

**ALASKA STATE LEGISLATURE
JOINT MEETING
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE
HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE
February 3, 2010
1:33 p.m.**

MEMBERS PRESENT

SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

Senator Bettye Davis, Chair
Senator Joe Paskvan, Vice Chair
Senator Johnny Ellis
Senator Joe Thomas
Senator Fred Dyson

HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

Representative Wes Keller, Co-Chair
Representative Tammie T. Wilson, Vice Chair
Representative Sharon Cissna

MEMBERS ABSENT

SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

All members present

HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

Representative Bob Herron, Co-Chair
Representative Bob Lynn
Representative Paul Seaton
Representative Lindsey Holmes

COMMITTEE CALENDAR

Presentation: United Way, 211 Project; Alaska Health Care Commission Report

SENATE BILL NO. 172

"An Act establishing the Alaska Health Care Commission in the Department of Health and Social Services; and providing for an effective date."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 172

SHORT TITLE: ALASKA HEALTH CARE COMMISSION

SPONSOR(s): SENATOR(s) OLSON

03/27/09	(S)	READ THE FIRST TIME - REFERRALS
03/27/09	(S)	HSS, FIN
04/17/09	(S)	HSS AT 1:30 PM BUTROVICH 205
04/17/09	(S)	Scheduled But Not Heard
04/18/09	(S)	HSS AT 10:00 AM BUTROVICH 205
04/18/09	(S)	-- MEETING CANCELED --
02/03/10	(S)	HSS AT 1:30 PM BUTROVICH 205

WITNESS REGISTER

SUE BROGAN and KAREN BITZER

Alaska 2-1-1

Anchorage, AK

POSITION STATEMENT: Presented information about Alaska 2-1-1.

WARD HURLBURT M.D., MPH, Chief Medical Officer

Department of Health and Social Services

Division of Public Health

Chairman, Alaska Health Care Commission

Anchorage, AK

POSITION STATEMENT: Presented information regarding the work of the Alaska Health Care Commission. Supported SB 172.

DEBORAH ERICKSON, Executive Director

Alaska Health Care Commission

Anchorage, AK

POSITION STATEMENT: Presented the Alaska Health Care Commission 2009 Report. Supported SB 172.

ELLEN ADLAM, Board Member

Peninsula Community Health Services

Soldotna, AK

POSITION STATEMENT: Supported SB 172.

DR. LARRY STINSON, representing himself

Anchorage, AK

POSITION STATEMENT: Supported SB 172.

BEVERLY SMITH

Christian Science Committee on Publication for the state of
Alaska

Juneau, AK

POSITION STATEMENT: Supported SB 172.

RYAN SMITH, CEO

Central Peninsula Hospital and Heritage Place

Soldotna, AK

POSITION STATEMENT: Supported SB 172.

J. KATE BURKHART, Executive Director

Alaska Mental Health Board and the Advisory Board on Alcoholism
and Drug Abuse

Anchorage, AK

POSITION STATEMENT: Supported SB 172 as long as the commission
includes representation for behavioral health.

PAT LUBY, Advocacy Director for AARP

Anchorage, AK

POSITION STATEMENT: Supported SB 172.

SHELLY HUGHES, Government Affairs Director

Alaska Primary Care Association

Anchorage, AK

POSITION STATEMENT: Supported SB 172.

ACTION NARRATIVE

[1:33:39 PM](#)

CHAIR BETTYE DAVIS called the joint meeting of the Senate and
House Health and Social Services Standing Committees to order at
1:33 p.m. Present at the call to order were Senators Dyson,
Ellis, Olson, Paskvan and Davis; Representatives Wilson and
Keller.

United Way, 211 Project

[1:34:51 PM](#)

CHAIR DAVIS announced a presentation on the Alaska 2-1-1
Project.

