



# LAWS OF ALASKA

1987

**Source**

SCS CSHB 70(Jud) am S

**Chapter No.**

87

## AN ACT

Relating to the State Medical Board and to services provided for boards established under AS 08; amending Rule 504(d) of the Alaska Rules of Evidence; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 11.

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 17, 1987  
Actual Effective Date: Sections 1 - 21 take effect  
September 15, 1987; section 22 is conditional

AN ACT

Relating to the State Medical Board and to services provided for boards established under AS 08; amending Rule 504(d) of the Alaska Rules of Evidence; and providing for an effective date.

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\* Section 1. AS 08.01.065(c) is amended to read:

(c) A fee established under this section must reflect, to the extent possible, the actual costs to the department of the activity for which the fee is charged. The actual or anticipated costs to the department of services provided to or on behalf of a board must reflect, to the extent possible, the amount of fees the department collects from persons in occupations regulated by the board.

\* Sec. 2. AS 08.03.010(c)(11) is amended to read:

(11) State Medical Board (AS 08.64.010) -- June 30, 1991 [1987].

\* Sec. 3. AS 08.64.101 is amended to read:

Sec. 08.64.101. DUTIES. The board shall

- (1) examine and issue licenses to applicants;
- (2) develop written guidelines to insure that licensing requirements are not unreasonably burdensome and the issuance of licenses is not unreasonably withheld or delayed;
- (3) submit an annual report of its proceedings to the governor, including a statement of money received and disbursed;
- (4) after a hearing, impose disciplinary sanctions on

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1 persons who violate this chapter, or the regulations or orders of the  
2 board;

3 (5) adopt regulations insuring that renewal of licenses is  
4 contingent upon proof of continued competency on the part of the  
5 licensee; and

6 (6) coordinate with private professional organizations to  
7 establish an impaired medical professionals program to treat persons  
8 licensed under this chapter who abuse addictive substances.

9 \* Sec. 4. AS 08.64 is amended by adding a new section to read:

10 Sec. 08.64.103. INVESTIGATOR; EXECUTIVE SECRETARY. After con-  
11 sulting with the board, the department shall employ two persons who  
12 are not members of the board; one shall be assigned as the  
13 investigator for the board; the other shall be assigned as the  
14 executive secretary for the board. The investigator shall

15 (1) conduct investigations into alleged violations of this  
16 chapter, and into alleged violations of regulations and orders of the  
17 board;

18 (2) at the request of the board, conduct investigations  
19 based on complaints filed with the department or with the board; and

20 (3) be directly responsible and accountable to the board,  
21 except that only the department has authority to terminate the inves-  
22 tigator's employment and the department shall provide day to day and  
23 administrative supervision of the investigator.

24 \* Sec. 5. AS 08.64.200 is amended by adding a new subsection to read:

25 (b) The board shall determine whether each physician applicant  
26 has any disciplinary or other actions recorded in the nationwide  
27 disciplinary data bank of the Federation of State Medical Boards.

28 \* Sec. 6. AS 08.64.210(b) is repealed and reenacted to read:

29 (b) The deadline for submitting an exam application to the board  
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shall be established by regulation.

- \* Sec. 7. AS 08.64.220(a) is repealed and reenacted to read:

(a) The board shall offer a written examination sufficient to test the applicant's fitness to practice medicine or osteopathy.

- \* Sec. 8. AS 08.64.255 is amended to read:

Sec. 08.64.255. INTERVIEW REQUIRED. All applicants for license must [A LICENSE UNDER AS 08.64.250 SHALL] be interviewed in person by at least one member of the board before a license will be issued. The interview must [SHALL] be recorded. If [, AND, IF] the application is denied on the basis of the interview, the denial must [SHALL] be stated in writing, with the reasons for it, and the record must [SHALL] be preserved.

