

Alaska House of Representatives



Akim Tungiinun Quyurtetulit

Atren Anne Komulainen

P.O. Box

Bethel AK 99555

Pugciyulten: *Pugtesqumakuvgu igautellren Alaska-m akiutain tungiinun yaasiik X-aaru.*



I am 100% FOR an income tax.

Education cuts will affect MY children's future and their ability to succeed.

Medicaid cuts will affect the health of the people of the YIC Delta directly. ~~that~~

Keep the PFD at \$1K and make a graduated income tax.

OPEN THE FAUCETS!

Representatives- you need to bring this up. Don't be afraid.

The people of Alaska are depending on you.

Alaska House of Representatives



Akim Tungiinun Quyurtetulit

Atren Beverly Hoffman

P.O. Box [REDACTED]
Bethel Alaska

Pugciyulten: *Pugtesqumakuvgu igautellren Alaska-m akiutain tungiinun yaasiik X-aaru.*



Solutions

* no oil tax credits

* Cap the PFD 1,000

* implement a fair income tax

Continued on next page

February 22, 2019

Dear State Senators and House of Representatives. *and Governors office*

My name is Beverly Hoffman. I am 67 and was born in Bethel Alaska before Alaska became a State. I love our State of Alaska but I am worried about Governor Dunleavy's proposed budget. I hope you as our state leaders help me with my fears.

As you can see and hear, this has created chaos around the state especially for rural Alaska and off road communities. I have a feeling this administration just wanted to shock the heck out of us. Sadly the truth is how it will negatively affect us.

I have always lived off the land and the waters here on the Kuskokwim. I have raised my children here. I am grateful for so many things that will be affected if you as our State Leaders do not take charge.

I am grateful for my Power Cost Equalization. Even with AVEC in Bethel having PCE helps keep my electricity costs reasonable. As an elder, I live on a small social security and retirement income budget. The PCE helps a lot.

I count on salmon and know this wonderful fish and other species keeps me healthy. I worry that cuts to Fish and Game will prevent important monitoring programs. Fish, Moose, Berries, Caribou, greens, birds are an important part of my diet.

Public Broadcasting has always been a part of my life in this region. I grew up without TV and only armed forces radio in the 50's and 60's. Public Broadcasting connects our villages and connects us to the rest of the state.

these Health & Public Safety
Education cuts are beyond my imagination. Why would a Governor propose such drastic cuts without any regard of the ramifications? We deserve the best education, whether it's pre-K, K-12, college or vocational training opportunities. These cuts are way too deep. I LOVE our Kuskokwim Consortium Library and your cuts would eliminate access!

N/S
I worry that the Dunleavy Administration seems bound to drill or mine without regards to the people who live in this region and the food resources they depend on.

I could go on and on with my concerns and I'm likely to write you all again in hopes that you will hear my voice. The Governor's proposed budget is madness.

Cap our PFD (I could support ~~\$1,500~~ ^{1,000}), implement a state income tax (the late Governor Jay Hammond did not want to eliminate our state income tax) and re-look at oil tax credits are 3 solutions that I have supported. Quyan for your consideration of my letter, I look forward to your response and your solutions.

Respectfully, Beverly Hoffman,

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Cole Talbot

Address [REDACTED]

Anchorage, Ak 99507

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

Having been born and raised in AK and as someone who works with Alaskan youth it is so important to maintain health care services ~~and~~ especially mental health for our kids. w/o funding for Medicaid expansion, mental health services for youth will be significantly diminished. To those who suffer from mental illness taking away health care means death from suicide, the opioid epidemic, alcoholism etc. Please ^{continue to} fund Medicaid expansion.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Dan Winkelman

Address Bethel

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

See Attached



Akiak
Akiachak
Alakanuk
Andreafsky
Aniak
Anvik
Atnautuk
Bethel
Bill Moore's Slough
Cheternak
Chevak
Chuitbaluk
Chulotnawick
Crooked Creek
Eek
Emmarlak
Georgetown
Grayling
Hamilton
Holy Cross
Hooper Bay
Kasigluk
Kipruk
Kongganak
Kotlik
Kwethluk
Kwigillingok
Lime Village
Lower Kalsag
Marshall
Mekooluk
Mountain Village
Napaimute
Napakiak
Napaskiak
Newick
Nightmute
Nunam Iqua
Nunapitchuk
Ohogmut
Oscarville
Paimute
Pilot Station
Pitka's Point
Quinhagak
Red Devil
Russian Mission
Scammon Bay
Shageluk
Sleetmoota
St. Mary's
Stony River
Toksonk Bay
Tulukzak
Tuntutuliak
Tununak
Umkumut
Upper Kalsag

**PUBLIC COMMENT BEFORE THE HOUSE FINANCE COMMITTEE
ON THE FY 2020 GOVERNOR'S BUDGET REQUEST**

MARCH 23, 2019

Bethel, Alaska

**Testimony of Dan Winkelman, President & CEO
Yukon Kuskokwim Health Corporation**

I. Introduction.

The Yukon Kuskokwim Health Corporation (YKHC) has been contracting with the federal government to provide health care services for over thirty years. Our organization is made up of 58 federally-recognized Tribes and we operate 41 village clinics, 5 large sub-regional clinics and a regional hospital in Bethel. We provide a broad array of services including inpatient and outpatient hospital care, substance recovery, long-term care services, dental, optometry, behavioral health care, a prematernal home, and health education services, among others. YKHC provides comprehensive health care to approximately 30,000 people, largely from Athabascan, Cupik, and Yupik tribes that live in Western Alaska. Nearly 2/3 of our patients are Medicaid beneficiaries and another 10% have received coverage thanks to Medicaid expansion.

We are the largest employer in our region, sustaining approximately 1,400 jobs each year. Many of our employees are home-grown and we are proud that over half of our workforce is Alaska Native. Our budget is over \$200 million per year—funds which are all spent here in Alaska, and we are currently in the middle of a \$340 million addition to our hospital, which will ensure we can meet the existing volumes and growing healthcare needs of our patient population. This investment in the future of our people will bring hundreds of new jobs to the region and improve our local economy. In order to attract talented medical professionals, we will also need strong schools; health care access across the entire State, not only in urban areas; and comprehensive social services that adequately respond to community needs.