SUE BROGAN and KAREN BITZER, Alaska 2-1-1, Anchorage, Alaska,
said hundreds of people call every day for essential human
services information such as training for employment, the hours
of operation of a food pantry, help for an aging parent,
information on addiction prevention programs, and affordable

housing options. Alaska 2-1-1 was launched in 2007; it has answered 25,000 calls and made 27,586 referrals since that time. It is a free, confidential service available statewide from 8:30 to 5:00 Monday through Friday, even in those areas that do not have a 911 dialing option. Referrals are made from a robust database that currently has 875 provider sites and 1978 programs; data is updated on an ongoing basis as new resource information becomes available. The database is searchable on the Alaska 2-1-1 website at and has had 53,880 web searches so far. This is an easy way for individuals to search for information or referral services.

MS. BROGAN continued; the Alaska 2-1-1 project is in a unique position to play a role in disaster response. They are co-located in the emergency operations center in Anchorage and have already supported two local responses: providing health information when Mount Redoubt was erupting, and assisting the H1N1 immunization effort in Anchorage.

She said Alaska 2-1-1 is connected to a national system that has answered nearly 14 million calls since 2008. It is built on a platform similar to other 2-1-1 systems and could be asked to answer calls from other states or roll its phones to another state if needed. She noted that the "Calling for 2-1-1 Act of 2009" is making its way through congress supported by Senator Murkowski, Senator Begich, and Representative Young.

While Alaska 2-1-1 is not a direct service provider, Ms. Brogan said, the data it collects has already influenced some very positive change in the state. Recently the data collected was used in a successful presentation to a major foundation in Alaska, which resulted in hundreds of thousands of dollars of unrestricted new money being distributed for use to address emergency food and shelter needs. She suggested that the state could increase efficiency and save money if all of the referral services it supports were integrated into Alaska 2-1-1 as the sole source for health and human service referrals.

MS. BROGAN said they have worked very hard during the past year to secure agreements with many state departments to require that their grantees keep up-to-date information in the Alaska 2-1-1 database; partnerships with Public Safety, Workforce Development, Homeland Security, and others flourish. She asked that the legislators include Alaska 2-1-1 in their newsletters and provide a link to the service on their websites.

In conclusion, Ms. Brogan stated that Alaska 2-1-1 helps Alaskans connect to the health and human services they need. If the Calling for 2-1-1 Act passes, Alaska 2-1-1 will need the state's commitment so it can access federal matching grant funds. She said they welcome feedback to help them improve the system and invited the committee to celebrate 2-1-1 Day with them on February 11, 2010.

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CHAIR DAVIS commended Ms. Brogan and Ms. Bitzer for their work on the 2-1-1 program and assured them that the legislators will include information about it in their newsletters and mention it at their upcoming constituent meetings.

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KAREN BITZER, Director for Alaska 2-1-1, Anchorage, Alaska, said she is available for questions.

Alaska Health Care Commission Report

[1:41:43 PM](#)

CHAIR DAVIS announced a report by members of the Alaska Healthcare Commission.

WARD HURLBURT M.D., MPH, Chief Medical Officer, Department of Health and Social Services, Division of Public Health; Chairman, Alaska Health Care Commission, Anchorage, Alaska, introduced the members of the commission: Ryan Smith, Soldotna, representing the Alaska State Hospital and Nursing Home Association(ASHNHA); Wayne Stevens, Juneau representing the Chamber of Commerce; Larry Stinson MD, Palmer; Senator Donald Olson; Representative Wes Keller; Commissioner Linda Hall, with the Alaska Insurance Commission; Deb Erickson, Executive Director, Alaska Health Care Commission; Valerie Davidson, representing the Alaska Native Tribal Health Consortium (ANTHC); Jeff Davis, Alaska health insurance industry representative; Keith Campbell, a health care consumer.

DR. HURLBURT said the commission was chartered by Governor Palin on December 4, 2008 and started work in February 2009. It has had four formal meetings and several telephonic meetings.

