that cater to uninsured and self-pay  
17 patients; and

18 (11) information on the quality of health care facilities, including any  
19 actions taken by state or federal agencies related to

20 (A) licensure and accreditation of a health care facility; or

21 (B) a licensed professional practicing in a health care facility.

22 (c) The department may contract with a private entity to provide services and  
23 information required under (a) of this section.

24 (d) The department shall develop and consistently update an Internet website  
25 to provide residents of the state timely and accurate information regarding prevention  
26 and healthy living.

27 (e) The department shall post and make available information related to the  
28 commission, including the commission's annual reports under AS 18.09.070(c).

29 **Sec. 18.09.120. Mandatory reporting.** (a) A health care facility shall provide  
30 to the department the following information related to the facility's health care services  
31 for placement in the database developed under AS 18.09.110:

- 1 (1) information on costs to the consumer for health care services;  
2 (2) types of insurance and payment accepted by the health care facility  
3 for health care services;  
4 (3) each location where the health care facility operates, and the hours  
5 of operation;  
6 (4) the types and scope of health care services offered at the health  
7 care facility;  
8 (5) the Internet address of any Internet website of the health care  
9 facility the purpose of which is to provide factual information to aid the consumer;  
10 (6) any other readily accessible information that the department  
11 determines would help the consumer to make informed decisions about the health care  
12 facility's services.

13 (b) The department shall develop a standard form or format for reporting the  
14 information required in (a) of this section. The department shall adopt regulations  
15 specifying the timing and frequency of the reporting of the information required by (a)  
16 of this section.

17 (c) The department shall notify the health care facility of a failure to report  
18 under (a) of this section and give the health care facility an opportunity to contest or  
19 cure the failure. If the health care facility does not promptly cure the failure, the  
20 department shall post the notice of failure on the database developed under  
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22 requirements for the facilities or services provided under this chapter. [A MEDICAL  
23 FACILITY ISSUED A CERTIFICATE OF NEED UNDER SEC. 4, CH. 275, SLA  
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25 BEFORE JULY 1, 1976, MUST FULLY MEET THE REQUIREMENTS OF  
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27 18.07.061, 18.07.071, 18.07.081, 18.07.091, 18.07.101, 18.07.111, and AS 47.80.140(b) are  
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5 (3) 7 AAC 43.689(g)(4)(B);

6 (4) 15 AAC 118.020(e)(3) and (d)(1).

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8 AS 44.62 to amend or annul the following regulations in accordance with the provisions of  
9 this Act:

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29 \* **Sec. 13.** Except as provided in sec. 12 of this Act, this Act takes effect July 1, 2008.

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
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## MEMORANDUM

February 5, 2008

**SUBJECT:** Composition of the Alaska Health Care Commission  
(CSSB 245( ) Work Order No. 25-GS20501)

**TO:** Senator Bettye Davis  
Attn: Tom Obermeyer

**FROM:** Jean M. Mischel  
Legislative Counsel

Enclosed is the draft CS you requested for SB 245. I wanted to alert you that removing the phrase "ex officio nonvoting" from the appointment of legislative members of the proposed Alaska Health Care Commission may create a separation of powers issue in this bill. Since the commission is established within an executive branch department, having legislative members vote on matters before the commission may violate the separation of powers doctrine. On the other hand, the commission's primary function appears to be advisory under new section 18.09.010(1) so that a decision making role does not appear to interfere with the independent functions of the executive and legislative branches of government. The only other function of the commission appears to be administrative in that the commission "approves" information for posting on the website and again does not appear to affect the separate roles of the legislative or executive branch.

If I may be of further assistance, please advise.

JMM:med  
08-078:med

Enclosure

25-GS2050AE  
Mischel  
2/1/08

**CS FOR SENATE BILL NO. 245( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FIFTH LEGISLATURE - SECOND SESSION**

**BY**

**Offered:  
Referred:**

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

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act establishing the Alaska Health Care Commission and the Alaska health care**  
2 **information office; relating to health care planning and information; repealing the**  
3 **certificate of need program for certain health care facilities and relating to the repeal;**  
4 **annulling certain regulations required for implementation of the certificate of need**  
5 **program for certain health care facilities; and providing for an effective date."**

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

7 **\* Section 1.** AS 18.05.010(b) is amended to read:

8 (b) In performing its duties under this chapter, AS 18.09, and AS 18.15.355 -  
9 18.15.395, the department may