The region we serve is largely roadless and is larger than the entire State of Oregon. The official unemployment rate in our villages is over 20%, and over 30% of our patients live below the poverty line. Unofficially, many have stopped looking for work and the unemployment rate is much, much higher. In our main hub city of Bethel gas is \$4.79 per gallon, and in our villages it is \$6-8 per gallon, the same price we pay for a gallon of milk. Many homes in our region have no running water or sewer hookups and over 6,000 homes in rural Alaska do not have safe drinking water. Many of our residents live a traditional subsistence lifestyle mixed with the cash economy.

The costs of living in rural Alaska have only increased over time. Airfare continues to rise, and the cost of a trip from an outlying community to a sub-regional clinic or to the Bethel hospital may be impossible for most of our patients to afford. If these patients are not covered by Medicaid, they simply will not receive care beyond that provided in their local community, leading to far greater and far *costlier* health care needs over time.

For example, if a Kotlik man needs medication for high blood pressure, he will need to see a provider in Bethel. In order to get there, he would likely take one plane for the half hour trip to Emmonak, located near the mouth of the Yukon River, and then transfer to another small airplane for another hour and a half to Bethel. The round-trip ticket is \$560. For a patient who routinely requires access to health care and is unable to work, this \$560 is impossible to afford. If that man is choosing between feeding his family or buying fuel to keep the house warm in winter, that medical care simply won't happen. Medicaid pays for medically-necessary travel only, not elective care. So, if this *medically-necessary* trip doesn't happen, it is likely this patient will end up having a stroke and needing emergency care, including a \$20,000 medevac to Bethel; a prolonged stay in the intensive care unit, which costs thousands of dollars per day; and a nursing home placement, which costs hundreds of dollars per day. The Medicaid program still pays these emergency costs, but now the cost to the Medicaid program for this one individual have skyrocketed due to the failure to provide up front access to care. Unfortunately, this situation will likely increase if there are not substantial changes to the current FY 2020 budget.

YKHC asks that the legislature fully fund the Medicaid program, reject any cuts suggested by the Governor, and make no changes to the eligibility requirements or types of covered services or rates paid to providers. Medicaid provides essential health services to the people of our region, and for most of our patients, the federal government reimburses the State at 100%, meaning this program is budget neutral. (Actually, as explained below, Medicaid expansion actually brought more federal money to Alaska.) Cutting Medicaid will not save the State any money; instead it will likely only increase costs over time and intensify health disparities between rural and urban Alaskans.

II. IHS funding is not enough to make up for Medicaid cuts.

We serve many Alaska Native patients, and some may have the impression that if Medicaid funding is decreased, the federal government—through the Indian Health Service (IHS)—will simply pick up the tab and pay for that same care. That is simply not true. The tribal health system is not funded on a needs basis. Instead IHS funding is tied to historical levels and does not increase with inflation, population, or in response to the actual costs of providing medical care. The IHS budget is currently funded at approximately 1/6th of the actual need, meaning individual programs like ours do not receive enough federal funding to keep our doors open. To put this in perspective, in 2016, the IHS spending per patient was \$2,834, compared to a national average of \$9,990 per person, the VA average of \$9,404 per patient, and a Medicaid average of \$7,492 per beneficiary. To make matters worse, this funding inequality persists despite the fact that Alaska Natives and American Indians tend to have disproportionately high rates of cancer, diabetes, suicide, unintentional injuries, and tobacco

and opioid abuse. Cutting Medicaid will likely only increase these health disparities.

The federal government recognizes that IHS funding is not sufficient to provide even basic medical care. That is why federal law requires us to bill each and every patient that walks through the door that qualifies for an alternate resource, including Medicare, Medicaid or private insurance. These third-party revenues are what tribal programs rely on to keep the doors open and provide adequate care. If our Medicaid billing goes down, IHS funding will not increase in response.

And, even if Medicaid is cut, we still have to see emergency room patients. However, there will be more of these patients if other Medicaid services are cut, and if Medicaid eligibility is cut, more of them will have no way to pay for their care. These costs will not simply be absorbed by YKHC or by the federal government, they will be shifted to everyone else, including back to Medicaid. The end result is that, even though fewer patients will be covered by Medicaid, the per patient cost will likely go up and the program will see little to no savings.

III. Increased Medicaid coverage brings substantial money to the State.

Rolling back Medicaid expansion is a popular target of politicians looking for cuts. However, Medicaid expansion is good for Alaskans, expanding access to *necessary* medical care, and good for Alaska's struggling economy. The entire Medicaid program brought \$1.44 billion to Alaska in FY 2018. This staggering amount is not just a number, it brings thousands of high-wage jobs and people that live, work, and invest in Alaska.

Medicaid expansion has allowed nearly 48,000 Alaskans to access necessary medical care. We see a direct impact from this expanded coverage: each month we have seen encounters increase by over 1,000 more than in prior years and our outpatient clinic numbers are up 18%, in part, due to Medicaid expansion. We have responded by hiring more health professionals to respond to the increased need, bringing more residents with well-paying jobs to our region. This increased care will result in significant long-term savings. As our example above shows, obtaining necessary medical care on the front end (i.e., paying for the visit to get blood pressure medication) avoids the need for even higher cost emergency services later on (i.e., the need for a medevac due to stroke). Moreover, hospitals report that due to expansion their uncompensated care has dropped by over \$30 million, lowering insurance premiums for working Alaskans.

Medicaid and Medicaid expansion also bring substantial federal funds to the State. From FY 2020 on, the federal government will reimburse the state for services covered by Medicaid expansion at 90%. However, services provided to Alaska Natives through a tribal facility, like YKHC, *will continue to be reimbursed at 100%*. Alaska Natives are 1/3 of the Alaska residents that have gained coverage through Medicaid expansion. That means the State is fully reimbursed for covering these individuals, and the State is reimbursed at 95.8% when all Medicaid expansion enrollees are considered. Given the 100% federal reimbursement, tribal facilities should be excluded from any Medicaid rate reductions or cuts. Imposing any such cuts would not save the State money, but would reduce the federal reimbursement dollars Alaska

receives.