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Senator Thomas and Representative Cissna joined the meeting.

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DEBORAH ERICKSON, Executive Director, Alaska Health Care Commission, Anchorage, Alaska, visited the history of formal attempts over the past 20 years to address problems surrounding access and affordability of health care in Alaska. She said Governor Cowper created The Governor's Interim Health Care Commission in 1987, which came out with a report in 1988. In 1991 the Alaska legislature created the Health Resources and Access Taskforce that came out with a series of recommendations. One result was the Alaska Comprehensive Health Insurance Association (ACHIA), which was created in 1992 for high-risk individuals who have been denied health coverage by private insurers due to a pre-existing medical condition. A private group formed in 2003 by Commonwealth North came out with a report focused on improving access and delivery of primary care. In 2007, Governor Palin established the Alaska Health Care Strategies Planning Council, which met for about six months and came out with recommendations for improving health care delivery in the state.

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MS. ERICKSON directed the committee members' attention to a graph on slide 3 that was taken from the Health Resources and Access Task Force 1993 Report. It shows a projected increase in health care expenditures from \$1.6 billion in 1991 to \$5.5 billion by 2003. That figure is now estimated to be over \$6 billion, and the state Medicaid budget General Fund expenditures are approaching \$500 million.

MS. ERICKSON explained that Governor Palin established the current Alaska Health Care Commission specifically to foster development of a statewide health care plan to improve affordability and access to health care. It was required to submit a report to the Governor and the Legislature on or before January 15, 2010 regarding the commission's recommendations and activities.

MS. ERICKSON observed that health care is generally quite a bit higher in the United States than in other countries. That impacts workers' and families' ability to afford health care, as insurance premiums are rising much more quickly than income. The commission found evidence that costs for care in Alaska are even higher than elsewhere in the United States. Alaska has the highest annual Medicaid expenditure per enrollee in the country. It is also ranked first in the nation for the cost of workers' compensation premiums; that is significant because those high premiums are driven in part by medical costs. Medical costs make up 72 percent of workers' compensation benefit claims in Alaska;

the national average is 58 percent. The average medical cost in Alaska is \$40,000 per injury, compared to the national average of \$26,000. The average cost per hospital stay in this state is nearly twice the national average. She added that the Consumer Price Index (CPI) for Anchorage, specifically for medical care, doubled between 1991 and 2005.

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MS. ERICKSON said the commission really didn't have the time or resources during its first year to gather all of the information it needed to study the issue of pricing, but examples from Alaska's Medicaid fee schedules indicate that Alaska's fees are two to three times higher than the fees paid by Washington's Medicaid program.

She reported that the commission was particularly interested in the role individual behaviors play in determining health and health care services. Forty percent of the determinants of health are driven by individual behaviors, as opposed to just 10 percent by access to quality health care. Nationwide, 70 percent of deaths are caused by chronic diseases, most of which are preventable, and 75 percent of all health care expenditures are costs related to chronic disease. The graph on slide 15 illustrates that two thirds of the increase in health care expenditures over the past 20 years is due to the increase in chronic disease. Research indicates that if the prevalence of chronic disease in the population had remained the same over the past 20 years, this country would have saved \$200 billion in health care costs.

She thanked Mark Foster, an economist for the ISER Institute for Social and Economic Research, for the equation on slide 16. It shows that overall costs are driven by price, times utilization.

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MS. ERICKSON highlighted the issues identified by the commission and included in its report:

- Costs are unaffordably high and continue to climb.
- The system is fragmented.
- Financing and payment mechanisms are very complex.
- Many Alaskans lack access to health insurance.
- Some Alaskans are on Medicare or have private insurance but can't find a physician.
- There are high vacancy rates in many of the health care job categories.

- Levels and variations in the quality of care are not well understood.
- Both consumers and providers are frustrated.
- The system as designed is not sustainable.

