MAT-SU HEALTH FOUNDATION

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February 18, 2011

The Honorable Bob Herron
AK House of Representatives
State Capitol Room 411
Juneau AK, 99801

Dear Rep. Herron:

Please accept this letter of support for HB 78. The Mat-Su Health Foundation (MSHF) is a 501c3 that owns part of the Mat-Su Regional Medical Center. We invest revenues from our local hospital into grants to improve the health of Mat-Su residents. MSHF's mission is to improve the health and wellness of Alaskans living in Mat-Su, with the goal to become the healthiest borough in the state of AK by 2017. We have four strategies to reach this goal. One strategy is to reduce barriers to healthcare access.

One key barrier to access is the lack of healthcare professionals to deliver healthcare services. On the acute care side, building a new hospital has helped our community attract qualified physicians, specialists, and nursing and technical staff to deliver the quality care our Mat-Su residents need and deserve. MSRMC spends thousands of dollars annually to recruit these professionals, most of them from out-of-state—especially for hard to fill positions for pharmacists, physical therapists, occupational therapists, and others for which there is no professional education within the state of AK.

Until the needed clinician is recruited, the hospital still has to deliver that quality care. In the interim, it hires "travelers" from out of state with the credentials to fill these needed slots. MSRMC spent $6,447,814 on contract labor from 2004 through 2010 on temporary health professionals from outside AK to fill current needs. And that is probably one of the lowest expenditures for contract labor of hospitals in the state. Because we have a relatively new hospital in a growing community, we have had great success in recruiting. So believe it or not, this $6.4 million is low by industry standards.

Despite what MSRMC is doing, MSHF is still concerned this workforce barrier is limiting access Mat-Su residents have to primary care in particular. We're doing our part by offering scholarships to Mat-Su residents pursuing education for a career in healthcare and are giving away $100,000 this year. It's not enough, and it's not nearly as effective as loan repayment and incentive programs.

We've been studying the various ways to either educate our young adults here in healthcare professions or encourage our young adults to return to AK to work after getting their education outside or ways we could incentivize healthcare professionals to return or move to Alaska to provide services in local clinics and hospitals to Alaskan citizens. National studies have determined loan repayment and incentive programs to be two of the most effective strategies in terms of both recruitment and retention. I've attached a resolution passed by the MSHF Board of Directors in support of the State's investment in a loan repayment and incentive program. This offers more details about the workforce needs in Mat-Su.

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I commend you for closely watching the state budget and looking critically at state spending. An investment in a loan repayment and incentive program is just that—an investment. And it has a phenomenal return. Every doctor that moves to our state represents a new business, one that employs receptionists, nurses, bookkeepers, accountants, technicians, etc. Every healthcare professional we recruit will generate jobs and income to our state—an incredible return on investment. Please make this return possible by passing HB 78.

Sincerely,

Elizabeth Ripley

Elizabeth Ripley
Executive Director
Mat-Su Health Foundation