The same is true for imposing Medicaid work requirements on Alaska Native patients—it does not save the State money, but would reduce federal funds coming in. If the State were to consider such requirements, it should follow Arizona's example and exempt Alaska Natives and American Indians.

Moreover, the increased coverage has reduced the burden on traditional Medicaid and other State benefit programs, more than covering the State's funding of Medicaid expansion. For instance, in FY 2018 alone, increased tribal health capacity resulted in a \$20 million reduction in State spending for the non-Medicaid expansion population. Overall, since FY 2016, Medicaid reform collaboration with Tribes has saved the State \$105 million. Cutting these programs may look like it will save the State money, but that simply is not the case.

IV. Recommendations.

We respectfully request the Legislature to:

- 1. Fully fund the Medicaid program, reject any cuts suggested by the Governor, make no changes to the eligibility requirements or types of covered services or rates paid to providers, and protect the Medicaid program, including the individuals that gained access to care under Medicaid expansion and the array of services currently covered. This recommendation produces a net savings to the State with hundreds of millions of dollars more in Federal matching dollars than State dollars, keeps thousands of jobs, and keeps more Alaskans healthy;**
- 2. If cuts must happen, hold Tribal Health Organizations (THOs) harmless from rate reductions and any other cuts to the Medicaid program since THOs are reimbursed at 100% Federal Medical Assistance Percentage (FMAP) which costs zero dollars to the State of Alaska's general fund. This recommendation would not violate the State Medicaid Plan and is similar to the State's proposed budget that holds harmless critical access hospitals. Further, this recommendation produces a net savings to the State with hundreds of millions of dollars more in Federal matching dollars than State dollars, keeps hundreds of jobs, and keeps more Alaskans healthy; and**
- 3. Exempt THOs from any Medicaid work requirements as was done by the State of Arizona in its January CMS-approved Section 1115 waiver. This recommendation is consistent with treating Alaska Natives as members of tribal governments that are political entities, not racial groups, and who suffer from living in areas with chronic, high unemployment.**

Thank you again for the opportunity to provide testimony on behalf of the Yukon Kuskokwim Health Corporation and the approximately 30,000 people we serve.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name

DIANE McEachern

Address



Bethel, AK, 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget



The current budget proposed by Dunleavy offers a false dilemma. We have a way to fund gov't + P&ID + Programs. We need a state income tax + increased oil revenue (back off the oil tax credit!). It is cruel to cut children's health & education. To decrease the transportation of our SE citizens by cutting the ferry system is ~~unacceptable~~ irresponsible. Most states in the U.S. have state income taxes and Alaska needs one too.

P.S. Dunleavy traveling the state for "private" sessions paid for by lower 48 groups is undemocratic!

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Dr. Ellen Hodges

Address Bethel

Comments: *Do you want comments submitted as public testimony on the Operating Budget* ☒

attached



Akiak
Akiachak
Alakanuk
Andreasksky
Aniak
Anvik
Atmautluak
Bethel
Bill Moore's Slough
Chelornak
Chevak
Chuathbaluk
Chuloonawick
Crooked Creek
Eek
Emmonak
Georgetown
Grayling
Hamilton
Holy Cross
Hooper Bay
Kasigluk
Kipnuk
Kongiganak
Kotlik
Kwethiuk
Kwigillingok
Lime Village
Lower Kalskag
Marshall
Mekoryuk
Mountain Village
Napaimute
Napakiak
Napaskiak
Nevtok
Nightmute
Nunam Iqua
Nunapitchuk
Ohogomiut
Oscarville
Paimute
Pilot Station
Pitka's Point
Quinhagak
Red Devil
Russian Mission
Scammon Bay
Shageluk
Sleetmute
St. Mary's
Stony River
Toksook Bay
Tuluksak
Tuntuliak
Tununak
Umkumiut
Upper Kalskag

**PUBLIC COMMENT BEFORE THE HOUSE FINANCE COMMITTEE
ON THE
FY 2020 GOVERNOR'S BUDGET REQUEST
MARCH 23, 2019**

**Testimony of Dr. Ellen Hodges, Chief of Staff,
Yukon Kuskokwim Health Corporation**

Good afternoon. My name is Ellen Hodges. I am a family medicine physician employed by the Yukon Kuskokwim Health Corporation. I am currently the Chief of Staff. It has been my privilege to take care of the people who live in this region for 16 years. I have a special interest in maternal child health but I serve patients of all ages and I oversee a large medical staff that provides services throughout the Yukon Kuskokwim Delta.

Thank you to the committee for taking the time to listen to me speak about the impact the proposed budget may have on the delivery of health care for this region.

It is clear to anyone practicing medicine that an ounce of prevention is worth a pound of treatment. Imagine, if you will, a patient out in Kotlik who needs medication for high blood pressure but who doesn't have Medicaid to cover the cost of his travel to see a provider. He has to choose between feeding his family, keeping his house warm and medical care. Days, months, years go by and now he has a devastating stroke because of untreated blood pressure. He still needs medical care but now it comes at great cost to our already overburdened health care system. Instead of a \$560 round trip ticket and a doctor's appointment, we

pay over \$20,000 for air medevac, a prolonged ICU stay and a nursing home placement. Not to mention the economic impact of the family losing income support and the emotional cost of having a critically ill loved one.

Imagine another patient in Grayling who has a skin abscess who ignores the pain and swelling because he doesn't have any way to get to a doctor to get a simple drainage procedure to treat his problem. As he waits he gets sicker and sicker, ultimately requiring costly surgery to treat a condition that, if treated earlier, would have resulted in a basic doctor's appointment and maybe some antibiotics. Again, this doesn't even take into account the economic impact of a person losing days of work or even his job because of prolonged medical treatment.