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MS. ERICKSON said the commission's strategic plan laid out a five-year planning framework that started with developing a vision of the ideal health care delivery system for Alaska; it calls for accurately identifying the problems with the current system, building a foundation for reform, designing the elements that will move it forward, measuring progress along the way, and engaging the public and stakeholders in the process. The commission came up with 31 specific recommendations around the priority issues it had identified; included with the policy recommendations was a directive to the governor and the legislature. Tables on pages 63 through 68 of the Alaska Health Care Commission 2009 Report lay out a suggested action plan for the recommendations. The commission also included a 2010 work plan with the hope that there will be a health care commission continuing this work.

She stressed that this commission believes the health care delivery system focuses too much on providing sick care and not enough on improving health status. Alaska needs a system that maximizes the dollars spent, is sustainable, and satisfies both consumers and providers. She read quickly through the vision, reform goals, and values on slide 20.

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At the commission's first meeting in February of 2009, the group defined the following priorities for their first year:

- Consumers' Role In Health Care - This is related to healthy lifestyles and the importance of primary care.
- Statewide Leadership - They realized immediately that one year is not enough to conduct a thorough analysis and develop a comprehensive understanding of the problems with the current system or to formulate strategies to address them; they recommend that the state establish a permanent body in statute. She pointed out that no recommendations were made regarding improving access to health insurance because so much work is being done at the national level.
- Health Care Workforce - Recognizing that there are a lot of health care workforce issues, they pinpointed physician supply for their attention.

- Health Information Technology - They identified the importance of developments in the move toward electronic health records and the health-information exchange as a priority.
- Medicare Access Problem - The problems Medicare enrollees, especially those in urban areas of Alaska, experience in accessing primary care and finding a physician who will take new Medicare patients, was the final issue targeted for study the first year.

MS. ERICKSON said the pyramid chart on slide 22 reveals that the first four priorities come together neatly for an overall health care transformation strategy. She emphasized the group's concern that the fifth element, Medicare access, might be the "canary in the coal mine," an early indication that Alaska's health care system is beginning to fail.

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She said the 31 recommendations she referenced earlier cut across the five priority areas. Slides 25-28 provide key high-level recommendations associated with each priority area.

MS. ERICKSON asked if any members of the committee have had a chance to look at the bills coming out of both the U.S. House and the U.S. Senate and underscored that there is no one agency in the state that is responsible for looking at health care overall and understanding the impact of federal proposals on Alaska's families and businesses. One of the committee's recommendations is that the state develop the infrastructure and capacity to analyze and respond to the impacts of national reform efforts.

She stated that building the health care workforce has to be an ongoing priority for the legislature and the governor on health care reform and on economic development agendas. Children should be exposed to health care as a workforce opportunity as early as preschool and should get the educational foundation in math and science they will need if they choose to pursue it. The state also needs to build on the innovation and adaptation that has made Alaska a global leader in creative approaches to delivering health care, like the community health aide program and the dental health aide program that were developed in the tribal health system for rural and remote communities.

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MS. ERICKSON said a lot is going on in the area of planning for workforce development by organizations such as the Workforce Investment Board, the Mental Health Trust and the Department of Health and Social Services. While the commission acknowledged those individual efforts, it recommended that a single entity be designated to coordinate and oversee them in order to avoid duplication. The series of recommendations specific to increasing the supply of primary-care physicians includes: establishing educational loan repayment programs, implementing more Graduate Medical Education (GME) residency programs, and expanding the Washington, Wyoming, Alaska, Montana, Idaho (WWAMI) medical school program.

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She moved on to slide 27 and some general groupings of recommendations for deploying health care information technology including the importance of privacy and security and the appropriate role for government in supporting the adoption and utilization of electronic health records and the development of the health information exchange. The commission also looked at telemedicine, another area where Alaska is a leader; it recommended that the state improve telecommunications infrastructure and make more resources available for telemedicine services.