10 (1) flexibly use the broad range of powers set out in this title assigned  
11 to the department to protect and promote the public health;

12 (2) provide public health information programs or messages to the  
13 public that promote healthy behaviors or lifestyles or educate individuals about

1 health issues:

2 (3) promote efforts among public and private sector partners to  
3 develop and finance programs or initiatives that identify and ameliorate health  
4 problems;

5 (4) establish, finance, provide, or endorse performance management  
6 standards for the public health system;

7 (5) develop, adopt, and implement

8 (A) a statewide health plan under AS 18.09 based on  
9 recommendations of the Alaska Health Care Commission established in  
10 AS 18.09.010; and

11 (B) public health plans and formal policies through  
12 regulations adopted under AS 44.62 or collaborative recommendations that  
13 guide or support individual and community public health efforts;

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15 sector partners within the public health system;

16 (7) identify, assess, prevent, and ameliorate conditions of public  
17 health importance through surveillance; epidemiological tracking, program  
18 evaluation, and monitoring; testing and screening programs; treatment;  
19 administrative inspections; or other techniques;

20 (8) promote the availability and accessibility of quality health care  
21 services through health care facilities or providers;

22 (9) promote availability of and access to preventive and primary  
23 health care when not otherwise available through the private sector, including acute  
24 and episodic care, prenatal and postpartum care, child health, family planning, school  
25 health, chronic disease prevention, child and adult immunization, testing and  
26 screening services, dental health, nutrition, and health education and promotion  
27 services;

28 (10) systematically and regularly review the public health system and  
29 recommend modifications in its structure or other features to improve public health  
30 outcomes; and

31 (11) collaborate with public and private sector partners, including

1 municipalities. Alaska Native organizations, health care providers, and health  
2 insurers, within the public health system to achieve the mission of public health.

3 \* **Sec. 2.** AS 18.07.111(8) is repealed and reenacted to read:

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5 hospital that has been designated by the department as a critical access hospital.

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8 licensed in the state that satisfies the criteria set out in 42 U.S.C. 1395i-4(c)(2)(B)  
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16 **Sec. 18.09.010. Alaska Health Care Commission.** The Alaska Health Care  
17 Commission is established in the Department of Health and Social Services. The  
18 purposes of the commission are

19 (1) to provide recommendations for and foster the development of a  
20 statewide plan to address the quality, accessibility, and availability of health care for  
21 all citizens of the state; and

22 (2) to review and approve facility health care information for  
23 placement on the department's Internet database established under AS 18.09.110.

24 **Sec. 18.09.020. Composition; chair.** (a) The commission consists of 12  
25 members as follows:

26 (1) the state officer assigned the duties of medical director for the  
27 department;

28 (2) one member representing the Department of Administration,  
29 appointed by the commissioner of administration;

30 (3) one member representing the Department of Commerce,  
31 Community, and Economic Development, appointed by the commissioner of

1 commerce, community, and economic development:

2 (4) one member representing the Department of Labor and  
3 Workforce Development, appointed by the commissioner of labor and workforce  
4 development;

5 (5) six public members, appointed by the governor; one of the  
6 members appointed under this paragraph must be a small business owner in the state;

7 (6) one member from the house of representatives, appointed by the  
8 speaker of the house; and

9 (7) one member from the senate, appointed by the president of the  
10 senate.

11 (b) The department's representative appointed under (a)(1) of this section  
12 shall serve as chair of the commission.

13 **Sec. 18.09.030. Term of office.** (a) Public members of the commission  
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15 (b) If a vacancy occurs in a public member's seat on the commission, the  
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28 membership and consistent with state law, shall adopt and amend bylaws governing  
29 proceedings and other activities, including provisions concerning a quorum to  
30 transact commission business and other aspects of procedure: frequency and location  
31 of meetings; and establishment, functions, and membership of committees.

1           **Sec. 18.09.070. Duties of the commission.** (a) The commission shall serve as  
2 the state health planning and coordinating body. Consistent with state and federal  
3 law, the commission shall provide recommendations for and foster the development  
4 of a statewide health plan containing the following:

5           (1) a comprehensive statewide health care policy;

6           (2) a strategy for

7                   (A) encouraging personal responsibility in prevention and  
8 healthy living for all residents of the state;

9                   (B) reducing health care costs for all residents of the state to  
10 below the national average;

11                   (C) ensuring access in communities to safe water and  
12 wastewater systems;

13                   (D) developing a sustainable health care workforce in the  
14 state;

15                   (E) ensuring access to quality health care for all residents of  
16 the state; and

17                   (F) increasing the number of residents of the state who are  
18 covered by insurance for health care services.