The impact of the proposed cuts to Medicaid disproportionately affect the people who live in rural areas without access to medical care. This includes some of our most economically disadvantaged citizens as well as some of our most vulnerable – the elderly and children – whose families suffer the consequences of our disregard for their health and well-being. And, we as a state pay the price of the not providing this medical care. These patients will require medical treatment eventually and at a much higher cost in our emergency departments and our ICUs than if preventative care was provided.

Proposals to cut Medicaid rates will not result in lower costs. The cost of providing care does not change, and these fixed costs must be paid by someone. If Medicaid reduces its rates, the uncompensated portion of these costs will be borne by the hospital or shifted to other patients. The net effect is the same—the costs for everyone else go up and less care is provided overall.

I was able to better understand a small piece of this conundrum last summer when I myself became ill and had to seek medical attention in our local emergency department. I was quickly diagnosed with an infected gallbladder, a condition that requires emergency surgery. We do not have general surgeons here in our hospital and I was emergently referred to Anchorage for treatment. Now, I can afford a plane ticket to Anchorage and pay for a hotel while waiting for my surgeon to clear me for travel back home. I didn't have to choose between having food to eat and fuel for my house and other essential items and getting my gallbladder out. But I have taken care of patients who have to make these desperate calculations and impossible choices. Our patients can't just drive themselves to an ER and seek medical care, they must fly to a regional hub and then, if needed, fly to Anchorage to get care.

The Medicaid funding that allows this to happen is critical to the care of the patients in this region. Proposals to cut funding or cut rates will simply reduce access to necessary care for our patients, and it will be harmful to the health of members of our community. I ask the committee to avoid making cuts to our Medicaid funding. What use is a permanent fund dividend payout if we don't have our health?

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Gary Baldwin

Address [REDACTED]

Bethel, AK

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

I am a 39 year resident of the YK Delta. I do not support the Governor's approach to balancing the budget. Let's be honest, when he says he wants smaller government he means cuts to education, law enforcement and healthcare. He does not mean fewer bureaucrats sitting in offices, he means less teachers, police officers and healthcare professionals.

I favor increasing revenue by:

- ① making sure big oil corporations pay a fair share
- ② reduced dividends
- ③ income tax that is fair to low income people

It is time to stop acting like spoiled children and invest in the future of Alaska so that we have something in the future when the petroleum industry goes away.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name

Jenilyn Kelly, City of Quinhagak / Native Village Quinhagak

Address

[Redacted]
Quinhagak, AK 99555

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

I brought a copy of a joint resolution that was passed at our local joint council meeting.

Signed copies are emailed to representatives.

City of Quinhagak
City Council
P.O. Box 90
Quinhagak, Alaska 99655
Ph: (907) 556-2191
Fax: (907) 556-8166



Native Village of Kwinhagak
IRA Council
P.O. Box 149
Quinhagak, Alaska 99655
Ph: (907) 556-8165
Fax: (907) 556-8166

March 22, 2019

Honorable Governor Michael J. Dunleavy
Office of the Governor
P.O. Box 110001
Juneau, AK 99811-0001

Subject: Proposed FY 2020 Budget cuts

Dear Governor Dunleavy;

On March 21, 2019, the Councils of the City of Quinhagak and Native Village of Kwinhagak held a dual / joint meeting to present information for the community to hear about your proposed FY 2020 Budget for the State of Alaska, and gave everyone an opportunity to voice their opinion and position regarding your proposed FY2020 Budget for the State of Alaska before acting on the joint resolution on the subject.

Attached are the recorded verbal public comments of those residents and tribal members in attendance that voiced their opinions, and the official requests of the two local government councils through Joint Resolution 19-01 regarding your proposed FY 2020 Budget for the State of Alaska.

The community of Quinhagak appreciate your time and consideration of our views and requests. Best wishes for a successful term as Governor for the great State of Alaska.

Sincerely:

Annie Roach
City Administrator

Ferdinand Cleveland, Jr.
Tribal Administrator

Attachments: Quinhagak residents / tribal member comments
Joint Resolution 19-01



City of Quinhagak
City Council
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RESOLUTION 19-01

A RESOLUTION FOR THE RESPONSE TO THE STATE OF ALASKA GOVERNOR'S FY 2020 BUDGET PROPOSAL

WHEREAS, The City of Quinhagak is a recognized second-class city incorporated on the thirteenth day of February 1975 under the Title 29 of the Alaska Statutes, and the Native Village of Kwinhagak is the I.R.A. Tribe in the village of Quinhagak established under the IRA Act of 1937; and

WHEREAS, the governing bodies of the City of Quinhagak and the Native Village of Kwinhagak are seven-member elected Councils that are fully authorized to act for and on behalf of the citizens of Quinhagak, Alaska and the Tribal members of the Native Village of Kwinhagak; and

WHEREAS, the City of Quinhagak and Native Village of Kwinhagak have an agreement in place to provide essential services to approximately 745 underserved residents and tribal members that improves the quality of living in our community with already extremely limited sources of Federal, State and local funds, and

WHEREAS, Alaska Governor Dunleavy's proposed FY 2020 budget cuts of \$1.8 Billion dollars will have a direct negative impact on both Local Government's ability to continue the limited services to our residents and tribal members, and the reduced or eliminated services provided by the State agencies and Non-Profit organizations will contribute to the immense decline to the living conditions in Quinhagak, and

WHEREAS, the City's Community Assistance Program constitutes between 20 to 25 percent of the City of Quinhagak's annual budget. Due to the extremely limited revenues generated locally, the absence or reduction of the Community Assistance Program funding will force the City to layoff up to three departmental staff employees and reduce or eliminate the trash hauling and land fill operation services of the City of Quinhagak since the FY19 services budget of \$104,844 cannot be sustained with the absence of the C.A.P. in the future, and

WHEREAS, the PCE assistance for the residents of Quinhagak was \$265,129.00 in FY18 and the average monthly PCE to each resident was \$118.79, and the reduction or absence of PCE will greatly increase the financial stress of the household residents of Quinhagak; and



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WHEREAS, the Alaska Department of Health and Social Services, which oversees the Federal-State Medicaid program, will be crippled of that important service and deny access to this important health program to many rural Alaska residents; and

WHEREAS, other budget cuts to programs such as TANF, VPSO and other funds for State services funneled thru the Regional non-profits will have an unneeded devastating affect to our Rural residents; and


WHEREAS, the residents and tribal members now understand the hardship that the families of Rural Alaska will immediately encounter with the proposed State of Alaska FY2020 Budget cuts to fund a full Permanent Fund Dividend by taking funds from the currently funded State services and programs. We strongly urge the formula used by the previous Administration be continued to avoid the tremendous suffering that will be placed on the living conditions of families in Rural Alaska if the proposed budget is enacted.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Quinhagak, Alaska, and the I.R.A. Council of the Native Village of Kwinhagak strongly oppose the proposed State of Alaska FY 2020 Budget and ask it not have devastating reductions to funding that assist rural Alaska.


