

# ADN OPINION: What's really crowding Alaska's hospitals?

By [Steve Frank](#)

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I recently read [an opinion piece](#) describing Alaska's Certificate of Need law as an "unnecessary law" that is driving crowding in Alaska's hospitals. As a board trustee of our community-owned nonprofits, Foundation Health Partners and Fairbanks Memorial Hospital, I can tell you the certificate of need law is necessary regulation. It is not the cause of the current state of hospital crowding.

It's true that our hospital is occasionally full, but not because our community needs more hospital beds. It is because we are increasingly serving patients other health care providers do not wish to serve, and/or serving patients who do not need to be in the hospital but have nowhere else to go and cannot be discharged under federal law.

The current trend of assisted-living home closures and lack of options for adults who no longer need inpatient care, but who need some ongoing support after discharge, is of deep concern. Many of these patients cannot find or afford the supportive living options they need. By law, hospitals cannot discharge patients who do not have safe living options, but the government does not reimburse hospitals for care deemed not medically necessary.

This brings me back to Alaska's Certificate of Need law. Alaska is one of 36 states that recognize the value of the certificate of need. It has been argued these laws hinder a free market for health care services. But health care isn't a free market; it is heavily regulated. Here at Fairbanks Memorial Hospital, as with many hospitals in the U.S., the government sets the price for a majority of the services we provide in the community.

We are required to be open 24 hours per day, 7 days per week, 365 days a year, and to serve every patient regardless of their ability to pay. What other business sector is told you must provide services to everyone who walks in the door, even if they cannot pay?

Let's be clear. The proponents of repeal of the Certificate of Need law are not proposing to serve the uninsured, the underinsured, or patients who have Medicaid or Medicare as their insurance. Neither are they interested in providing psychiatric care, specialized assisted living care or even general overnight inpatient care.

If Certificate of Need is repealed, the only increased capacity you will see is a greater number of five-day per week, 9 a.m.-5 p.m. outpatient health care services, such as boutique surgery centers and imaging practices. While these new facilities compete for

the highest-paying customers, our hospitals will lose the resources needed to continue to remain open to provide the services our communities need, like professional quality overnight care and 24/7 emergency rooms. While they fight over all the highest paying customers, our local hospital will be left bleeding financially as it struggles to provide services to our community.

The State of Alaska should maintain its ability to ensure that unnecessary or duplicative facilities are not built which will ultimately be paid for in large part by the state Medicaid budget. If new and unnecessary surgery or imaging facilities are built, they will be able to select their customers. They will cherry-pick the highest-paying customers leaving the hospitals in a position to need increased reimbursements from state and federal funds. They'll take the private payers, and hospitals will be left with an even higher percentage of Medicaid and Medicare patients thereby increasing Alaska's Medicaid budget and the federal government's Medicare budget.

The American health care system is anything but a free market system. A simplistic solution that hurts our hospital's ability to maintain critical medical services in our community is not the answer.

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