

HOUSE FINANCE COMMITTEE

April 11, 2015

1:05 p.m.

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CALL TO ORDER

Co-Chair Thompson called the House Finance Committee meeting to order at 1:05 p.m.

MEMBERS PRESENT

Representative Mark Neuman, Co-Chair
Representative Steve Thompson, Co-Chair
Representative Dan Saddler, Vice-Chair
Representative Bryce Edgmon
Representative Les Gara
Representative Lynn Gattis
Representative David Guttenberg
Representative Scott Kawasaki
Representative Lance Pruitt
Representative Tammie Wilson

MEMBERS ABSENT

Representative Cathy Munoz

ALSO PRESENT

Pamela Watts, Juneau Alliance for Mental Health, Inc. (JAMHI), Juneau; Kate Burkhart, Southeast Alaska Independent Living, Inc. (SAIL), Juneau; Colleen McKenzie, Juneau Alliance for Mental Health, Inc., Juneau; Tony Sholty, Juneau Alliance for Mental Health, Inc., Juneau; Crystal Bourland, Self, Juneau; Lincoln Bean, Alaska Native Health Board, Juneau; Joan O'Keefe, Southeast Alaska Independent Living and Statewide Independent Living Council, Juneau; Kimberlay Strong, Southeast Alaska Regional Health Consortium, Klukwon; Crystal Dooley, Self, Juneau; Walter Majoros, Executive Director, Juneau Youth Services, Juneau; Ric Iannolino, Self, Juneau; Karla Hart, Self, Juneau; Annika Ord, Self, Juneau; Jordan Nigro, Self, Juneau; Representative Andy Josephson; Representative Dan Ortiz.

PRESENT VIA TELECONFERENCE

Elizabeth Ripley, Executive Director, Mat-Su Health Foundation, Mat-Su; Mike Coons, Self, Mat-Su; Annette Alfonsi, Self, Anchorage; Marian Elliott, Self, Wasilla; Mary Minor, Self, Homer; Margaret Soden, Self, Fairbanks; Richard Cobden, Fairbanks Orthopedics, Fairbanks; Jim Lynch, Chief Financial Officer, Fairbanks Memorial Hospital, Fairbanks; Pat Branson, Executive Director, Senior Citizens of Kodiak, Kodiak; Judy Eledge, Self, Anchorage; Ric Nelson, Chair, Governor's Council on Disabilities and Special Education, Anchorage; Kevin D. McGee, National Association for the Advancement of Colored People - Alaska, Anchorage; Randi Sweet, United Way of Anchorage, Anchorage; Rosalie Nadeau, CEO, AKEELA, Anchorage; Robin Smith, Self, Anchorage; Jessica Cler, Alaska Public Affairs Manager, Planned Parenthood Votes Northwest, Anchorage; Ernie Weiss, Self, Anchorage; Richard Mandsager, Providence Medical Center, Anchorage; Dr. Ilona Farr, Family Practice Anchorage, Anchorage; Dr. Mario Lanza, Alyeska Family Medicine Inc., Anchorage; David Morgan, Alaskan Center for Sustainable Healthcare Expenditures and Policy, Anchorage; Dr. Brett Barringer, Medical Practice Owner, Anchorage; Cam Carlson, Self, Fairbanks; John Murphy, Self, Fairbanks; Patrick McCormick, Self, Fairbanks; Andrew Reimherr, Self, Fairbanks; Robert Clark, President, Bristol Bay Area Health Corporation, Dillingham; Richard Smith, Self, Valdez/Ketchikan; Barbara Bigelow, Self, Valdez; Ruthie Knight, Valdez Hospital Board, Valdez; Daniel Hamm, Alaskan Republican Assembly, Palmer; Dee McKee, Self, Palmer; George McKee, Self, Palmer; Judge Michael Jeffery, Self, Barrow; Tom Chard, Executive Director, Alaska Behavioral Health Association, Juneau; Lizette Stiehr, Executive Director, Alaska Association on Developmental Disabilities, Chugiak; Randy Eledge, Self, Anchorage; Linda Stevens, Self, Anchor Point; Patricia Fisher, Self, Meadow Lake; Mike Powers, CEO, Fairbanks Memorial Hospital, Fairbanks; Christopher Jenson, Physician and President, Interior Independent Practice Association, Fairbanks; Cheryl Kilgore, Executive Director, Interior Community Health Center; Eric Treider, Self, Soldotna; Tanya Halliday, Manager, Cook Inlet Dental, Soldotna; Trina Richardson, Self, Soldotna; Nelma Treider, Self, Soldotna; Eleanor Murphy, Self, Eagle River; Jon Zasad, Director, Marketing and Development, Anchorage Neighborhood Health Center, Anchorage; Ben Firth, Self, Anchor Point; Sherrell Holtshouser, Self, Anchorage;

Barnabas Firth, Self, Anchor Point; Dr. Colonel Cockrell Cates, Alaska Osteopathic Medical Association, Anchorage; Jeanne Gerhardt-Cyrus, Self, Kiana; Pat Stanley, Executive Director, Council of Athabascan Tribal Government, Yukon Flats; Robin Patrick, Self, Palmer; Ellen Adlam, Peninsula Community Health Services, Soldotna; Heidi Frost, Self, Anchorage; Nancy Burke, Self, Anchorage; Ryan McKee, Self, Anchorage; Jeremy Price, Director, Americans for Prosperity Alaska, Anchorage; Hans Roduik, Field Director, Americans for Prosperity Alaska, Anchorage; Bob Reupke, Anchorage Faith in Action Congregations Together, Anchorage; Dave Branding, South Peninsula Behavioral Health Services, Homer; Ken Landfield, Self, Homer; Jill Lush, Self, Homer; Tyson Alteri, Self, Homer; Cassidy Lush, High School Student, Homer; Monica Adams, CEO, Peninsula Community Health Services, Kenai; Joshua Gilmore, Tanana Chiefs Conference, Fairbanks; Jeanette Grasto, National Alliance of Mental Illness (NAMI), Fairbanks; Daniel Nelson, President, Alaska Pharmacists Association, Fairbanks; David Boyle, Self, Anchorage; Andree McLeod, Self, Anchorage; Jerry Jenkins, CEO, Anchorage Community Mental Health Services, Anchorage; Michael Sobocinski, Anchorage Community Mental Health Services, Anchorage; David Nees, Self, Anchorage; Shelly Vendetti-Vuckovich, Self, Anchorage; Katie Parrot, Director, Quality Assurance and Program Development, Residential Youth Care, Ketchikan; Mary Jane Toutonghi, Self, Soldotna; Pat Linton, Executive Director, Seward Community Health Center, Seward; Jim Syke, Self, Palmer; Bonnie Cameron, Self, Anchorage; Monica Stoesser, Self, Anchorage; Tom Lakosh, Self, Anchorage; Alex Gimarc, Self, Anchorage; Alex Prichard, Self, Fairbanks; Lora Jorgenson, Self, Anchorage; Frank Box, Self, Anchorage; Lee Coray-Ludden, Self, Clam-Gulch; John Cullen, Family Physician, Valdez.