CERTIFICATION

ADOPTED by a duly constituted quorum of the Quinhagak City Council and the Native Village of Kwinhagak Council and voted 12 ayes, 0 nays, and 0 abstaining this 21st day of March, 2019.


Signed City of Quinhagak:



Jenilyn Kelly
Mayor

Signed Native Village of Kwinhagak


Darren Cleveland
President

Attest:


Fannie Moore
City Clerk


Grace Mark
Secretary / Treasurer



City of Quinhagak
City Council
P.O. Box 90
Quinhagak, Alaska 99655
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Native Village of Kwinhagak
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PUBLIC HEARING FOR STATE OF ALASKA GOVERNOR DUNLEAVY'S FY2020 BUDGET PROPOSAL

March 21, 2019

Attending: 12 councilmembers (City/Native Village of Kwinhagak) & Public

Mayor Jerilyn Kelly thanked Joshua Cleveland for coming forward to address Governor Dunleavy's budget proposal and a letter he wrote to Representative Tiffany Zulkosky addressing the negative impacts that will affect the seniors and Rural Alaskans.

Jerilyn addressed the proposed \$1.8 billion in cuts and the percentages for:

- Village Police Officers
 - Elimination of the Power Equalization Endowment Fund
 - Reduction of Medicaid funds
 - Tribal Assistance Program
 - Education cuts K-12/Universities
 - DOT
 - Alaska Legal Services
- Former President of NVK Joshua Cleveland – Tribes were aware of the upcoming cuts and discussed the problems that will arise. AVCP resolution listed the cuts and the direct negative impact that will affect our region – opposing his proposal. Without medicaid our people will not be able to get services. With his limited income, he does not get Medicaid. His elder checks are used mostly for bills, which can be costly especially in the winter months with electricity higher. Without PCE it will be impossible to have any money left for food. Urging other tribes, cities to write resolutions opposing his proposed FY2020 budget.
- John Sharp, NVK councilmember agreed with Joshua's comments – added that majority of the people do not have jobs. Without these services, how will we survive.
- Jerilyn Kelly, Mayor – PCE makes electricity affordable. Dunleavy went for full dividend and cut in services to keep his promise to Alaskan's. Governor Walker cut the dividend in half to keep the services running for communities.



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- Annie Roach, City Administrator – with the cuts, means eliminating workers and services that cities provide.
- Darren Cleveland, President – Cuts will have a ripple affect in organizations example; Airlines with higher rates. Schools will lose teachers as well as closing down schools. We don't want to see our children be sent away for their education.
- Patrick Cleveland – Cut in services will be devastating to all Rural Alaskan's and communities that do not have road system. Against funding for a full dividend.
- Majority of the group rather keep the services funded instead of a full dividend.



Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name

Jody Drew

Address



BET AK 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget



Attached

Testimony to the Legislative Budget Committee
Bethel AK 99559
March 23, 2109

Honorable Representatives

My name is Jody Drew. I am a resident of Bethel.

This land has been home to and cared for by Yup'ik people for more than 10,000 years. We thank them for their continuing wise stewardship. We thank this place for the life it provides. We appreciate your dedication and service, and thank you for traveling to Mamterilleq.

Governor Dunleavy's budget proposal is not an Alaskan solution to an actual Alaska problem. He's been bought and paid for by the Koch Brothers and their PAC *Americans for Prosperity*. If they were honest, they'd have to call it *America for the Prosperous*. In every state where they have bought executive and legislative power, (like Wisconsin) they have invented the exact same "crisis" and tried to enact the exact same solution: slashing public funding in order to annihilate government.

They say we have a fiscal crisis. We don't. They call funding education, health care, public broadcasting, public safety, highways, marine ferries and airports a waste of money. They say the only way to stop the waste is to cut everything and let everyone pull themselves up by their own bootstraps. THAT IS NOT OUR WAY. As self-reliant as we are in rural Alaska, we also care about and take care of our neighbors. And, far from being a waste, we know that a dollar spent on education returns four to nine dollars on the investment with similar returns in other publicly funded areas.

I admit that I was almost seduced by that big, fat pfd check. I'd already started spending it: Snow machine, boat gas, new net, vacation in Hawaii, a bigger pick, click give to KYUK. I'd enjoy those things, but I don't want that big, fat check because I can't buy anything that really matter with it: safe airports, quality schools, VPSOs, marine ferries, health care or the world class University that we already have.

America for the Prosperous says, "Stop Over Spending". We say "Save Our State" by maintaining and increasing funding to the vital programs I've already mentioned. And, if you can, please make the Koch Brothers cut their strings to Governor Dunleavy take their puppet show and go home.

Quyana tailuci.



Alaska House of Representatives



Akim Tungiinun Quyurtetulit

Atren Joshua Cleveland

P.O. Box _____

Dunhagak, AK 99455

Pugciyulten: *Pugtesqumakuvgu igautellren Alaska-m akiutain tungiinun yaasiik X-aaru.*



Copy of Joshua Cleveland letter, Dunhagak Elder

Attached

March 21, 2019

Dear Representative Zulkosky,

My friend and representative of the Bethel area. I want to share with you the concern I have as your constituent at Quinhagak, I believe my concern is representative to a lot of elderly people of southwest Alaska. The most economically depressed portion of Alaska.