19           (b) The commission shall review and approve health care information for  
20 placement on the department's database developed under AS 18.09.110.

21           (c) The commission shall submit to the governor and the legislature by  
22 January 15 of each year an annual report regarding the commission's  
23 recommendations and activities.

24           **Sec. 18.09.080. Compensation, per diem, and expenses.** A public member  
25 appointed to the commission under AS 18.09.020(a)(5) is not entitled to a salary, but  
26 is entitled to per diem, reimbursement for travel, and other expenses authorized by  
27 law for boards and commissions under AS 39.20.180.

28           **Article 2. Alaska Health Care Information Office.**

29           **Sec. 18.09.100. Office.** The Alaska health care information office is  
30 established in the department. The purpose of the office is to improve access by  
31 residents of the state to consistently updated

1 (1) information about health care facilities to aid consumers of health  
2 care services of health care facilities in the state; and

3 (2) information to encourage personal responsibility in prevention  
4 and healthy living.

5 **Sec. 18.09.110. Dissemination of information.** (a) The department shall  
6 establish and maintain an information database on the Internet of information about  
7 all health care facilities in the state to provide objective, unbiased, and factually  
8 based information on health care facilities in the state. The department may require  
9 those health care facilities to provide information in a standard form or format to the  
10 department for placement in the database. Before information is placed on the  
11 database, the commission shall review the information for accuracy.

12 (b) The database developed under (a) of this section must include the  
13 following:

14 (1) a list of preferred drugs approved by the department for  
15 reimbursement by the department;

16 (2) a complete list, organized by region and address, of

17 (A) health facilities located in the state;

18 (B) licensed pharmacists and pharmacies located in the state;

19 (C) emergency and urgent care facilities located in the state;

20 (D) health insurance companies offering coverage in the state;

21 (E) health care providers licensed in the state, including the  
22 provider license number, type, and expiration date along with disciplinary  
23 actions, if any;

24 (F) long-term, in-home, and hospice care providers located in  
25 the state;

26 (G) public assistance offices of the department;

27 (3) a list of the 100 most commonly prescribed medications in the  
28 state and the source and price, updated monthly, of the medications;

29 (4) a list of the 100 most commonly conducted medical procedures in  
30 the state, organized by the cash and negotiated price of the procedure at available  
31 providers and insurers, updated annually; the list must include medical procedures

1 covered by workers' compensation under AS 23.30;

2 (5) available hospital ratings, including the rates of hospital acquired  
3 infections and mortality occurring at each hospital located in the state;

4 (6) consumer education information on topics that include body mass  
5 index, diet and nutrition, exercise, smoking cessation, and alcohol and drug  
6 addictions, that includes the location of available sites that provide care and  
7 treatment related to those issues;

8 (7) a list of procedures approved by state agencies for emergency  
9 response and treatment;

10 (8) disease management support information;

11 (9) insurance information that includes

12 (A) a navigator to determine insurance eligibility using a  
13 matrix of available insurers;

14 (B) links to Internet websites for purchasing insurance  
15 policies;

16 (C) an explanation of mandatory and optional insurance  
17 coverage;

18 (10) a list of primary care clinics that cater to uninsured and self-pay  
19 patients; and

20 (11) information on the quality of health care facilities, including any  
21 actions taken by state or federal agencies related to

22 (A) licensure and accreditation of a health care facility; or

23 (B) a licensed professional practicing in a health care facility.

24 (c) The department may contract with a private entity to provide services and  
25 information required under (a) of this section.

26 (d) The department shall develop and consistently update an Internet website  
27 to provide residents of the state timely and accurate information regarding prevention  
28 and healthy living.

29 (e) The department shall post and make available information related to the  
30 commission, including the commission's annual reports under AS 18.09.070(c).