SUMMARY

HB 148 MEDICAL ASSISTANCE COVERAGE; REFORM

HB 148 was HEARD and HELD in committee for further consideration.

[1:05:44 PM](#)

Co-Chair Thompson discussed the agenda for the day.

#hb148

HOUSE BILL NO. 148

"An Act relating to medical assistance reform measures; relating to eligibility for medical assistance coverage; relating to medical assistance cost containment measures by the Department of Health and Social Services; and providing for an effective date."

[1:05:59 PM](#)

PAMELA WATTS, JUNEAU ALLIANCE FOR MENTAL HEALTH, INC. (JAMHI), JUNEAU, testified in support of Medicaid expansion. She provided information about the organization; its services helped keep many adults with mental illness from needing more intensive and costly care. She detailed that many of JAMHI's clients used Medicaid to receive services. The organization also served a significant number of people who were not currently eligible for Medicaid; services for these clients were paid for with state general funds and by scraping together other sources of funding. She did not believe it was prudent to wait until people's behavioral health problems became so severe that they needed to apply for social security disability benefits to become Medicaid eligible. She shared that early intervention was more effective and saved the state money. She urged the committee to support the expansion of Medicaid in Alaska; it made good common and fiscal sense in the short and long-term.

[1:08:05 PM](#)

KATE BURKHART, SOUTHEAST ALASKA INDEPENDENT LIVING, INC. (SAIL), JUNEAU, testified in support of Medicaid expansion. She communicated that the entity was not a Medicaid biller; there was no financial incentive related to SAIL's support. She shared that many of the disabled adults served by the organization did not have healthcare. She detailed that SAIL worked to help clients remain stable and active in the community and to help them navigate the disability system through the Social Security Administration (SSA). She shared that one of the barriers to accessing Medicaid in the state was the requirement that a person be determined disabled by the SSA first, which could be very complex. The bill ensured that Alaskans in need had access to healthcare and that SAIL clients had a greater opportunity to be productive and contributing in the community.

Co-Chair Thompson noted that Representative Edgmon and Representative Kawasaki had joined the meeting.

[1:09:54 PM](#)

COLLEEN MCKENZIE, JUNEAU ALLIANCE FOR MENTAL HEALTH, INC., JUNEAU, testified in support of Medicaid expansion. She stated that without Medicaid services many seriously mentally ill adults would be unable to access necessary care and would be faced with using the hospital as a stopgap measure, or could end up homeless, or in jail. Medicaid enabled individuals to receive therapy, psychiatric services, case management, and support services. She elaborated that many adults with mental illness were not eligible for Medicaid and had little or no means of support. She stressed that Medicaid funding was critical for the organization to serve adults with mental illness. She strongly encouraged Medicaid expansion.

[1:11:28 PM](#)

TONY SHOLTY, JUNEAU ALLIANCE FOR MENTAL HEALTH, INC., JUNEAU, stressed that Medicaid expansion was the right thing to do and was the fiscally responsible and conservative thing to do. He urged the committee to pass the legislation, which would save the state money.

[1:12:25 PM](#)

CRYSTAL BOURLAND, SELF, JUNEAU, testified in support of Medicaid expansion. She discussed her prior employment where she had encountered many individuals who fell within the Medicaid gap. She shared details about the individuals that did not have healthcare coverage including college students. She pointed to other individuals she had seen without insurance including artists, seasonal and service workers, self-employed persons, fishermen, and individuals making minimum wage. She stressed that a lack in health coverage could lead to barriers to employment and to poor health and quality of life.

[1:14:34 PM](#)

LINCOLN BEAN, ALASKA NATIVE HEALTH BOARD, JUNEAU, testified in support of Medicaid expansion. He provided information about his professional background. The board adamantly

believed that the present was the right time to expand Medicaid. He spoke to the entity's track record as an effective and innovative partner in the delivery of health services and how Medicaid expansion was needed to improve service delivery and cost savings. He referred to various health programs offered by the entity; the system was underfunded by 50 percent. He stressed that third-party billing, which included Medicaid and other insurance, was an essential component of the funding mix. He elaborated that 100 percent Federal Medical Assistance Percentage (FMAP) was another necessary element of the funding. He shared that every time an Alaskan Native utilized an Alaska Native Tribal Health Consortium (ANTHC) facility the costs were reimbursed by 100 percent. Medicaid expansion was critical to the reform of the tribal health system and to achieve cost savings for the state.

Co-Chair Thompson noted that Representative Guttenberg joined the committee; Representative Munoz was excused.

[1:17:29 PM](#)

JOAN O'KEEFE, SOUTHEAST ALASKA INDEPENDENT LIVING AND STATEWIDE INDEPENDENT LIVING COUNCIL, JUNEAU, testified in support of Medicaid expansion. She shared that both organizations had passed resolutions in support of Medicaid expansion and reform. She communicated that Alaskans with behavioral health disorders, developmental disabilities, Alzheimer's, dementia, and other were at a much higher risk for being uninsured. She relayed that Medicaid expansion would provide coverage for low income Alaskans with disabilities who currently did not have health insurance. She stated that the services available under Medicaid expansion would offer more effective and less expensive solutions. A person with healthcare was more likely to hold down a job when their basic healthcare needs were met. She urged the committee's support.

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KIMBERLAY STRONG, SOUTHEAST ALASKA REGIONAL HEALTH CONSORTIUM, KLUKWON, testified in support of Medicaid expansion and reform. She explained that an expansion in Medicaid would enhance services available in rural communities. She opined that people would not want to visit villages that did not have access to services for heart attack victims and other. She drew a distinction between

federal overreach versus viewing Medicaid expansion as a helping hand. She believed a hand helping the state would be beneficial.

[1:21:27 PM](#)

ELIZABETH RIPLEY, EXECUTIVE DIRECTOR, MAT-SU HEALTH FOUNDATION, MAT-SU (via teleconference), testified in support of Medicaid expansion. The entity believed health reform was possible; the foundation had data and new perspectives to help achieve the triple aim in Mat-Su, which included better care for individuals, better health for populations, and lower per capita costs. She strongly urged the committee to pass HB 148 that worked to expand and reform Medicaid. She discussed a recent report published by the foundation that included a deep dive on Mat-Su Regional Emergency Department utilization in 2013. She provided patient visit statistics. She emphasized that the care of high utilizers needed to be managed more effectively. She relayed that reforms included in the bill's Section 10 could accomplish the goal. She shared that the Mat-Su population had almost doubled since 2000; however, the community mental health center grants had remained flat. She detailed that Medicaid expansion prevented costly emergency department visits, helped reduce cost shifting, and helped to lower healthcare costs system-wide. She hoped the committee expedited passage of the bill.

[1:24:49 PM](#)

Co-Chair Thompson noted that Representative Gara had joined the committee.

MIKE COONS, SELF, MAT-SU (via teleconference), spoke in opposition to Medicaid expansion. He supported reform only if it helped reduce the number of Medicaid recipients and fraud by users and to give help to those with a true need. He believed the Department of Health and Social Services had been untruthful about the impact of Medicaid expansion. He was a former paramedic and stated that not one patient he had treated or seen in the emergency room had earned the right for free medical care. He spoke to people who had earned money to pay for healthcare. He stressed that there were people who only took and gave nothing back in return. He urged the committee to not pass HB 148.

