

To be included in as public record as written testimony.

Dear Committee Members,

My name is Leslie Becker and I have been a resident of Ketchikan, Alaska for 4.5 years. I am a semi-retired health care executive with over 30 years of senior management experience working for large hospital systems and diagnostic imaging providers. I have worked in both CON and non CON states and can tell you from years of experience the CON is a HUGE DETRIMENT to managing health care costs, improving quality of care and enhancing patient access to services.

Free market competition is critical for any product or service. Competition always raises the bar on the level of services provided, lowers the cost of the service, and levels the playing field allowing greater access for all.

Alaska is renowned for its exorbitantly high health care costs and is often noted as having “the highest health care costs in the world”. Yes, due to the logistical issues of serving Alaska costs will always be higher but it does not need to be at the level we are experiencing today. The CON is one of the key drivers of the exponential growth in healthcare expense and the repealing it WILL NOT drive up costs. (I trust you have thoroughly reviewed the outstanding information submitted to the Committee by Matthew D. Mitchell, PhD, Director and Senior Research Fellow, Equal Liberty Initiative, Mercatus Center at George Mason University, which specifically outlines the impact and results of the CON.)

Further, without the REPEAL OF THE CON, medical tourism will continue to flourish in Alaska and a significant amount of diagnostic imaging studies and elective surgery cases (including those of our State and local government employees) will continue to be redirected to more efficient and cost effective centers in Montana, Texas, California, etc., all of which are NON CON states.

Are you aware of the cost differentials for diagnostic imaging between SE Alaska and the lower 48 states? Currently in Ketchikan the cost of an diagnostic MRI is billed at approximately \$5,000. That same MRI is offered at well under \$1000 in the Seattle area. There are no cash rate options offered in Ketchikan which forces patients to book a flight to Seattle for MRI scan. Take a minute and imagine that you are the patient and your insurance provider requires you to fly round trip to Seattle, stay at a hotel (quite often with a companion) to undergo a 30 minute scan? Imagine all of that costing less than having the service provided in your own community? And, what about the cost of loss of productive work time?

Without competition there is no incentive for cost management, efficiency or patient satisfaction. This also holds true for elective surgery, routine GI procedures etc. A very high percentage of insured patients are leaving Alaska for their elective services. Without free market competition Alaska’s level of care will continue to decline, patients will continue to seek lower cost options for elective care outside the state which will **heavily impact** an already difficult issue of physician recruitment and retention.

It is time to repeal the CON and reduce government control. The free market will determine its own success. Alaska needs to allow competitive health care services to enter the market.

Thank you for your time and consideration of this letter.

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