- \* Sec. 9. AS 08.64.270 is amended to read:

Sec. 08.64.270. TEMPORARY PERMITS. (a) The board may issue a temporary permit to a physician applicant, osteopath applicant, or podiatry [AN] applicant who meets the requirements of AS 08.64.200, 08.64.205, or 08.64.209 and pays the required fee.

(b) A temporary permit issued under this section is valid for eight months or until the board meets to consider the application, whichever occurs first.

(c) A temporary permit issued under this section may be renewed at the board's discretion one time only.

- \* Sec. 10. AS 08.64.272 is repealed and reenacted to read:

Sec. 08.64.272. RESIDENCY AND INTERNSHIP PERMITS. (a) A person may not serve as a resident or intern without a permit issued under this section.

(b) For the limited purpose of residency or internship, the board may issue a permit to an applicant without examination if the applicant meets the requirements of AS 08.64.200(a)(2) and applicable

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1 regulations of the board, pays the required fee, and has been accepted  
2 by an eligible institution in the state for the purpose of residency  
3 or internship.

4 (c) A permit issued under this section is valid for the period  
5 specified by the board, but not to exceed one year after the date of  
6 issue.

7 \* Sec. 11. AS 08.64.311 is repealed and reenacted to read:

8 Sec. 08.64.311. LICENSE RENEWAL. The department shall establish  
9 license renewal dates. Licenses shall be renewed biennially, unless  
10 the commissioner, by regulation, provides for more frequent renewals.

11 \* Sec. 12. AS 08.64.313 is repealed and reenacted to read:

12 Sec. 08.64.313. INACTIVE LICENSE. A licensee who does not  
13 practice in the state may hold an inactive license. A person who  
14 practices in the state, however infrequently, shall hold an active  
15 license.

16 \* Sec. 13. AS 08.64.331(a) is amended to read:

17 (a) If the board finds that a licensee has committed an act set  
18 out in AS 08.64.326(a), the board may

- 19 (1) permanently revoke a license to practice;  
20 (2) suspend a license for a determinate period of time;  
21 (3) censure a licensee;  
22 (4) issue a letter of reprimand;  
23 (5) place a licensee on probationary status and require the

24 licensee to

25 (A) report regularly to the board on matters involving  
26 the basis of probation;

27 (B) limit practice to those areas prescribed;

28 (C) continue professional education until a satisfac-  
29 tory degree of skill has been attained in those areas determined  
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by the board to need improvement;

(6) impose limitations or conditions on the practice of a licensee; [OR]

(7) impose a civil fine of not more than \$10,000; or

(8) impose one or more of the sanctions set out in (1) - (7) [(1) - (6)] of this subsection.

\* Sec. 14. AS 08.64.332 is repealed and reenacted to read:

Sec. 08.64.332. AUTOMATIC SUSPENSION FOR MENTAL INCOMPETENCY OR INSANITY. Notwithstanding AS 44.62, if a person holding a license to practice medicine or osteopathy under this chapter is adjudged mentally incompetent or insane by a final order or adjudication of a court of competent jurisdiction or by voluntary commitment to an institution for the treatment of mental illness, the person's license shall be suspended by the board. The suspension shall continue in effect until the court finds or adjudges that the person has been restored to reason or until a licensed psychiatrist approved by the board determines that the person has been restored to reason.

\* Sec. 15. AS 08.64 is amended by adding a new section to read:

Sec. 08.64.335. REPORTS OF DISCIPLINARY ACTION OR LICENSE SUSPENSION OR SURRENDER. The board shall promptly report to the Federation of State Medical Boards for inclusion in the nationwide disciplinary data bank license refusals under AS 08.64.240, actions taken by the board under AS 08.64.331, and license suspensions or surrenders under AS 08.64.332 or 08.64.334.