1:27:12 PM

ANNETTE ALFONSI, SELF, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. She shared her personal story about how a traumatic brain injury had impacted her life. She shared that prior to her accident she had a job with great benefits and a college degree and had never used any services. She looked forward to working full-time again, but needed the right medical care to do so. She strongly believed people should not be given handouts; she was not asking for a handout. She asked for help to pull herself up by her bootstraps to allow her the ability to have time to get private insurance. She provided other examples of how traumatic brain injuries impacted individuals. She stated that Medicaid reform could be further addressed the following legislative session. She urged the committee to pass the legislation.

1:30:07 PM

MARIAN ELLIOTT, SELF, WASILLA (via teleconference), testified in support of Medicaid expansion. She stressed that Alaska's unemployment rate was one percent higher than the national average. She discussed that coupled with draconian cuts to the University that would cause students to leave the state for their education. She emphasized that Medicaid expansion would add jobs and pump revenue into the economy. She did not understand the reasons for opposing expansion. She stressed that the poor, sick, and elderly did not cause the Medicaid problem and their exclusion from healthcare would not fix the problem. She implored the committee to pass the bill.

1:32:15 PM

MARY MINOR, SELF, HOMER (via teleconference), testified in support of Medicaid expansion. She provided detail about her personal experience with healthcare and private insurance. She had a skiing accident had not been able to afford health insurance beginning in 2010 due to its cost of \$800 per month with a \$5,000 deductible. She had been provided coverage under the Affordable Care Act, which had been a blessing. She realized there was concern about abuse of the healthcare system, but she believed it needed to be dealt with separately. She underscored that the situation was unsustainable. She stated that individuals should not have to face bankruptcy to receive healthcare.

1:35:10 PM

MARGARET SODEN, SELF, FAIRBANKS (via teleconference), testified in support of Medicaid expansion. She shared that there were thousands of working people in the state who may not receive health insurance or who work seasonal jobs and may not qualify for an employer provided health plan during the offseason. She pointed to large bills that people found difficult to pay. She highlighted that the cost of medication was often overwhelming; therefore, sometimes individuals decided to not fill their prescriptions. Under an expanded Medicaid program many of the individuals may qualify for healthcare. She stressed that in the long run it would cost everyone less money.

1:37:06 PM

RICHARD COBDEN, FAIRBANKS ORTHOPEDICS, FAIRBANKS (via teleconference), testified in support of Medicaid expansion. He shared that the orthopedic clinic currently had 50 percent Medicare/Medicaid patients. He stated that denied or unavailable medical care could often be called deferred maintenance. He stressed that the long-term results of an absence in medical care could be catastrophic for individuals and the overall system. He spoke to increasing costs and illness that could lead to decreased health and death. He stated that payments from CMS Medicaid were already very low. He cautioned about the tax in Section 1 part 3 of the bill. He stated that the tax may push more providers away and drop Medicaid participation. The unintended consequence would be that there would be a diminished level of care as more and more providers gave up. He urged the committee to pass the bill.

1:39:12 PM

JIM LYNCH, CHIEF FINANCIAL OFFICER, FAIRBANKS MEMORIAL HOSPITAL, FAIRBANKS (via teleconference), testified in support of Medicaid expansion. He was not a fan of the Affordable Care Act, but he believed Medicaid expansion was the right thing to do. He underscored that it was imperative to find a way to eliminate the dilemma of the uninsured and currently Medicaid expansion was the best vehicle to do so. He believed in the economic stimulus and job growth effect of the expansion dollars. He reminded the committee that currently the state provided approximately

\$14 million annually in uncompensated care; the costs were paid indirectly by the working people of Alaska and by their employers. The expansion would have a positive ripple effect. He stressed that saying no to expansion would not save the federal dollars from being spent or redirect them to deficit reduction. He believed other states would eventually agree to expansion and that Alaska's economy would be left behind.

[1:41:05 PM](#)

PAT BRANSON, EXECUTIVE DIRECTOR, SENIOR CITIZENS OF KODIAK, KODIAK (via teleconference), testified in support of Medicaid expansion. The group dealt with Medicaid on a daily basis. She hoped the committee would seriously consider the bill. She was fortunate to have health insurance, but many people who had no insurance went to the emergency room. She testified on Medicaid reform. She stated that while the billing service had not been completely fixed it had been greatly improved. She stressed that reform was actively being done.

[1:42:53 PM](#)

JUDY ELEDGE, SELF, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. She stated that the current system was broken; she was tired of paying for broken systems. She did not believe the system could be expanded or reformed in 90 days. She believed that expanding a broken system would increase the problem. As a senior citizen, she could not find a doctor who took Medicare. She told a story about a friend's son who had been in and out of drug rehabilitation for years; he had fathered six children all on Medicaid. The individual did not work or support his children. She stressed that the state was in a fiscal crisis. She stated that Alaska could not afford to expand Medicaid because it did not know what it would cost. She believed people should be taken care of, but she did not think it should be expanded to able bodied individuals whose lifestyle choices put them where they were currently.

[1:46:06 PM](#)

RIC NELSON, CHAIR, GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION, ANCHORAGE (via teleconference), testified in support of Medicaid expansion through an

interpreter. He spoke to a long list of reform actions the council would like to see that it had provided to legislators. He provided personal information. He was on the Medicaid waiver; without the waiver he would not be where he was currently. He shared that he was close to graduating with a master's degree in public administration. Without Medicaid expansion the state would not be able to take care of many citizens who needed help to survive in its communities. He urged support for the legislation.

[1:49:03 PM](#)

KEVIN D. MCGEE, NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE - ALASKA, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. The association encouraged Alaskan politicians to stop their efforts to defeat the much needed provisions of Medicaid expansion. He detailed that expansion would provide basic medical care, substance abuse treatment, mental health treatment, and would reduce mortality rates. He highlighted that Medicaid was an important safety net for many individuals. He spoke to 4,000 new jobs the expansion would create. He stated that 98.5 percent of Alaska veterans' spouses were not covered under Veterans Affairs (VA) healthcare; many spouses would gain healthcare under Medicaid expansion. The state had the means to save lives by providing Medicaid expansion. He asked the legislature to weigh the fiscal, economic, and moral impacts of expansion.

[1:51:26 PM](#)

RANDI SWEET, UNITED WAY OF ANCHORAGE, ANCHORAGE (via teleconference), testified in support of Medicaid expansion and reform. She reasoned that expansion and reform were healthy for Alaskans, the economy, state budget, and a sustainable healthcare system. The organization offered its partnership in helping to improve health and quality of life outcomes for Alaskans. She spoke to joining forces to leverage resources around the shared vision for Alaskans to lead stable, healthy, and safe lives.