Those of us with fixed income as elderly are already conservative in our expenses as we live our lives in remote Alaska villages. I am very concerned with what is going to happen with the elimination of the PCE program that the Alaska government has been helping us with for years towards paying our electricity bills. What are we going to face while trying to keep our lights on, our cooking stove, our toyo-stove and our water and sewer which all benefit us as elders? Most of us being in our 70's and 80's, it will nearly double our electric bill once this PCE program is cut. It will limit our ability to buy store bought foods, by more than half on the cold months. I am not afraid to show my fixed income and the electric utility payments I make each month, here are the figures:

Fixed income of- \$1,174.25

Winter months bills of Dec, Jan, Feb

Heating- \$339.50 per month

Water/Sewer- 100.00 per month

Electricity- \$444.12 per month

75% of fixed income

Available for food: \$290.62 for the month

Conservative food expense average per month \$600 a month

Summer months of May, June, July

\$145.50 per month

\$100.00 per month

\$216.00 per month

39% of fixed income

\$461.50 for the month

We give money for gasoline, ammunition, for hunting, berry picking, fishing to our sons and grandsons for their helping us. I am not eligible for medicaid, I'm at above borderline for poverty levels. I am fortunate to have my wife share the costs with me with her retirement income. Please keep the PCE state program intact for us. You are our Government!

Thank you,

Joshua Cleveland

Quinhagak, AK 99655

CC: Senator Hoffman

Delta Discovery

YKHC Dan Winkelman

AVCP Vivian Korthuis

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Julie Carpenter

Address [REDACTED]

Bethel AK 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget ☐

I was born in Bethel and have spent my entire life in Alaska. I am a 23 year employee of the University of Alaska Fairbanks. I am terrified by the ~~proposed~~ cuts the Governor is proposing ~~to~~ our state and in particular to the University. Our KUC campus in Bethel is a vital educational conduit for local students and students from nearby villages to further their educations and possibly complete their degrees in Anchorage, Fairbanks or Seward, ~~Alaska~~ have the opportunity for successful and lucrative careers. KUC is at the center of the Bethel community, we hold community-building conferences, art shows, dances, continuing education courses in addition to traditional classroom instruction. The worst case scenario - shutting down KUC, would be devastating to this region. Yes, cuts need to be made, new revenue sources found, but not the way it's currently being proposed and not this quickly!

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name

Kathy Hanson

Address

[REDACTED]

Bethel, AK 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

We cannot cut our pre-K → university budgets any farther. Nor can we cut Medicaid and other health care, nor public broadcasting, nor public safety. Our state can pull out of our financial crisis by #1 restructuring oil tax credits, #2 capping the PFD at a level around \$1000 and #3 instituting a personal income tax that is based on a percent of our federal income tax. These 3 actions will support our citizens and bring Alaska out of the hole.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Laura Elsworth

Address [REDACTED]

Bethel AK 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

Please advocate funding K-12 education, health + social services ~~aka~~ funding and the PCE. Cuts that have been proposed will impact Alaskans in negative ways and we should not prioritize a PFD over other important services. Please consider other revenue streams instead of just cutting until there is nothing left.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Martin Andrew

Address [REDACTED]

Kwethluk, AK. 99621

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

Provide Comments on Medicaid Expansion - A lot of folks in the region
heavily rely on medicaid. - Cuts to Education, Lastly Power Cost Equalization
Program, communities rely on these programs to equalize on the regions
high Energy Costs.

Alaska House of Representatives



Akim Tungiinun Quyurtetulit

Atren Mary Ghibault

P.O. Box [REDACTED]

Bethel, AK 99559

Pugciyulten: *Pugtesqumakuvgu igautellren Alaska-m akiutain tungiinun yaasiik X-aaru.*



I am a new ~~state~~ employee in the state of Alaska and
the Public Health Nurse Manager at the Health Center
in Bethel. The Section of Public Health Nursing is anticipating
2.5 million in budget cuts. We don't know how that may affect
Bethel directly, but the Public Health Nursing section does
extensive work on TB control and case management in the
YK Delta. We collaborate with many, if not all of Bethel's
organizations to promote and protect the health of
Alaskans, our primary mission. This kind of
budget cut would be devastating to our mission.

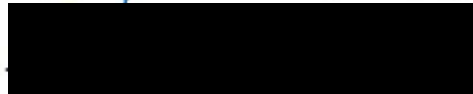
Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Mary Wood

Address



ANCHORAGE, AK 99507

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

Health and Education and transportation for Rural Alaska are essential to being human and being Alaskan. The PFD IS NOT important and does NOT serve Alaskans. \$3K is DISPOSABLE. Health and education are investments in our future. ~~the Department even spends time on~~ Please think about the PEOPLE you serve. The Ferry is essential to life in SE. UAF serves more kids and families than ever. And is important to prevention services for our kids. Invest in our future, in the kids, more than in the classroom, but also in positive mentors and healthy activities for kids.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name MAX ANGELLAN

Address [REDACTED]

KWETHLUK, ALASKA 99621

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

STATE OF ALASKA LEGISLATURE AND GOVERNOR EMILY WILSON NEEDS
TO KEEP FULL FUNDING LEVEL FOR STATEWIDE PUBLIC MEDIA
BROADCASTING AS IN PREVIOUS YEARS. NO CUTS OR REDUCED
FUNDING LEVELS FOR RADIO, TV OR PUBLIC BROADCASTING SHOULD
BE PLANNED OR PROPOSED. BETHEL BROADCASTING, INC. OPERATING
AS KYUK RADIO-AM/FM ALONG WITH OTHER PUBLIC MEDIA
STATIONS SHOULD OPERATE AND MAINTAINED AS STATED IN THEIR
MISSION STATEMENTS, GOALS AND OBJECTIVES FOR THEIR AREAS
OF BROADCASTING. THANK YOU FOR YOUR WORK AND CONTINUED FUNDING.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Megan Newson

Address [REDACTED]

Bethel, AK 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

Cutting Medicaid makes no sense - Alaska will lose the federal match which is less money coming into our state. Medicaid is absolutely needed in our state and region. Cutting education both public and higher education is not a good idea. We need well educated citizens that will stay in Alaska for college and live in our state - prevent losing our best and brightest to the Lower 48. Rural Alaska needs our vital government services.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name

Peter A Williams

Address

[REDACTED]
Bethel, AK

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

I've not heard a plan how the citizens of Bethel would pay for the schools here in Bethel that serve those that go to school in Bethel. Currently we don't. ~~The~~ LKSD reported the cost to be 20M-22M per year. The CB cannot afford for funds as other school did.