\* Sec. 16. AS 08.64.336 is repealed and reenacted to read:

Sec. 08.64.336. DUTY OF PHYSICIANS AND HOSPITALS TO REPORT. (a) A physician who professionally treats a person licensed to practice medicine or osteopathy in this state for alcoholism or drug addiction, or for mental, emotional, or personality disorders, shall report it to

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1 the board if there is probable cause that the person may constitute a  
2 danger to the health and welfare of that person's patients or the  
3 public if that person continues in practice. The report shall state  
4 the name and address of the person and the condition found.

5 (b) A hospital that revokes, suspends, conditions, restricts,  
6 or refuses to grant hospital privileges to, or imposes a consultation  
7 requirement on, a person licensed to practice medicine or osteopathy  
8 in the state shall report to the board the name and address of the  
9 person and the reasons for the action within seven working days after  
10 the action is taken. A hospital shall also report to the board the  
11 name and address of a person licensed to practice medicine or osteo-  
12 pathology in the state if the person resigns hospital staff privileges  
13 while under investigation by the hospital or a committee of the hospi-  
14 tal and the investigation could result in the revocation, suspension,  
15 conditioning, or restricting of, or the refusal to grant, hospital  
16 privileges, or in the imposition of a consultation requirement. A  
17 report is required under this subsection regardless of whether the  
18 person voluntarily agrees to the action taken by the hospital. A  
19 report is not required if the sole reason for the action is the per-  
20 son's failure to complete hospital records in a timely manner or to  
21 attend staff or committee meetings. In this subsection "consultation  
22 requirement" means a restriction placed on a person's existing hospi-  
23 tal privileges requiring consultation with a designated physician or  
24 group of physicians in order to continue to exercise the hospital  
25 privileges.

26 (c) Upon receipt of a report under (a) or (b) of this section,  
27 the board shall investigate the matter and, upon a finding that there  
28 is reasonable cause to believe that the person who is the subject of  
29 the report is a danger to the health or welfare of the public or to  
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the person's patients, the board may appoint a committee of three qualified physicians to examine the person and report its findings to the board. Notwithstanding the provisions of this subsection, the board may summarily suspend a license under AS 08.64.331(c) before appointing an examining committee or before the committee makes or reports its findings.

(d) If the board finds that a person licensed to practice medicine or osteopathy is unable to continue in practice with reasonable safety to the person's patients or to the public, the board shall initiate action to suspend, revoke, limit, or condition the person's license to the extent necessary for the protection of the person's patients and the public.

(e) A physician, hospital, or hospital committee that in good faith submits a report under this section or participates in an investigation or judicial proceeding related to a report submitted under this section is immune from civil or criminal liability for the submission or participation.

(f) A physician or hospital may not refuse to submit a report under this section or withhold from the board or its investigators evidence related to an investigation under this section on the grounds that the report or evidence

(1) concerns a matter that was disclosed in the course of a confidential physician-patient or psychotherapist-patient relationship or during a meeting of a hospital medical staff, governing body, or committee that was exempt from the public meeting requirements of AS 44.62.310; or

(2) is required to be kept confidential under AS 18.23.030.

\* Sec. 17. AS 08.64 is amended by adding a new section to read:

Sec. 08.64.338. MEDICAL AND PSYCHIATRIC EXAMS. For the purposes

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1 of an investigation under this chapter, the board may order a person  
2 to whom it has issued a license or permit to submit to a medical or  
3 psychiatric examination by a physician or other practitioner of the  
4 healing arts appointed by the board. An examination shall be at the  
5 board's expense. An examination may include the required submission  
6 of biological specimens requested by the examining physician or prac-  
7 titioner.

8 \* Sec. 18. AS 18.20.050 is amended to read:

9 Sec. 18.20.050. DENIAL, SUSPENSION, OR REVOCATION OF LICENSE.  
10 The department may deny, suspend, or revoke a license in a case in  
11 which it finds that there has been a substantial failure to comply  
12 with the requirements established under AS 08.64.336 or AS 18.20.060 -  
13 18.20.080.

