

HOUSE BILL NO. 75

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES CISSNA AND GRUENBERG

Introduced: 1/20/09

Referred: Health and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Alaska Health Commission; relating to health planning;**
2 **requiring a certificate of need study; and providing for an effective date."**

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

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

6 **LEGISLATIVE FINDINGS AND INTENT.** (a) The Alaska Legislature finds that

7 (1) the Constitution of the State of Alaska requires the legislature to promote
8 and protect the public health;

9 (2) health policy issues present some of the greatest challenges faced by the
10 state;

11 (3) the health status of Alaskans is directly tied to the long-term success of the
12 state's economy and well being; and

13 (4) the increasing cost of health care is threatening employer-sponsored health
14 care and making companies less competitive in the global economy.

1 (b) The legislature intends to mandate under this Act an evaluation of the state's
2 health promotion, protection, and care needs, propose reforms, and improve health care in
3 Alaska by establishing the Alaska Health Commission, made up of public and private
4 stakeholders, for the purpose of developing a comprehensive policy that better meets the
5 current and long-range health needs in the state.

6 * **Sec. 2.** AS 18.05.010(b) is amended to read:

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

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

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

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

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

19 (5) develop, adopt, and implement **a statewide health plan**, public
20 health plans, and formal policies through regulations adopted under AS 44.62 or
21 collaborative recommendations that guide or support individual and community public
22 health efforts;

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

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

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

31 (9) promote availability of and access to preventive and primary health

1 care when not otherwise available through the private sector, including acute and
 2 episodic care, prenatal and postpartum care, child health, family planning, school
 3 health, chronic disease prevention, child and adult immunization, testing and screening
 4 services, dental health, nutrition, and health education and promotion services;

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

8 (11) collaborate with public and private sector partners, including
 9 municipalities, Alaska Native organizations, health care providers, and health insurers,
 10 within the public health system to achieve the mission of public health.

11 * **Sec. 3.** AS 18.05 is amended by adding a new section to read:

12 **Sec. 18.05.025. Alaska Health Commission established.** (a) The Alaska
 13 Health Commission is established in the department. The purposes of the commission
 14 are

15 (1) to consider the entire spectrum of health care related issues in the
 16 state and formulate targeted and specific policy recommendations to be presented to
 17 the legislature and the executive branch;

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

21 (3) to provide an annual report to the legislature that includes a
 22 comprehensive list of policy options considered by the commission.

23 (b) The commission consists of 15 members who are residents of and are
 24 qualified voters in the state, appointed as follows:

25 (1) a representative of the Alaska Mental Health Trust Authority,
 26 appointed by the authority;

27 (2) a representative of the University of Alaska's health education and
 28 training programs, appointed by the university;

29 (3) seven public members, including

30 (A) one member representing the Alaska Native Tribal Health
 31 Consortium, appointed by the consortium;

1 (B) one member representing the Alaska Primary Care
2 Association, appointed by the association;

3 (C) one member representing the Alaska State Hospital and
4 Nursing Home Association, appointed by the association;

5 (D) one member representing the health insurance industry,
6 appointed by the governor;

7 (E) one member representing the Alaska Nurses Association,
8 appointed by the association;

9 (F) two health care consumers or advocates appointed by the
10 governor, one of whom must also be a small business owner in the state;

11 (4) six members of the legislature, appointed as follows: the president
12 of the senate and the speaker of the house of representatives shall each appoint two
13 members of the majority organizational caucus and one member of the minority
14 organizational caucus from their respective bodies; if there is no minority
15 organizational caucus in a house, the presiding officer of that house shall appoint one
16 member from the minority party of that house; at least one legislator from each house
17 must be a member of the standing committee that considers matters related to health
18 and social services.

19 (c) Terms of office are as follows: (1) members of the commission serve for
20 staggered terms of three years; (2) if a vacancy occurs in a member's seat on the
21 commission, the entity that made the original appointment shall appoint a replacement
22 for the unexpired portion of that member's term. The governor may remove a public
23 member of the commission from office only for cause.

24 (d) The commission shall annually elect one of its members to serve as chair
25 and shall employ an executive director, who may not be a member of the commission.
26 The executive director shall serve at the pleasure of the commission. The commission
27 shall establish the duties of the executive director. The executive director is in the
28 partially exempt service under AS 39.25 (State Personnel Act).

29 (e) The department may assign employees of the department to serve as staff
30 to the commission. The commission shall prescribe the duties of staff of the
31 commission.