[1:52:18 PM](#)

ROSALIE NADEAU, CEO, AKEELA, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. She shared that the majority of clients AKEELA took care of did not qualify for Medicaid because they

generally did not have children or had not been declared mentally ill by a doctor. She detailed that people treated in the prison system at \$158 per day who received no aftercare ended up relapsing and potentially back in prison. She shared that without medical care many clients ended up in hospital emergency rooms with severe medical problems related to addiction.

1:55:02 PM

ROBIN SMITH, SELF, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. She was very concerned about the future of Alaska. She stressed that one of the few bright spots on the horizon was Medicaid expansion. She stated that between budget cuts and a loss of business as a result of low oil prices, she believed the state would go into recession. She stated that Medicaid expansion would bring \$1 billion to the Alaska economy over the next five-year period and could potentially save \$20 million to \$35 million over the same period. She relayed that fees from emergency room visits by the uninsured were passed on to businesses and individuals in the state's economy. She stated that expansion should reduce insurance premiums. She was one year away from being a Medicare patient. She emphasized that national healthcare reform was necessary to ensure that all people had access to care.

1:57:30 PM

JESSICA CLER, ALASKA PUBLIC AFFAIRS MANAGER, PLANNED PARENTHOOD VOTES NORTHWEST, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. She shared that currently a childless adult without a disability who made less than \$20,000 had no affordable healthcare coverage available. Individuals working multiple jobs to make ends meet forego healthcare in order to pay utility bills, rent, and to buy groceries. Many of the individuals ended up in the emergency room when health problems persist; in the end others ended up footing the bill for entirely preventable health problems. She stressed that the increase in healthcare usage would act as an economic driver creating thousands of jobs. She furthered that expansion would ensure coverage for working adults while they looked for employment opportunities, started a business, or sought an education. She stated that reform was also necessary to ensure the most efficient system; however, expansion did

not need to wait for reform. She believed the state could not afford to wait to expand Medicaid.

1:59:20 PM

ERNIE WEISS, SELF, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. He stated that the legislature had an opportunity to save the state money while helping some of its most needed residents. He believed political opposition to the legislation was misguided and incorrect. He urged the committee to pass the legislation.

2:00:02 PM

RICHARD MANDSAGER, PROVIDENCE MEDICAL CENTER, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. He spoke from the perspective of a hospital leader. He shared that part of the mission at the hospital was to take care of poor and vulnerable people. He stressed that every person would become vulnerable at one point or another and that care was needed. The hospital saw many people who came to care late due to an absence in health coverage. He saw Medicaid expansion as a way to fill one of the gaps in the coverage system in America that would allow people to receive care earlier and regularly. He communicated that part of the deal under the Affordable Care Act was that the hospital industry agreed that Medicare payments to hospitals would slowly drop over a decade. The idea had been that the hospital industry would be kept whole with access to care paid for through Medicaid expansion and the subsidized insurance through the exchange. Whether or not Alaska chose to do Medicaid expansion the reduction in the payments to the hospital had been underway for five years and would continue for five additional years. He stated that the organization was committed to reform. He referred to conversation by some about a broken system; his observation that the system was steadily getting better and was not a reason to delay.

2:02:32 PM

Vice-Chair Saddler took over as chair.

DR. ILONA FARR, FAMILY PRACTICE ANCHORAGE, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. She communicated that a 6 percent tax in the bill was

discriminatory. She stated that it exempted large federal funded institution and nonprofits and taxed small businesses and providers. She stressed that the entity got paid one-tenth of what large institutions received for the same services. She stressed that the tax would drive practitioners out of business. She was against paying for more abortions. She highlighted that \$6.2 billion was the cost to the state by 2032 according to the Streur/Parnell study. She stressed that 1,000 providers had been lost over the past five years; if the number of providers continued to decline there would not be sufficient providers to care for Medicaid patients. She believed Medicaid fraud issues needed to be addressed. She urged the committee to say no to the bill.

[2:05:29 PM](#)

DR. MARIO LANZA, ALYESKA FAMILY MEDICINE INC., ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. He stated that the legislation would have devastating fiscal effects on the medical profession in Alaska (primarily on private practice). He voiced concern related to a provider tax that could cost medical providers up to 6 percent of gross revenues. He stated that overhead in primary care was about 60 percent; therefore, the impact on net revenue would be approximately 15 percent. He stressed that raising rates did not mean any additional compensation from Medicaid or Medicare. He stated that Medicaid paid 20 to 60 percent of the usual charges, which was not enough to cover the associated overhead. He stated that treating Medicaid patients was already a form of charity. He continued that the bill would make Medicaid available to more individuals but fewer would receive care. He advised the legislature to come up with a system where all citizens fairly paid for the cost of expanding Medicaid.

[2:08:09 PM](#)

DAVID MORGAN, ALASKAN CENTER FOR SUSTAINABLE HEALTHCARE EXPENDITURES AND POLICY, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. He believed reform meant driving down the cost for care, which was not accomplished in the bill. He remarked that the state's Department of Health and Social Services website showed that the cost would be \$317 per person per year. He stated that there was a \$20 million hole in the costs for the

five-year program. He stated that even with all reforms that happen under the bill, it only addressed 1.5 percent of the total Medicaid budget. He believed the state should review emergency room uses. He suggested that the Alaska State Hospital and Nursing Home Association (ASHNA) and the Office of Management and Budget pull a sampling to determine who was really using uncompensated care in emergency rooms.

[2:11:33 PM](#)

DR. BRETT BARRINGER, MEDICAL PRACTICE OWNER, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. He pointed to an onerous provider tax in the legislation that could be as much as 6 percent. He relayed that the bill instructed DHSS to submit a plan for provider tax by January 25, 2016. He added that it did not instruct the department to determine if the tax was a good idea. He treated Medicaid patients in his practice; he lost money on the service, but he believed it was a beneficial service to provide to the community. Additionally, he had serious concerns related to an increase in the number of audits. He questioned why he would risk his practice and future to provide the service. He encouraged the committee to look at other forms of providing coverage. He believed Medicaid expansion was a lazy way to address a broken system.

[2:14:48 PM](#)

CAM CARLSON, SELF, FAIRBANKS (via teleconference), spoke in opposition to Medicaid expansion. She remarked that the country's medical and healthcare systems had very serious needs and operational problems. She stressed that federal dollars would not solve the problems. She associated herself with the testimony of Judy Eledge.

[2:16:01 PM](#)

JOHN MURPHY, SELF, FAIRBANKS (via teleconference), testified in support of Medicaid expansion. He discussed that from 2016 to 2021 Alaska would pay less than 5 percent of the Medicaid expansion costs and would receive approximately \$1.1 billion in coverage for Alaskans. He shared that states that had expanded Medicaid had already seen a 25 percent decrease in uncompensated care costs in 2014. He supported expansion because it would provide health insurance for young Alaskans who were not insured by

their employers. He stressed that by accepting expansion the state would provide coverage.

[2:17:11 PM](#)

PATRICK MCCORMICK, SELF, FAIRBANKS (via teleconference), testified in support of Medicaid expansion. He provided testimony as a teacher. He hoped to never use Medicaid; however, without expansion he would not have a safety net. He communicated that he paid for Medicaid with his federal tax dollars and was glad to do so. He stressed that without the safety net he could not invest himself completely into making Alaska a better place.

