



PeaceHealth
Ketchikan Medical Center

March 15, 2022

The Honorable Bert Stedman
State Capitol Room 518
Juneau, AK 99801

Dear Senator Stedman,

I am writing today in opposition to SB 26, a bill that would repeal the state's certificate of need (CON) law. I concur with the letter submitted March 14 by the Alaska State Hospital and Nursing Home Association (ASHNHA), and wish to emphasize a few important points for your consideration.

Hospitals – especially nonprofits like Ketchikan Medical Center – are mission-driven to care for all, regardless of ability to pay. Hospitals are also responsible for investing in and maintaining 24/7 availability of a broad continuum of services, and for ensuring constant readiness for a wide variety of disaster scenarios.

By contrast, standalone for-profit outpatient facilities are much more likely to limit services to patients who are uninsured or who have government-based health insurance such as Medicaid or Medicare. Further, standalone facilities are not expected to invest in serving as the community's safety net provider, or for serving as a community resource during challenging circumstances.

Eliminating the state's CON program would allow for-profit companies to erode the local healthcare safety net in Alaska communities by disproportionately providing care for patients who have commercial insurance, by accepting few (if any) patients with Medicare or Medicaid, and by leaving the local nonprofit to take care of patients with limited ability to pay for their care. Ultimately, this could result in the erosion of the local continuum of care, and potentially in certain circumstances to the closure of healthcare facilities on which communities rely for healthcare access.

We urge you and your Senate colleagues to join Ketchikan Medical Center in opposing SB 26. If you have questions or would like to discuss, please contact me at your convenience.

Sincerely,

Dori Stevens
Chief Administrative Officer