1 (f) The commission, on approval of a majority of its membership and
2 consistent with state law, shall adopt and amend bylaws governing proceedings and
3 other activities, including provisions concerning a quorum to transact business and
4 other aspects of procedure; frequency and location of meetings; and establishment,
5 functions, and membership of committees.

6 (g) The commission shall serve as the state health planning and coordinating
7 body. Consistent with state and federal law, the commission shall provide
8 recommendations for and foster the development of a statewide health plan containing
9 the following:

10 (1) a comprehensive statewide health care policy;

11 (2) a strategy for

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

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

16 (C) ensuring access in communities to safe water and
17 wastewater systems;

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

19 (E) ensuring access to quality health care being accessible for
20 all residents of the state; and

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

23 (h) The department shall post on the department's Internet website and
24 otherwise make available information related to the commission, including the
25 commission's annual reports.

26 (i) A member of the commission shall submit an annual report to the
27 legislature and the governor by February 1 of each year and shall present the key
28 findings of the report in person to the legislature. The report must summarize
29 significant work, findings, and recommendations of the commission. The first report
30 of the commission must include a five-year strategic plan with prioritized, targeted,
31 and defined objectives as well as an evaluation of the strengths, weaknesses, and

1 relative performance of health care services and conditions in the state. Subsequent
 2 reports must include revisions, if any, to the strategic plan, along with a report on the
 3 progress of the commission in meeting the objectives of the plan.

4 (j) A public member appointed to the commission under (b)(3) of this section
 5 is not entitled to a salary, but is entitled to per diem, reimbursement for travel, and
 6 other expenses authorized by law for boards and commissions under AS 39.20.180.

7 (k) The Department of Administration, the Department of Commerce,
 8 Community, and Economic Development, the Department of Labor and Workforce
 9 Development, and the Department of Law shall cooperate with the commission in the
 10 performance of its duties.

11 * **Sec. 4.** AS 18.23 is amended by adding new sections to read:

12 **Article 4. Reporting.**

13 **Sec. 18.23.120. Mandatory reporting.** (a) A health care facility shall provide
 14 to the department the following information related to the facility's health care
 15 services:

16 (1) information on costs to the consumer for health care services; in
 17 this paragraph, "costs to the consumer" means the actual price paid by the consumer
 18 for health care services;

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

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

23 (4) the types and scope of health care services offered at the health
 24 care facility;

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

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

30 (b) The department shall develop a standard form or format for reporting the
 31 information required in (a) of this section. The department shall adopt regulations

1 specifying the timing and frequency of the reporting of the information required by (a)
2 of this section.

3 (c) The department shall notify the health care facility of a failure to report
4 under (a) of this section and give the health care facility an opportunity to contest or
5 cure the failure.

6 **Sec. 18.23.130. 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 department information regarding an adverse action
11 taken against a health care facility in the state or against a licensed professional
12 practicing in a health care facility in the state; and

13 (2) cooperate with the department in the performance of its duties
14 under AS 18.23.120 - 18.23.200.

15 **Sec. 18.23.140. Regulations.** The department may adopt regulations under
16 AS 44.62 (Administrative Procedure Act) to carry out the purposes of AS 18.23.120 -
17 18.23.200.

18 **Sec. 18.23.200. Definitions.** In AS 18.23.120 - 18.23.200,

19 (1) "department" means the Department of Health and Social Services;

20 (2) "health care facility" means

21 (A) a facility licensed under AS 47.32 that provides health care
22 services;

23 (B) an independent diagnostic testing facility providing
24 services in the state;

25 (C) an agency providing a home and community based waiver
26 service that is certified under regulations adopted by the department;

27 (D) an agency providing personal care services that is certified
28 under regulations adopted by the department.

29 * **Sec. 5.** AS 39.25.120(c) is amended by adding a new paragraph to read:

30 (21) the executive director of the Alaska Health Commission.

31 * **Sec. 6.** AS 18.05.025 and AS 39.25.120(c)(21) are repealed June 30, 2014.

1 * **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to
2 read:

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

7 * **Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 CERTIFICATE OF NEED STUDY. The Department of Health and Social Services
10 shall contract with an entity that does not have a financial interest in health care services to
11 conduct a comprehensive study of the effects of the certificate of need program in the state.
12 The department shall provide a copy of the study to the legislature.

13 * **Sec. 9.** Section 7 of this Act takes effect immediately under AS 01.10.070(c).

14 * **Sec. 10.** Except as provided in sec. 9 of this Act, this Act takes effect July 1, 2009.