[2:18:51 PM](#)

ANDREW REIMHERR, SELF, FAIRBANKS (via teleconference), spoke in opposition to Medicaid expansion. He stated that Medicaid was already the biggest spending program in the state. He discussed cuts to education funding, which had resulted in the loss of teachers but not administrators. He stressed that the students ended up losing. He believed patients would ultimately end up losing. He provided a personal story about a family member who was not covered under Medicare or Obamacare. He believed the expansion constituted federal overreach, which would inhibit local governments in determining how the money would be used.

[2:20:40 PM](#)

ROBERT CLARK, PRESIDENT, BRISTOL BAY AREA HEALTH CORPORATION, DILLINGHAM (via teleconference), testified in support of Medicaid expansion. He discussed that the backlog had been taken care of. He was supportive of Commissioner Davidson with the Department of Health and Social Services. He stated that expansion would have positive impacts on the society as a whole. He detailed that expansion would take care of costly problems. He believed the legislation was good for the state.

[2:22:59 PM](#)

RICHARD SMITH, SELF, VALDEZ/KETCHIKAN (via teleconference), testified in strong support of Medicaid expansion.

[2:23:34 PM](#)

BARBARA BIGELOW, SELF, VALDEZ (via teleconference), testified in support of Medicaid expansion. She provided a story about a female taxi driver who was driving cab to avoid homelessness and was uninsured. She stated that the woman was not unique; there were thousands of individuals who needed access to healthcare. She urged compassion and doing the right thing for those in need of health benefits.

[2:25:07 PM](#)

RUTHIE KNIGHT, VALDEZ HOSPITAL BOARD, VALDEZ (via teleconference), testified in support of Medicaid expansion. She spoke to a recent unanimous resolution passed by the health advisory council in support of expansion. She believed more compassion was needed in the state. She spoke to adults who were working two jobs and still could not afford healthcare. She urged the committee to pass the legislation to expand Medicaid.

[2:27:05 PM](#)

DANIEL HAMM, ALASKAN REPUBLICAN ASSEMBLY, PALMER (via teleconference), spoke in opposition to Medicaid expansion. He believed Medicaid expansion was welfare expansion. He stressed that Medicaid was not free money. He stated that taking more federal dollars would impose a tax on the other 49 states. He posed the question about socialism being good or evil. He believed most socialism was evil. He claimed Alaskans were already dependent enough. He agreed that there was a moral obligation to take care of people who could not care for themselves such as disabled and senior citizens. He wondered if it was moral to add to the national debt. He urged the committee to vote no on the bill.

[2:30:05 PM](#)

DEE MCKEE, SELF, PALMER (via teleconference), spoke in opposition to Medicaid expansion. She suggested that because of the uncertainty of what the federal government will do in the future she could not support Medicaid expansion. She shared that her long-term doctor was moving away from accepting Medicare because Medicaid reimbursements were higher. She noted that Medicaid reimbursements were greater for hospitals than for smaller private practice. She concluded that 7 states that had

chosen Medicaid expansion had underestimated enrollment by 88 percent.

[2:32:57 PM](#)

GEORGE MCKEE, SELF, PALMER (via teleconference), spoke in opposition to Medicaid expansion. He resented that his tax dollars were taken and redistributed to Medicaid. He did not believe the federal government would ever let the state out of Medicaid expansion once it opted in. He stressed that there was an unfunded liability for retirement and healthcare that the state currently owed. He was adamantly opposed to the bill.

[2:34:39 PM](#)

JUDGE MICHAEL JEFFERY, SELF, BARROW (via teleconference), testified in support of Medicaid expansion. He spoke to traumatic brain injuries and other disabilities that individuals faced. He communicated that Medicaid expansion would help to provide support in the community to enable individuals to gain employment. He stressed that if support for individuals would reduce recidivism.

[2:36:38 PM](#)

CRYSTAL DOOLEY, SELF, JUNEAU, testified in support of Medicaid expansion. She provided information about herself; she had served on active duty in the U.S. Coast Guard and had a master's degree. She shared that she suffered from bipolar disorder and had thought about suicide many times in the past. She shared that she was not alone in her illness. She was lucky her employer provided insurance; if she had to choose between medication and groceries she believed she would not be here. She stressed that Medicaid expansion would be positive. She provided further information about herself. She asked the committee to think hard about expansion.

[2:40:25 PM](#)

WALTER MAJOROS, EXECUTIVE DIRECTOR, JUNEAU YOUTH SERVICES, JUNEAU, testified in support of Medicaid expansion. The agency believed that the legislation was a win-win and was good for uninsured individuals. He shared that once youths turned 18 they often lost insurance coverage. He detailed that insurance would improve access to mental health and

substance abuse treatment and preventative and primary care. The legislation was also good for the state budget; the federal government would reimburse at least 90 percent of the cost. Additional savings would be generated through refinancing general fund services such as inmate care. The legislation would be good for the state economy and would add over 4,000 new jobs. He believed the bill would be a catalyst for reform. He asked the committee to support the bill.

[2:42:36 PM](#)

TOM CHARD, EXECUTIVE DIRECTOR, ALASKA BEHAVIORAL HEALTH ASSOCIATION, JUNEAU (via teleconference), testified in support of Medicaid expansion. He addressed the likely effect Medicaid expansion would have on members. He discussed helping to create a sustainable Medicaid and overall budget for the state. The organization had participated in ways to address reform such as the Medicaid Task Force and the Medicaid Reform Advisory Group. He urged support for the legislation.

[2:44:52 PM](#)

RIC IANNOLINO, SELF, JUNEAU, testified in support of Medicaid expansion. He had worked at the Fetal Alcohol Spectrum Disorder diagnostic clinic and shared that most of his clients required some form of Medicaid; many of the people without access to healthcare ended up homeless or in jail. He believed expansion was a win-win for the state. He detailed that if one member in a family lost their health it dramatically impacted the entire family. He urged support for the bill.

[2:46:37 PM](#)

Co-Chair Thompson noted that the committee would take a 15 minute break at 3:00 p.m.

KARLA HART, SELF, JUNEAU, testified in support of Medicaid expansion. She believed expansion was morally and economically the correct action for Alaska. She referred to testimony that Alaska was in a time of upheaval and budget cuts that would ripple far and wide; people currently employed and insured would find themselves without jobs. She stressed that the current crisis could create opportunity as talented people create jobs through self-

employment. She reasoned that knowing healthcare was available to get through hard times would help people get through. She discussed that the bill directed the administration to conduct a study and to determine recommendations for future legislation regarding a provider tax. She clarified that there would be a separate public process addressing any tax on providers. She asked the committee to support the legislation.

[2:48:11 PM](#)

ANNIKA ORD, SELF, JUNEAU, testified in support of Medicaid expansion. She was currently paying significant money for private health insurance that had a large deductible. She fell into the donut hole of no coverage. She observed that it made no sense that someone earning under a threshold received no subsidy. She asked the committee to expand Medicaid to help young college graduates to get their feet on the ground.