Another worry is what grants would be affected, if any.

PCE not only should the funds be kept but the "program" also, which is tied to the Comm. Assit.

The City has a modest Comm Detention Grant and we charge 4¢ instead 6¢ per dollars for a genting tax, along with a Senior Citizens tax break that could be in jeopardy.
City Manager, City of Bethel
Peter A Williams

Alaska House of Representatives



Akim Tungiinun Quyurtetulit

Atren Robert Leizer

P.O. Box



Bethel, with ONC

Pugciyulten: *Pugtesqumakuvgu igautellren Alaska-m akiutain tungiinun yaasiik X-aaru.*



Mischel



P.O. Box 927 | Bethel, AK 99559
Phone: 907-543-2608 | Fax 907-543-2639
www.nativecouncil.org

**Community Meeting for State Budget
Cultural Center on Saturday March 23, 2pm-5pm.**

STATEMENT FROM ONC

ONC is strongly opposed to the proposed FY 2020 Budget put forth by Governor Dunleavy that will have a heavily negative impact on our tribal membership, as well as the rural areas of the State of Alaska.

We rely heavily on State of Alaska funding and assistance to run numerous programs including our Senior Services that funds our "Meals on Wheels" program to deliver lunches to our Elders. Social Services that funds our Rural Child Welfare program to assist needy children and other essential services.

ONC tribal members as well as Bethel residents rely on local programs funded by the State of Alaska budget including the Power Cost Equalization Program (PCE) to subsidize the extremely high electric costs in our rural community. Head-start Programs to assist our Pre-Kindergarten children to prepare them for the educational system. Medicaid Program to assist with the high costs of healthcare. Public Broadcasting to help with costs of delivering news that many in our community rely on for information about community events and news information. And many other programs within our community that are vital to our tribal member's success and well-being.

The mission statement of ONC reads, "to promote the general welfare, enhance independence, encourage self-sufficiency/self-motivation, enhance quality of life, and preserve cultural and traditional values of the Tribe, and to exercise tribal authority over resources through educational, economic, and social development opportunities." The budget as currently proposed does not help our tribal members achieve ONC's mission.

Alaska House of Representatives

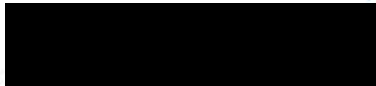


House Finance Committee Bethel Community Meeting

Name

Ronda Phillips raphillips7@alaska.edu

Address



Bethel, AK 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget



#1: Be future focused our Children will be in your seats soon. Our Bethel 4-H program serves our community with out-of-school time programs for kids ages 5-18 and volunteer opportunities for adults. We are a service that keeps parents active working members of society and contribute to the economy. Our programs are funded through UAF Cooperative Extension Service, City of Bethel and Alaska Village Council Presidents (AVCP) TANF (Temporary Assistance for Needy Families). All of these organizations are highly effected by the state budget decisions and unfortunately most adults think that cutting community programs, healthy living programs (like for children, or music programs for example) are where you can save money. We have lots of studies and statistics that have proven otherwise. Children cost less than adults in jail, on drugs, or a burden on our state systems. Please continue to fund these three agencies ability to keep Bethel a thriving community.

#2: A wild Idea: The state should Apply for it's own PFD check each year.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name

Susan Taylor

Address



Bethel AK 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget



*It seems like the governor's campaign promise of
\$3000 PFD simply got turned into a bargaining chip instead.
~~to get~~*

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name

Theresa Quiner

Address



Bethel, AK 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget



Attached

Good afternoon. My name is Theresa Quiner, and I am the library director for the Kuskokwim Library, which is a shared library for the UAF Kuskokwim Campus and the community of Bethel. The governors proposed budget will be disastrous to everyone in Alaska, and impair the universities ability to provide postsecondary education to Alaskans. The proposed budget cuts will no doubt result in reductions or possibly the elimination of funding to the library, which provides healthy community programming for youth and adults, and is also the place where people to access free internet and assistance applying for jobs, PFDs, doing taxes, and the multitude of other things that people need to access on the internet. It is also a warm space in the winter where people experiencing homelessness can stay warm.

Clinging to the PFD at the expense of so many other services doesn't make sense. I am aware that the PFD is a very important source of money for many low income people in the state, but the trickle down effect of these budget cuts will no doubt impact low income and marginalized populations, such as youth, low income people, and women fleeing domestic violence the most. And the loss of thousands of jobs will mean that there are even more people needing to rely on the very services that are being cut.

Thank you for your time.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name

Vivian Kothuis
AVCP CEO

Address

[REDACTED]

Bethel, AK 99559

Comments: Do you want comments submitted as public testimony on the Operating Budget



See Attached.

**Governor's Office Proposed Budget:
Impacts to the Yukon-Kuskokwim Delta
House Finance Committee Public Hearing
Bethel, Alaska
March 23, 2019**

Introduction

The Association of Village Council Presidents (AVCP) is the regional tribal consortium for the Yukon-Kuskokwim Delta. The Y-K Delta is comprised of 56 federally recognized tribes with 48 communities in an area similar in size to the state of New York. AVCP is the largest tribal consortium in the nation, including 23% of the tribes in Alaska and 10% of the tribes in the United States.

VPSO Program

The Governor's proposed \$3 million dollar cut to the Statewide VPSO program would severely undercut the State's ability to provide public safety services in a Region where a public safety crisis already exists. The State uses contractors, such as AVCP, to provide public safety in rural village communities through the VPSO program. The governor's budget reduction would eliminate AVCP's ability to send VPSOs on emergency TDY (temporary duty yonder or "roving") assignments,

and also eliminate our ability to spend money on recruitment (currently the AVCP VPSO program's number one priority).