31 **Sec. 18.09.120. Mandatory reporting.** (a) A health care facility shall

1 provide to the department the following information related to the facility's health  
2 care services for placement in the database developed under AS 18.09.110:

3 (1) information on costs to the consumer for health care services;

4 (2) types of insurance and payment accepted by the health care  
5 facility for health care services;

6 (3) each location where the health care facility operates, and the  
7 hours of operation;

8 (4) the types and scope of health care services offered at the health  
9 care facility;

10 (5) the Internet address of any Internet website of the health care  
11 facility the purpose of which is to provide factual information to aid the consumer;

12 (6) any other readily accessible information that the department  
13 determines would help the consumer to make informed decisions about the health  
14 care facility's services.

15 (b) The department shall develop a standard form or format for reporting the  
16 information required in (a) of this section. The department shall adopt regulations  
17 specifying the timing and frequency of the reporting of the information required by  
18 (a) of this section.

19 (c) The department shall notify the health care facility of a failure to report  
20 under (a) of this section and give the health care facility an opportunity to contest or  
21 cure the failure. If the health care facility does not promptly cure the failure, the  
22 department shall post the notice of failure on the database developed under  
23 AS 18.09.110.

24 **Sec. 18.09.130. Coordination of departments.** The Department of  
25 Administration, the Department of Commerce, Community, and Economic  
26 Development, the Department of Labor and Workforce Development, and the  
27 Department of Law shall

28 (1) provide to the commission for placement on the database  
29 developed under AS 18.09.110 information regarding an adverse action taken against  
30 a health care facility in the state or against a licensed professional practicing in a  
31 health care facility in the state; and

1 (2) cooperate with the commission in the performance of its duties.

2 **Article 3. General Provisions.**

3 **Sec. 18.09.900. Regulations.** The department may adopt regulations under  
4 AS 44.62 (Administrative Procedure Act) to carry out the purposes of this chapter.

5 **Sec. 18.09.990. Definitions.** In this chapter,

6 (1) "commission" means the Alaska Health Care Commission  
7 established in AS 18.09.010;

8 (2) "costs to the consumer" means actual price paid by the consumer  
9 for health care services;

10 (3) "department" means the Department of Health and Social  
11 Services;

12 (4) "health care facility" means

13 (A) a facility licensed under AS 47.32;

14 (B) an independent diagnostic testing facility providing  
15 services in the state;

16 (C) a provider of a home and community based waiver  
17 service that is certified under regulations adopted by the department;

18 (D) a provider of personal care services that is certified under  
19 regulations adopted by the department.

20 \* **Sec. 5.** AS 18.26.220 is amended to read:

21 **Sec. 18.26.220. Facility compliance with health and safety laws and**  
22 **licensing requirements.** A medical facility constructed, acquired, improved,  
23 financed, or otherwise under the provisions of this chapter and all actions of the  
24 authority are subject to [AS 18.07.] AS 47.32 [,] and any other present or future state  
25 licensing requirements for the facilities or services provided under this chapter. [A  
26 MEDICAL FACILITY ISSUED A CERTIFICATE OF NEED UNDER SEC. 4, CH.  
27 275, SLA 1976, BY VIRTUE OF BEING IN EXISTENCE OR UNDER  
28 CONSTRUCTION BEFORE JULY 1, 1976, MUST FULLY MEET THE  
29 REQUIREMENTS OF AS 18.07 IN ORDER TO BE ELIGIBLE FOR FUNDING  
30 UNDER THIS CHAPTER.]

31 \* **Sec. 6.** AS 21.86.030(c) is amended to read:

1 (c) Nothing in this section relieves a health maintenance organization that  
 2 wishes to exercise the power described in (a)(1) of this section from the requirements  
 3 of

4 (1) [AS 18.07, REGARDING OBTAINING A CERTIFICATE OF  
 5 NEED;

6 (2) AS 47.32, regarding regulation of hospitals; and

7 (2) [(3)] other statutes applicable to hospitals or other health care  
 8 facilities.

9 \* **Sec. 7.** AS 39.25.120(c)(7) is amended to read:

10 (7) the principal executive officer of the following boards, councils,  
 11 or commissions:

12 (A) Alaska Public Broadcasting Commission;

13 (B) Professional Teaching Practices Commission;

14 (C) Parole Board;

15 (D) Board of Nursing;

16 (E) Real Estate Commission;

17 (F) Alaska Royalty Oil and Gas Development Advisory

18 Board;

19 (G) Alaska State Council on the Arts;

20 (H) Alaska Police Standards Council;

21 (I) Alaska Commission on Aging;

22 (J) Alaska Mental Health Board;

23 (K) State Medical Board;