[2:49:22 PM](#)

LIZETTE STIEHR, EXECUTIVE DIRECTOR, ALASKA ASSOCIATION ON DEVELOPMENTAL DISABILITIES, CHUGIAK (via teleconference), testified in strong support of Medicaid expansion. She stated that the bill would increase jobs and insurance. She addressed concerns about the Medicaid system being broken. She read from a letter from the association:

To Whom It May Concern,

The Alaska Association on Developmental Disabilities has consistently voiced concerns regarding the inadequate reimbursement levels experienced by providers of developmental disability services since the MMIS conversion to the Enterprise System was inaugurated by Xerox in October of 2013. Over the past 19 months, Margaret Brodie the Director of the Division of Health Care Services has worked diligently and tirelessly to seek remedy from Xerox for the new system flaws. AADD is appreciative of her success in leveraging the Xerox corrective action plan to bring improved stabilization to new claims processing during the first quarter of 2015. Ms. Brodie has been present in communicating her awareness of system issues and projected timelines for correction. AADD has confidence in Margaret Brodie's ability to hold Xerox

to its post corrective action plan to address the backlog of unpaid claims on behalf of providers. Margaret is also aware of system issues regarding Medicaid eligibility and is committed to quick resolution. These improvements are significant to providers and indicate the correctional trends essential to the Department of Health and Social Services.

[2:52:32 PM](#)

RANDY ELEDGE, SELF, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. He was concerned that some legislators were listening to special interest groups. He was appalled that his wife paid monthly for Medicare after paying into the system during her professional career. He believed the lack of doctors accepting Medicare in Alaska was at a crisis level. He did not believe Medicaid expansion was in the best long-term interest of the state. He wondered how increasing eligible recipients by up to 50,000 would create a better situation. He stated that Medicaid paid more than Medicare and Tricare; he believed the system was broken. He asked how the legislature could read reports from genuine organizations versus what special interest groups asserted. He encouraged the committee to do its own research. He did not want to sacrifice what veterans or senior citizens had done for the state.

[2:55:18 PM](#)

LINDA STEVENS, SELF, ANCHOR POINT (via teleconference), testified in support of Medicaid expansion. She was part of the working poor who did not have healthcare coverage. She made \$775 per month and had been told that the cheapest healthcare she could get was \$780 per month. She stressed that passing the bill would save many lives. She emphasized that 43,000 people was not a minority group in Alaska.

[2:56:37 PM](#)

PATRICIA FISHER, SELF, MEADOW LAKE (via teleconference), testified in support of Medicaid expansion. She relayed that the Mat-Su Borough Assembly had recently voted in favor of a letter to the governor supporting Medicaid expansion. She believed expansion was right for the entire state. She reasoned that the issue was a moral one and not

a conservative or liberal issue. She opined that there was no more tragic situation than people being unable to afford Medicare. She stressed that families could be devastated. She stated that the legislature was smart enough to make necessary corrections on the bill. She stressed that overall the expansion was critical to the state.

[2:58:30 PM](#)

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MIKE POWERS, CEO, FAIRBANKS MEMORIAL HOSPITAL, FAIRBANKS (via teleconference), testified in support of Medicaid expansion. He highlighted a recent study by Manatt Health Solutions and the Robert Wood Johnson Foundation indicating the budget impact of Medicaid. The study used a sample of eight states and determined that revenues were expected to exceed \$1.8 billion by the end of 2015; the findings indicated that every expansion state should expect to reduce state spending on programs for the uninsured. He would forward the study to committee members.

[3:17:46 PM](#)

CHRISTOPHER JENSON, PHYSICIAN AND PRESIDENT, INTERIOR INDEPENDENT PRACTICE ASSOCIATION, FAIRBANKS (via teleconference), was not opposed to caring for people in need, but was completely opposed to provider tax that would penalize members of the medical profession who were providing care at a loss. He relayed that the association was well aware of the continuing problem of a large number of people without health insurance despite the implementation of the Affordable Care Act; it also agreed that people needed access to care. He cared for people with Medicare, Medicaid, and no insurance because it was the right thing to do. He asked the committee to keep in mind that the provider tax would likely be very damaging to physicians providing direct care to Medicaid patients, which may affect the overall access to care.

[3:19:41 PM](#)

CHERYL KILGORE, EXECUTIVE DIRECTOR, INTERIOR COMMUNITY HEALTH CENTER (via teleconference), testified in support of Medicaid expansion. She communicated that the center took

care of all people including the poor, near-poor, insured, and uninsured. The center believed everyone deserved primary care regardless of the ability to pay. She stressed that primary care helped to keep people out of the hospital. She detailed that health centers had the capacity to see an expanded population and would continue to see Medicaid and Medicare populations. She shared that in 2014 the center had \$6,000 in bad debt and its charity care was \$786,000. She relayed that there were people working in small business in the community who contributed to society, but were uninsured. She believed Medicaid expansion would address the population. Additionally, there were individuals in the community who were unable to work. However, she believed that disparity between citizens was inherently poor public policy and was bad for businesses and the community.

[3:22:02 PM](#)

ERIC TREIDER, SELF, SOLDOTNA (via teleconference), testified in support of Medicaid expansion. He relayed a story about a man who had shot himself and had been taken to the emergency room. He had been told by a family member of the man that he had worked hard as a contractor to support his family; like many Alaskan workers he did not qualify for Medicaid, but could not afford private insurance. He had developed serious health problems and the mountain of unpaid medical bills weighed so heavily upon him that he felt the only thing he could do to protect his family from financial ruin was to commit suicide. Mr. Treider was disturbed and disgusted to see how the debate over Medicaid expansion had veered away from a debate about human values and had shifted into a political spectacle. He reminded the committee that residents had elected members of the legislature to serve the interests of Alaskans. He underscored that the legislation would save peoples' lives.

[3:24:23 PM](#)

TANYA HALLIDAY, MANAGER, COOK INLET DENTAL, SOLDOTNA (via teleconference), testified in support of Medicaid expansion. She reasoned that in order to solve a problem it was necessary to understand it first. She spoke to some reasons why providers chose to not accept Medicaid including high no-show rates, increased paperwork burden, no-pay or slow-pay, and an unwillingness to see "those people." She relayed that Medicaid did pay eventually. She

stated that if it was required like insurance to pay within 30 days it may entice more providers to participate. She stated that most of the individuals worked hard, but fell between the cracks. She detailed that Medicaid paid reasonable fees with the exception of dentures. She agreed that ACS Xerox had broken the path, but the state was proactively working to fix the problem. She stated that the payment system was working, albeit not perfectly. She encouraged the legislature to work on Medicaid reform if it so desired, but to discontinue stonewalling expansion.

[3:26:21 PM](#)

TRINA RICHARDSON, SELF, SOLDOTNA (via teleconference), testified in support of Medicaid expansion. She spoke about the hardworking people who were falling into the Medicare gap. She was offended by comments that the individuals were lazy and not doing their part for society. She disputed the statements and emphasized that the majority of the time it was not true. She believed that investing in the healthcare of a large number of Alaskans was investing in the state's future and its economy. She reasoned that the additional money coming into the state would help to pay for health services and were likely to be put back into the state's economy. She stated that expansion would help lower the number of emergency department visits. She relayed that the hospital had seen people with no health coverage that ended up costing the hospital more than \$1 million; Medicaid would not cover the entire portion, but it would help. She asked that the committee support the bill.