MS. ERICKSON admitted that Medicare access is really a challenging problem and a critical one. The commission determined that the most important thing the state can do is to increase the supply of primary providers. It also recognized the importance of mid-level practitioners (nurse practitioners and physicians assistants) and of establishing a residency program for internal medicine providers.

She said the commission recommended state support for the federal safety-net programs, Federally Qualified Health Centers (FQHC), and Rural Health Clinics (RHC), and the development of a Program of All-Inclusive Care for the Elderly (PACE). PACE is a Medicaid, Medicare waiver program that provides comprehensive, integrated, wrap-around services for seniors who are eligible for and need a nursing home level of care.

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MS. ERICKSON read briefly from the remaining slides on other transformation elements. She closed by saying that the current commission under AO 246 expires April 10, 2010, but there are three bills pending in the legislature that would establish a health care commission in statute: SB 172, HB 25 and HB 75.

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SENATOR PASKVAN asked Ms. Erickson to define the term "chronic disease."

DR. HURLBURT responded that when he came to Alaska in 1961, doctors saw mostly episodic events that they could treat and be done with. Chronic diseases are those that people acquire and that generally go on for life. Some are wear-and-tear conditions like arthritis, but most are diseases of choice. Insufficient exercise and poor diet cause diabetes and heart disease. Smoking causes chronic lung disease. There is no magic bullet to cure these.

REPRESENTATIVE KELLER thanked the other commissioners and the director for their efforts and expressed his respect for their knowledge and professionalism.

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REPRESENTATIVE CISSNA said she believes the commission has produced a fine result and has managed to look at the system and its problems in a new way.

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SENATOR THOMAS commented that the commission has gathered a lot of information and knows what the problems are; he asked whether the next steps will concentrate primarily on how to control costs through education in the schools.

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DR. HURLBURT said that will certainly be part of it, but the issues are broad. He pointed to the importance of doing the right thing to encourage proper nutrition and positive lifestyle changes. Educating kids about these things should begin before they are in school; but school does give educators an opportunity to reach them.

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CHAIR DAVIS called an at ease at 2:27 and called the meeting back to order at 2:28.

SB 172-ALASKA HEALTH CARE COMMISSION

[2:28:30 PM](#)

CHAIR DAVIS announced consideration of SB 172.

[2:28:47 PM](#)

SENATOR OLSON, sponsor of SB 172, said Alaska is currently facing serious health care cost, access, and quality issues. The ISER report alluded to by Deborah Erickson, stated that between 1991 and 2005 health care expenditures in the state tripled, going from \$1.6 billion to \$5.3 billion. These costs are expected to double by 2013. All levels of government are affected; what is more important is that Alaska's economy cannot sustain this inflationary growth.

The issues involved are broad and complex; they cannot be dealt with unless there is a permanent body to plan and follow through with long-range comprehensive reforms. Both the Commonwealth North Alaska Health Care Roundtable group and the Alaska Health Care Strategies Planning Council have recommended establishment of a permanent body to address the problems Alaska is facing.

The Health Care Commission will be established under the Department of Health and Social Services and will consist of ten members including public officials and private citizens. It will provide recommendations for the development of a statewide plan to address the quality, accessibility, and availability of health care to all residents of the state of Alaska. Alaska's need for health care reform is pressing and must be dealt with thoroughly and efficiently, with a long-range view toward meaningful and lasting change. The Alaska Health Care Commission will play an important role in this process; it is essential that the legislature make it a permanent component of the Department of Health and Social Services so that present, as well as future issues with Alaska's health care can be better anticipated, understood, and addressed.