24 (L) Governor's Council on Disabilities and Special Education;

25 (M) Advisory Board on Alcoholism and Drug Abuse;

26 (N) Statewide Suicide Prevention Council;

27 (O) the State Board of Registration for Architect, Engineers,

28 and Land Surveyors;

29 (P) Alaska Health Care Commission;

30 \* **Sec. 8.** AS 18.07.021, 18.07.031, 18.07.035, 18.07.041, 18.07.043, 18.07.045,  
 31 18.07.051, 18.07.061, 18.07.071, 18.07.081, 18.07.091, 18.07.101, 18.07.111; and

1 AS 47.80.140(b) are repealed.

2 \* **Sec. 9.** (a) The following regulations are annulled:

3 (1) 7 AAC 07.010, 7 AAC 07.012, 7 AAC 07.015, 7 AAC 07.025, 7 AAC  
4 07.031, 7 AAC 07.032, 7 AAC 07.033, 7 AAC 07.035, 7 AAC 07.040, 7 AAC 07.042, 7  
5 AAC 07.050, 7 AAC 07.052, 7 AAC 07.060, 7 AAC 07.067, 7 AAC 07.070, 7 AAC 07.072,  
6 7 AAC 07.079, 7 AAC 07.080, 7 AAC 07.092, 7 AAC 07.095, 7 AAC 07.105, 7 AAC  
7 07.107, and 7 AAC 07.900;

8 (2) 7 AAC 09.030(3) and 7 AAC 09.170(5);

9 (3) 7 AAC 43.689(g)(4)(B);

10 (4) 15 AAC 118.020(c)(3) and (d)(1).

11 (b) The commissioner of health and social services shall immediately proceed under  
12 AS 44.62 to amend or annul the following regulations in accordance with the provisions of  
13 this Act:

14 (1) 7 AAC 09.020;

15 (2) 7 AAC 43.679, 7 AAC 43.685, 7 AAC 43.686, and 7 AAC 43.709.

16 \* **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section  
17 to read:

18 **TRANSITION: PENDING APPLICATIONS, ADMINISTRATIVE APPEALS,**  
19 **AND COURT ACTIONS FOR THE CERTIFICATE OF NEED PROGRAM.** (a) The  
20 commissioner of health and social services through the Department of Law shall  
21 immediately take steps to seek dismissal of pending administrative appeals and court actions  
22 concerning the issuance of certificates of need under AS 18.07 or implementation of  
23 AS 18.07.

24 (b) The Department of Health and Social Services shall immediately close all  
25 pending application files under AS 18.07. The Department of Health and Social Services  
26 shall send written notification to applicants of the action taken under this subsection.

27 \* **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section  
28 to read:

29 **TRANSITION: REGULATIONS.** The Department of Health and Social Services  
30 may proceed to adopt regulations necessary to implement the changes made by this Act. The  
31 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the

1 effective date of the statutory change.

2 \* Sec. 12. Sections 5, 6, and 8 - 10 of this Act take effect July 1, 2010.

3 \* Sec. 13. Except as provided in sec. 12 of this Act, this Act takes effect July 1, 2008.

# LEGAL SERVICES

CSSB 245

**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 29, 2008

**SUBJECT:** Explanation of CSSB 245( ) (Work Order No. 25-GS2050 C)

**TO:** Senator Bettye Davis  
Attn: Tom Obermeyer

**FROM:** Jean M. Mischel  
Legislative Counsel

Enclosed is the draft CS you requested for SB 245, pertaining to the health commission and repealing certificates of need for health care facilities. As I understand it, the supporting materials were provided to you by the Governor's office. The change requested to the definition of "health care facility" in the draft CS at page 9 is confusing. Paragraphs (C) and (D) were added to that definition but refer to a "provider" rather than a type of facility. In addition, those paragraphs contain substantive law requiring those providers to be "certified under regulations adopted by the department." Since that requirement appears nowhere else in statute, as a legal matter, they do not exist.

Another aspect of this draft I'd like to call to your attention is the attempt to both repeal and modify, for a two year period, the certificate of need statutes at AS 18.07 and the corresponding implementing regulations. Rather than repeal those and somehow attempt to revive them in uncodified law as presented in the material attached to this request, we simply redefined the term "health care facility" in secs. 2 and 3 of the draft for purposes of the certificate of need requirements and provided a delayed repeal of those statutes along with the annulment of the regulations at sec. 12 of this draft.