[3:28:39 PM](#)

NELMA TREIDER, SELF, SOLDOTNA (via teleconference), testified in support of Medicaid expansion. She believed the money being decided via the state budget process was not being used to correctly represent or care for Alaskan citizens. She remarked that huge cuts were being made to almost every service that promoted and protected the health and wellbeing of the citizens. She referred to reports about how economically bad it would be in the upcoming years. She found it hurtful that millions of dollars were given to any oil related company. She observed that based on testimony during the meeting there was fear surrounding how Medicaid expansion would impact Alaskans. She believed there was a need for truthful communication and understanding. She asked the committee to make its

decisions based on what was right for the citizens of Alaska.

3:30:30 PM

JORDEN NIGRO, SELF, JUNEAU, testified in support of Medicaid expansion. She shared that she had worked in social services for 16 years. She told a personal story about her appreciation for her home and observed that many individuals were not lucky enough to own a house due to medical costs. She communicated that her father was a fisherman and raised her as a single dad; when she was young there was no health insurance in her household. She felt that it was the obligation of the state to provide Medicaid expansion for its people.

3:32:39 PM

ELEANOR MURPHY, SELF, EAGLE RIVER (via teleconference), testified in support of Medicaid expansion. She wanted to see all Alaskans have access to quality healthcare. She supported reforms that increased efficiencies in the system. Additionally, she supported Alaska's incentive program to encourage providers to come to Alaska to work for its underserved population. She was more than willing to pay her fair share of state taxes if it was needed to build a strong, safe state. She strongly supported Medicaid expansion.

3:33:48 PM

JON ZASAD, DIRECTOR, MARKETING AND DEVELOPMENT, ANCHORAGE NEIGHBORHOOD HEALTH CENTER, ANCHORAGE (via teleconference), testified in support of Medicaid expansion and reform. He spoke to part of the center's mission to advocate for comprehensive coverage for all of its patients. The center believed expansion and reform would improve care it could provide patients, help it to continue to address health outcomes of its patients (especially related to costly chronic conditions such as diabetes and hypertension), and it would begin to address the ever increasing cost of Medicaid in Alaska. He communicated that in 2014 the center had provided \$7.5 million of charity care and for almost \$600,000 in bad debt primarily from patients without insurance. He detailed that over 4,000 of its patients would be eligible for expanded Medicaid coverage. He spoke to the uncomfortable situation where providers and patients

self-rationed needed care due to the cost of referrals, prescriptions, and treatments. He shared that the center was already implementing many of the nationally suggested reforms that would reduce the cost of care in its system. He provided additional detail about the center and its work to be part of the solution. He looked forward to seeing more patients receiving the medical care they deserved. He strongly encouraged the committee to support Medicaid expansion and reform.

[3:36:45 PM](#)

BEN FIRTH, SELF, ANCHOR POINT (via teleconference), spoke in opposition to Medicaid expansion. He relayed that he was an artist supporting eight children. His family had not had health insurance in over 30 years, but they had never been without healthcare. He relayed that because Alaska had not expanded Medicaid his family had avoided paying a federal penalty for not having health insurance. He communicated that his healthcare provider did not accept Medicaid. He had no problem accepting help from people who offer it, but he did not want his bills being paid with money forcibly taken from other Americans. He believed that federal money was not free money. He opined that there were many reasons not to expand Medicaid. He believed it would do more harm than good.

[3:38:55 PM](#)

SHERRELL HOLTSHOUSER, SELF, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. She relayed that she had been a public health nurse for forty years. She was currently covered by private medical insurance; she understood that the premium she paid helped subsidize those without coverage. She noted that currently people receiving Medicaid expansion coverage in other states were benefitting from her federal tax dollars. She would like to see Alaskans benefitting from them as well. She believed that the Alaska Medicaid program needed reforming. She opined that the former administration had failed the citizens of Alaska when they failed to seek out appropriate expertise to work on reform. She emphasized that Medicare also needed reform. She believed it was not logical to argue that because Medicare was not working well that Medicaid should not be reformed and expanded. She stated that pitting one group against another was an illogical

approach for successful reform. She asked the committee to pass the legislation.

[3:42:07 PM](#)

BARNABAS FIRTH, SELF, ANCHOR POINT (via teleconference), spoke in opposition to Medicaid expansion. He believed that every few years Alaskans were pushed and shamed into expanding social programs such as Medicaid. He acknowledged that there would always be people who need help. He suggested that people take responsibility for themselves and their communities. He believed the right thing was to say no to Medicaid expansion. He stressed that the federal deficit was astronomical and the federal government would have to make cuts in the future. He furthered that the federal government could revoke its funding for the program at any time. He asked that legislators have the courage say no to Medicaid expansion.

[3:44:32 PM](#)

DR. COLONEL COCKRELL CATES, ALASKA OSTEOPATHIC MEDICAL ASSOCIATION, ANCHORAGE (via teleconference), agreed that medical coverage was important and that all physicians had a responsibility to provide care. He stated that during the Clinton Administration there had been a dramatic change in medical reimbursement for Medicaid and Medicare into a two or three-tiered system. He detailed that there was a dramatic escalation of reimbursement to federal clinics and other community health centers nationwide. Additionally, military hospitals and VA hospitals also received an increase in reimbursement for Medicaid. He addressed that at the same time private physicians who pay taxes in communities saw a dramatic decrease in reimbursement; therefore, Medicaid and Medicare patients had been limited. He recommended a review of payment differentials between the entities. He spoke to a dramatic decrease in payments to providers in rural communities, which had run private physicians out of business. He addressed that community health clinics paid no taxes and had other advantages. He recommended a review of reimbursement schedules prior to making a decision.

[3:47:42 PM](#)

JEANNE GERHARDT-CYRUS, SELF, KIANA (via teleconference), testified in support of Medicaid expansion. She shared that

Medicaid expansion would help over 1,000 people receive services in the Kiana region alone. She stated that currently many people fell through the cracks and accessed crisis services because they did not have access to regular care. The reality impacted families and individuals with behavioral health issues who were currently over populating prisons and treatment center due to chronic failure, which was exacerbated by the lack of services and support. She detailed that some providers would not provide services without a guarantee of Medicaid funds. She spoke to the challenges families had when faced with missing work when caring for a family member. She stressed that without needed services too many people who experience disabilities lack access and supports. She stated that Medicaid expansion would allow for reform to make services available. She emphasized that the way to help people become independent was by providing needed support.