Head Start

The proposed elimination of funding for early childhood education programs, including pre-K and Head Start, is not in the best interests of our children, our region, or our State. Losing the State Head Start grant would jeopardize AVCP's federal Head Start program, as well as the Head Start programs provided by RuralCAP, impacting services in approximately 24 communities across the YK Delta.

It has been established that programs like Head Start benefit children for the rest of their lives:

- Higher likelihood of graduating high school, attending college, receiving a post-secondary degree, license, or certification; and
- Less likely to end up in foster care, less likely to become teen parents, less likely to be involved in the criminal justice system.

A modest \$8 million investment results in savings for the State's educational, health care, criminal justice, and child welfare systems.

KYUK

The proposed elimination of State support for public broadcasting in Alaska would severely impact the ability of KYUK and other public radio stations to keep the residents of the YK-Delta connected to each other and to local news and politics. It could also prevent the free broadcast of State of Alaska's legislative hearings.

Rural Airports

The proposal to reduce the number of public airports – mostly rural or small community airports – will severely damage the basic economic, health, and safety needs of Alaska's rural communities. Seventy percent of Alaska is not accessible by the main road system and depend on rural and community airports for vital access to medical treatment, and other services in regional hubs across Alaska.

Summary

I could go on about the negative impacts to AVCP's service offerings in particular or our Region in general, but I will stop here and urge the legislature to seriously consider the best interests of the Yukon-Kuskokwim Delta residents and all of Alaska's residents and do what's right for our children, families, and communities and reject the Governor's proposed budget.

State TANF

The elimination of the State match to the Tribal TANF program would affect approximately 520 families and 2,625 individuals. The impacts to this loss could be far reaching, including the ability to buy food and other basic necessities; meet rent, mortgage, and utilities obligations; and a negative impact on children's school performance and social interactions.

Power Cost Equalization

The proposal to roll the funds in the Power Cost Equalization (PCE) into the General Fund threatens the very existence of the PCE program. Turning this money from a protected program that offsets the high cost of rural power into a general fund that faces budget battles every year effectively guts the program. Once in the general fund, the money can be spent on whatever the legislature wants, and it might not be PCE.

Without PCE, the average cost in the YK-Delta for residential rates is \$0.56 to \$0.86 per kilowatt hour. With PCE, the average cost is only \$0.25. With approximately 25,000 residents and about 5,000 households, the PCE program keeps \$7.75M - \$15.25M into YK-Delta households to use on other vital family needs.

Alaska House of Representatives



House Finance Committee Bethel Community Meeting

Name Walter Jim

Address Bethel

Comments: Do you want comments submitted as public testimony on the Operating Budget ☒

Attached



Akiak
Akiachak
Alakanuk
Andreafsky
Aniak
Anvik
Atmautluak
Bethel
Bill Moore's Slough
Chelornak
Chevak
Chuathbaluk
Chuloonavick
Crooked Creek
Eek
Emmonak
Georgetown
Grayling
Hamilton
Holy Cross
Hooper Bay
Kasigluk
Kipnuk
Kongiganak
Kotlik
Kwethluk
Kwigillingok
Lime Village
Lower Kalskag
Marshall
Mekoryuk
Mountain Village
Napaimute
Napakiak
Napaskiak
Newtok
Nightmute
Nunam Iqua
Nunapitchuk
Ohogomiut
Oscarville
Paimute
Pilot Station
Pitka's Point
Quinhagak
Red Devil
Russian Mission
Scammon Bay
Shageluk
Sleetmute
St. Mary's
Stony River
Toksook Bay
Tuluksak
Tuntutuliak
Tununak
Umkumiut
Upper Kalskag

**PUBLIC COMMENT BEFORE THE HOUSE FINANCE COMMITTEE
ON THE
FY 2020 GOVERNOR'S BUDGET REQUEST
MARCH 23, 2019**

**Testimony of Walter Jim, Board Chair,
Yukon Kuskokwim Health Corporation**

My name is Walter Jim and I am here on behalf of the Yukon Kuskokwim Health Corporation (YKHC).

YKHC has been providing health care services in our region for over thirty years. We currently operate 41 village clinics, 5 large sub-regional clinics and a regional hospital in Bethel. We provide a broad array of services that provides comprehensive health care to approximately 30,000 people. Nearly 2/3 of our patients are Medicaid beneficiaries and another 10% have received coverage thanks to Medicaid expansion.

We employ about 1400 people, and over half of our workforce is Alaska Native. We spend over \$200 million per year in Alaska, and we are currently in the middle of a \$340 million addition to our hospital, which will ensure we can meet the growing healthcare needs of our patient population.

The region we serve is remote. There are no roads that connect many of our communities, and the unemployment rate in our villages is high. As a result over 30% of our patients live in poverty. Many of our patients live in homes without sewer hookups or safe drinking water. We survive on a traditional subsistence lifestyle.

Many patients do not have the money to pay for a plane ticket to Bethel or even to a sub-regional clinic to get necessary medical care. And when patients don't get the care they need, it ends up costing more on the back end because they show up in the emergency room or need a Medevac out of the village. When the patient cannot pay for this emergency care, these costs get passed on to the patients with health insurance and back to the Medicaid program itself.

Medicaid provides essential health services to the people of our region, and for most of our patients, the federal government fully reimburses the State at 100% for this care, meaning the State pays nothing. Medicaid expansion also brought more federal money to Alaska, helping to bring our State out of recession.

Cutting Medicaid will not save the State any money. If the State reduces its funding, the federal government will not make up the difference. Instead, it is other Alaskan patients and the Medicaid program itself that will bear the burden. The result is that while Medicaid may cover fewer people or fewer services, the per patient cost will go up and the State will be paying the same amount for less health care. This is not a good solution to solving the State's financial problems.

YKHC asks that the legislature fully fund the Medicaid program, reject any cuts suggested by the Governor, and make no changes to the eligibility requirements or types of covered services.

Thank you for the opportunity to provide testimony on behalf of the Yukon Kuskokwim Health Corporation and the nearly 30,000 people we serve.