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ELLEN ADLAM, Board Member, Peninsula Community Health Services, Soldotna, Alaska, said she is an X-ray technician and has been involved for a long time with community health centers. She agreed that health care is a big problem in this state and said she supports SB 172, but the board would like to see a primary care "safety net" seat established on the commission to provide a voice for the underinsured and uninsured. Peninsula Community Health Services is one of the three largest health systems in the state, serving 81,000 patients. It includes 26 organizations with 142 sites, and those sites see Medicare patients, so it is very important that they be included. She suggested the commission use a provider from a health center, because they provide not only medical, but dental and behavioral health. That seat would encompass the voice for the underinsured and the primary provider.

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DR. LARRY STINSON, representing himself, Anchorage, Alaska, said he supports SB 172 and recognizes that there needs to be a balance between representation and the number of people on a committee in order to get things done. This bill creates a manageable group; it also keeps any one entity from having a majority vote that might dominate the outcome.

2:39:18 PM

DEBORAH ERICKSON, Executive Director, Alaska Health Care Commission, Anchorage, Alaska, said this particular bill mirrors very closely Administrative Order 246, which established the current commission and includes a transition clause that will automatically appoint the members of the current commission to the new one if SB 172 passes in its current form. She added that the commission's work during its first year really laid the groundwork and will be a good jumping-off point if this bill passes.

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WARD HURLBURT M.D., MPH, Chief Medical Officer, Division of Public Health, Department of Health and Social Services (DHSS); Chairman, Alaska Health Care Commission, Anchorage, Alaska, said the commission under this bill should provide significant continuity; the membership reflects excellent professional and geographic diversity and has achieved momentum that will continue under SB 172.

As was previously discussed, he said, the commission's major focus will be on health care costs, which now represent about 18 percent of the U.S. gross national product; Alaska is spending about \$6 billion per year. The American Health Insurance Plans Association announced today that the expectation nationally is for commercial health insurance premiums to go up more than 10 percent in 2010, as compared to a 1.4 percent increase in wages. He said Medicaid is a huge chunk of the governor's supplemental request to the legislature for funding, and ventured to say that every department, in every state in the country, has to make control of Medicaid costs almost their top priority.

DR. HURLBURT shared that he is a cynic with regard to commissions, but thinks the members on this commission have worked well together and that making it permanent is the right step.

2:47:08 PM

BEVERLY SMITH, Christian Science Committee on Publication for the state of Alaska, Juneau, Alaska, said one of her roles is to ensure the legislature has accurate information concerning spiritual healing as practiced in Christian Science, so this cost-effective and reliable form of care is not overlooked or restricted in the state's health care reform efforts. With regard to SB 172, she requested that access to spiritual care for the treatment and cure of disease be given appropriate consideration during discussions of the development of a statewide health plan. To facilitate this discussion, she recommended that the bill mandate one of the duties of the commission be to recommend the extent to which and under what circumstances access to spiritual care should be addressed in a comprehensive statewide health care policy. Because health care reform discussions at the state and federal levels have raised issues that could impact the insurance coverage for spiritual care, it is important that these issues be discussed so as not to create unintended results that could limit the coverage for spiritual care.

She said she noticed the bill does not mandate insurance coverage for all Alaskans, but asks the commission to develop a strategy that encourages acquisition of health insurance and that increases the number of insurance options available for health care services. If Alaskans pay health insurance premiums, they should be able to be reimbursed for the health care they choose, whether that is medical care or spiritual treatment.

MS. SMITH referred to page 2 of her memorandum to the committee, dated February 3, 2010, which cites a number of state and federal programs that offer benefits for spiritual care. She pointed out that Alaska does allow spiritual treatment under the state employees' health insurance plans. Christian Science care can also be deducted under medical expenses from federal income tax.

She closed by saying that she hopes the commission will preserve the insurance coverage for spiritual care that Alaska residents now enjoy and recommend that it be expanded to include religious non-medical nursing services. If the commission were directed in statute to include spiritual care in its discussions of reform, it would prevent such access from being overlooked or minimized.

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MS. SMITH thanked the committee and the sponsor for their work on health care reform and respectfully requested that this commission have the responsibility for discussing and

recommending how access to spiritual treatment and care can be part of the overall health care plan in Alaska.