14 \* Sec. 19. AS 18.23.030 is amended by adding a new subsection to read:

15 (d) Notwithstanding the provisions of (b) and (c) of this sec-  
16 tion, information contained in a report submitted to the State Medical  
17 Board, and information gathered by the board during an investigation,  
18 under AS 08.64.336 is not subject to subpoena or discovery unless and  
19 until the board takes action to suspend, revoke, limit, or condition a  
20 license of the person who is the subject of the report or investiga-  
21 tion.

22 \* Sec. 20. Rule 504(d) of the Alaska Rules of Evidence is amended to  
23 read:

24 (d) EXCEPTIONS. There is no privilege under this rule:

25 (1) Condition and Element of Claim or Defense. As to  
26 communications relevant to the physical, mental or emotional condition  
27 of the patient in any proceeding in which the condition of the patient  
28 is an element of the claim or defense of the patient, of any party  
29 claiming through or under the patient, of any person raising the  
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patient's condition as an element of his own case, or of any person claiming as a beneficiary of the patient through a contract to which the patient is or was a party; or after the patient's death, in any proceeding in which any party puts the condition in issue.

(2) Crime or Fraud. If the services of the physician or psychotherapist were sought, obtained or used to enable or aid anyone to commit or plan a crime or fraud or to escape detection or apprehension after the commission of a crime or a fraud.

(3) Breach of Duty Arising Out of Physician-Patient Relationship. As to a communication relevant to an issue of breach, by the physician, or by the psychotherapist, or by the patient, of a duty arising out of the physician-patient or psychotherapist-patient relationship.

(4) Proceedings for Hospitalization. For communications relevant to an issue in proceedings to hospitalize the patient for physical, mental or emotional illness, if the physician or psychotherapist, in the course of diagnosis or treatment, has determined that the patient is in need of hospitalization.

(5) Required Report. As to information that the physician or psychotherapist or the patient is required to report to a public employee, or as to information required to be recorded in a public office, if such report or record is open to public inspection, or as to information or matters contained in or reasonably raised by a report submitted under AS 08.64.336, other than information that would establish the identity of a patient, unless the court finds that it is necessary to admit the identifying information in order to serve the interests of justice.

(6) Examination by Order of Judge. As to communications made in the course of an examination ordered by the court of the

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1 physical, mental or emotional condition of the patient, with respect  
2 to the particular purpose for which the examination is ordered unless  
3 the judge orders otherwise. This exception does not apply where the  
4 examination is by order of the court upon the request of the lawyer  
5 for the defendant in a criminal proceeding in order to provide the  
6 lawyer with information needed so that he may advise the defendant  
7 whether to enter a plea based on insanity or to present a defense  
8 based on his mental or emotional condition.

9 (7) Criminal Proceeding. For physician-patient communica-  
10 tions in a criminal proceeding. This exception does not apply to the  
11 psychotherapist-patient privilege.

12 \* Sec. 21. AS 08.01.050(c); AS 08.64.260(b), 08.64.260(c), 08.64.-  
13 260(d), 08.64.370(4), and AS 18.20.076 are repealed.

14 \* Sec. 22. The commissioner of commerce and economic development may  
15 impose a one-time surcharge on persons licensed under AS 08.64 to cover the  
16 costs during fiscal year 1988 of employing an investigator and an executive  
17 secretary for the State Medical Board required under AS 08.64.103, as added  
18 by sec. 4 of this Act. In subsequent fiscal years, these positions shall  
19 be considered services to the State Medical Board for purposes of estab-  
20 lishing fees under AS 08.01.065.

21 \* Sec. 23. Section 22 of this Act takes effect on the effective date of  
22 the section or sections of a version of the bill containing the operating  
23 budget for fiscal year 1988 that authorizes fiscal year 1988 funding for  
24 the positions of investigator and executive secretary of the State Medical  
25 Board; established under AS 08.64.103, as added by sec. 4 of this Act.