Finally, we've made several technical changes to the bill as a whole to better comply with the drafting manual and standards.

JMM lmb  
08-004 lmb

Enclosure

25-GS2050-C  
Mischel  
1/29/08

**CS FOR SENATE BILL NO. 245( )**

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(9) promote availability of and access to preventive and primary health care when not otherwise available through the private sector, including acute and episodic care, prenatal and postpartum care, child health, family planning, school health, chronic disease prevention, child and adult immunization, testing and screening services, dental health, nutrition, and health education and promotion services.

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2 (4) one member representing the Department of Labor and  
3 Workforce Development, appointed by the commissioner of labor and workforce  
4 development;

5 (5) three public members, appointed by the governor; one of the  
6 members appointed under this paragraph must be a small business owner in the state;

7 (6) one ex officio nonvoting member from the house of  
8 representatives, appointed by the speaker of the house; and

9 (7) one ex officio nonvoting member from the senate, appointed by  
10 the president of the senate;

11 (8) an ex officio nonvoting member representing the Office of the  
12 Governor.

13 (b) The department's representative appointed under (a)(1) of this section  
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31 proceedings and other activities, including provisions concerning a quorum to

1 transact commission business and other aspects of procedure; frequency and location  
2 of meetings; and establishment, functions, and membership of committees.

3 **Sec. 18.09.070. Duties of the commission.** (a) The commission shall serve as  
4 the state health planning and coordinating body. Consistent with state and federal  
5 law, the commission shall provide recommendations for and foster the development  
6 of a statewide health plan containing the following:

7 (1) a comprehensive statewide health care policy;

8 (2) a strategy for

9 (A) encouraging personal responsibility in prevention and  
10 healthy living for all residents of the state;

11 (B) reducing health care costs for all residents of the state to  
12 below the national average;

13 (C) ensuring access in communities to safe water and  
14 wastewater systems;

15 (D) developing a sustainable health care workforce in the  
16 state;

17 (E) ensuring access to quality health care for all residents of  
18 the state; and

19 (F) increasing the number of residents of the state who are  
20 covered by insurance for health care services.

21 (b) The commission shall review and approve health care information for  
22 placement on the department's database developed under AS 18.09.110.

23 (c) The commission shall submit to the governor and the legislature by  
24 January 15 of each year an annual report regarding the commission's  
25 recommendations and activities.

26 **Sec. 18.09.080. Compensation, per diem, and expenses.** A public member  
27 appointed to the commission under AS 18.09.020(a)(5) is not entitled to a salary, but  
28 is entitled to per diem, reimbursement for travel, and other expenses authorized by  
29 law for boards and commissions under AS 39.20.180.

30 **Article 2. Alaska Health Care Information Office.**

31 **Sec. 18.09.100. Office.** The Alaska health care information office is

1 established in the department. The purpose of the office is to improve access by  
2 residents of the state to consistently updated

3 (1) information about health care facilities to aid consumers of health  
4 care services of health care facilities in the state; and

5 (2) information to encourage personal responsibility in prevention  
6 and healthy living.

7 **Sec. 18.09.110. Dissemination of information.** (a) The department shall  
8 establish and maintain an information database on the Internet of information about  
9 all health care facilities in the state to provide objective, unbiased, and factually  
10 based information on health care facilities in the state. The department may require  
11 those health care facilities to provide information in a standard form or format to the  
12 department for placement in the database. Before information is placed on the  
13 database, the commission shall review the information for accuracy.

14 (b) The database developed under (a) of this section must include the  
15 following:

16 (1) a list of preferred drugs approved by the department for  
17 reimbursement by the department;

18 (2) a complete list, organized by region and address, of

19 (A) health facilities located in the state;

20 (B) licensed pharmacists and pharmacies located in the state;

21 (C) emergency and urgent care facilities located in the state;

22 (D) health insurance companies offering coverage in the state;

23 (E) health care providers licensed in the state, including the  
24 provider license number, type, and expiration date along with disciplinary  
25 actions, if any;

26 (F) long-term, in-home, and hospice care providers located in  
27 the state.

28 (G) public assistance offices of the department.

29 (3) a list of the 100 most commonly prescribed medications in the  
30 state and the source and price, updated monthly, of the medications.

31 (4) a list of the 100 most commonly conducted medical procedures in