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RYAN SMITH, CEO, Central Peninsula Hospital and Heritage Place, Soldotna, Alaska, and a member of the Alaska Health Care Commission, thanked the committee and others for their support for health care reform and expressed strong support for SB 172.

2:53:53 PM

J. KATE BURKHART, Executive Director, Alaska Mental Health Board and the Advisory Board on Alcoholism and Drug Abuse, Anchorage, Alaska, said both boards were created by statute, with statutory duties that include providing advice and advocacy on issues related to mental health and substance abuse to the executive and legislative branches.

She prefaced her testimony by saying that the information and positions she expresses today are those of the boards and not of the governor's office or the Department of Health and Social Services. On behalf of both boards, she extended their appreciation to the Alaska Health Care Commission for the work it has done and stated that they support the continuation of a health care commission in whatever form that takes, as long as it includes representation of the Behavioral Health system.

MS. BURKHART enumerated three reasons that having the perspective and representation of an active, licensed, behavioral health professional on the commission is very important:

1. The state of Alaska invests a substantial amount of money in the behavioral health system. As Ms. Erickson stated, the current health system is very fragmented, and to create a commission that doesn't include representation of a major health care system will not help to resolve that fragmentation problem.
2. The issue of co-morbidity when working with populations that experience a mental health disorder is significant. Often, people with serious mental illness live 25 years less than others who do not have a mental illness. Given the commission's focus on chronic diseases, representation from the behavioral health field seems appropriate.
3. What is contemplated here is system change. The commission's report says that the system as it is now is not sustainable. If the legislature is going to address a

comprehensive system change, all of its health systems should be represented.

In response to concerns that the commission could become too large and unwieldy, she suggested AS 18.09.020(1)(e) seems to contemplate that the health care provider who is not affiliated with ASHNHA is a primary health care provider. She said she thinks it is possible to have a seat for a primary care provider from Alaska's federally qualified health centers and the providers who serve indigent populations, and another for a behavioral health professional. She pointed out that there are movements afoot to integrate primary care and behavioral health. Examples include Peninsula Community Health and South Central Foundation.

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PAT LUBY, Advocacy Director for AARP, Anchorage, Alaska, said they are in full support of SB 172. He praised the members of the Alaska Health Care Commission for the great work they have done on some targeted issues and for their ability to work collaboratively for the good of all Alaskans, despite different backgrounds or political affiliations.

2:59:54 PM

SHELLY HUGHES, Government Affairs Director, Alaska Primary Care Association, Anchorage, Alaska, said part of reason Governor Palin and Governor Parnell established the current commission was due to a report by Commonwealth North, Alaska Health Care Roundtable Group, titled "Alaska Primary Health Care Opportunities and Challenges;" She pointed to the words "Primary Care" and said that primary care is the gateway to health care and includes behavioral health, dental, and medical care. Without a designated seat for primary care, she is concerned that the commission will be missing expertise and input that may be helpful in working out a statewide plan. She agreed with previous speakers that the commission could get "two for the price of one" because, if the legislature adds a primary care safety-net seat, it will also be getting expertise on the uninsured problem in this state.

She emphasized that the three largest health systems in the state are the hospitals, tribal health, and the community health centers. The first two of these are designated in the bill; the primary care safety-net or community health centers are not in the bill. The one provider seat may or may not be a primary care provider but is a specialist at this time. She encouraged the committee to consider adding a primary care provider seat. While she understands the need to keep the commission compact, she

believes this is a key component and something very integral to working on a statewide plan.

She mentioned that the state Chamber of Commerce passed a position for this session in agreement with the establishment of the health care commission, including a seat for primary care.

[SB 172 was held in committee.]

3:02:38 PM

There being no further business to come before the committee, Chair Davis adjourned the meeting at 3:02 p.m.