[3:50:12 PM](#)

PAT STANLEY, EXECUTIVE DIRECTOR, COUNCIL OF ATHEBASCAN TRIBAL GOVERNMENT, YUKON FLATS (via teleconference), testified in support of Medicaid expansion. She explained that the council villages were remote and without road access to Fairbanks. Many residents worked in seasonal employment to support their subsistence way of life and did not have health insurance. She communicated that the health system in the Yukon Flats was dependent on funding from multiple sources; Indian Health Services provided approximately half the support needed for adequate healthcare and supplemental grants and third-party billing provided additional funding. The council had been working with the state on Medicaid billing issues and expected to see the issues resolved in the next month or two. She relayed additional statistics concerning the council. She expounded that expanded Medicaid would enable the council to increase billing to expand needed services, especially in early detection, prevention, and behavioral health.

[3:53:21 PM](#)

ROBIN PATRICK, SELF, PALMER (via teleconference), spoke in opposition to Medicaid expansion. He believed no one was entitled health insurance or healthcare. He had been taught to provide for himself. He believed that it was not the responsibility of the government to provide healthcare to the people of the state.

[3:54:34 PM](#)

ELLEN ADLAM, PENINSULA COMMUNITY HEALTH SERVICES, SOLDOTNA (via teleconference), testified in support of Medicaid expansion. She recognized that there was work to do, but she stressed that the community health center had been providing service for 50 years nationwide. The mission was to have a place where people could receive good care. She shared that the organization was creating medical homes where people would receive preventative care. She believed that community health centers should be included in the discussion. She reiterated her strong support for the legislation.

[3:56:11 PM](#)

HEIDI FROST, SELF, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. She and her husband were both military veterans. She spoke about an accident that had caused a traumatic brain injury. She stressed that the injuries would have been unbearable if it had not been for the medical assistance she had received under her health insurance. However, she knew many others who had not been so lucky to have good insurance. She emphasized that the bill would benefit Alaska and Alaskans. She detailed that the bill would create jobs and would increase the number of insured Alaskans. She stated that people would be healthier with Medicaid reform; many people feel the need to wait until they were really sick before going to the doctor. She asked the committee to support HB 148.

[3:57:51 PM](#)

NANCY BURKE, SELF, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. She had heard much discussion about not providing access to medical care because other sectors such as churches would take care of it. She shared that she was part of a large church in Anchorage and there were a large number of people who sought assistance from the church. She was concerned about some rhetoric about churches and their assistance to members because under an economic decline church resources would decrease. She discussed the financial challenges of congregational members related to health bills. She discussed that in states that had accepted expansion the

ability to help provide services to people was beneficial; several states had reported net gains in revenue resulting from decreases in the use of general funds. She communicated that 72 percent of people in expansion states are part of families with working family members. She asked the committee to support expansion.

[4:01:37 PM](#)

RYAN MCKEE, SELF, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. He was surprised by the number of questions that had not been answered related to the cost of Medicaid expansion. He questioned the accuracy of the numbers provided by the administration in legislative committee hearings in relation to the number of jobs that would be created. He wondered how many other states had underestimated their numbers. He stated that some other states had gone broke or had canceled Medicaid expansion. He was wondering about why more questions were not being answered. He reiterated that he did not support Medicaid expansion.

[4:04:15 PM](#)

JEREMY PRICE, DIRECTOR, AMERICANS FOR PROSPERITY ALASKA, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. He relayed that he grew up in a family that only had catastrophic insurance. He understood what it was like to have to pay for procedures out-of-pocket; however, he was opposed to Medicaid expansion. He stated that many people in support of expansion supported the Affordable Care Act (ACA). He was not surprised that hospitals and health centers supported Medicaid expansion and the ACA. He stated that private physicians were opposed to expansion. He encouraged the legislature to vote in opposition to Medicaid Expansion.

[4:06:47 PM](#)

HANS RODUIK, FIELD DIRECTOR, AMERICANS FOR PROSPERITY ALASKA, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. He believed that with the current budget deficit expansion was irresponsible. He urged the committee to oppose expansion because Medicaid reimbursement rates in Alaska were far greater than Medicare's. He stated that by adding 40,000 new patients, medical providers would be financially incentivized to see

Medicaid patients ahead of seniors on Medicare. He wondered if pregnant women and children would have access to a provider in a state that lacked providers. He stated that the Medicaid system was failing tax payers, current recipients, and Alaskan providers. He relayed that by 2030, without expansion, Medicaid cost was expected to reach \$4.5 billion. He spoke to other projected costs in Alaska and other states.

[4:09:52 PM](#)

BOB REUPKE, ANCHORAGE FAITH IN ACTION CONGREGATIONS TOGETHER, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. He personally had medical insurance, but believed that Medicaid expansion was the right thing to do. He also believed that there was a moral obligation to provide medical insurance for Alaskans who could not afford it. He detailed that the individuals were mostly low-income, single men and women who had fallen through the cracks. He elaborated that medical bills were the number one cause of bankruptcy in the U.S. He reasoned that a lack of insurance caused people to put off medical care, which meant that medical conditions could become worse. He opined that expansion was a win-win situation for the state. He believed it was the perfect time for expansion given the fiscal condition of the state due to low oil prices.

[4:11:35 PM](#)

DAVE BRANDING, SOUTH PENINSULA BEHAVIORAL HEALTH SERVICES, HOMER (via teleconference), testified in strong support of Medicaid expansion and reform. He shared that the organization stood with the majority of Alaskans who voted to elect Governor Walker, understanding that Medicaid expansion was a primary component of his campaign. The organization provided quality services regardless of people's ability to pay; in recent years its uncompensated care costs had increased three-fold. He believed that expansion would help financially stabilize local services. The organization also supported reform. He acknowledged that the system was inherently flawed, but far from broken.

[4:13:51 PM](#)

KEN LANDFIELD, SELF, HOMER (via teleconference), testified in support of Medicaid expansion. He believed that

government had fundamental obligations including providing healthcare and education. He urged the committee to support the legislation and Medicaid expansion. He referred to the Alaska Constitution and read that the legislature "shall provide for the promotion and protection of public health" and the legislature "shall provide for public welfare."

[4:15:08 PM](#)

JILL LUSH, SELF, HOMER (via teleconference), testified in support of Medicaid expansion. She believed that it was an economic and moral issue. She strongly believed in taking care of one another, especially in Alaska where there were many isolated families. She appreciated the opportunity to testify. She hoped the legislature heard the will of the people that many citizens supported Medicaid expansion.

[4:16:06 PM](#)

TYSON ALTERI, SELF, HOMER (via teleconference), testified in support of Medicaid expansion. He was injured as a fisherman that had caused serious health implications. He reiterated his support for Medicaid expansion.

[4:16:46 PM](#)

CASSIDY LUSH, HIGH SCHOOL STUDENT, HOMER (via teleconference), testified in support of Medicaid expansion. He had personally required the use of healthcare multiple times and felt that it was necessary for all people to have access to healthcare when they need it most.

[4:17:37 PM](#)

MONICA ADAMS, CEO, PENINSULA COMMUNITY HEALTH SERVICES, KENAI (via teleconference), testified in support of Medicaid expansion. She read a series of written testimonies from clients all in support of Medicaid Expansion. She relayed that annually the organization provided between \$2 million and \$3 million in uncompensated care. She remarked that it was unsustainable for the state to rely on community health centers and behavioral health agencies to provide all of the care; there were insufficient grants to cover everyone who needed services in the state. She strongly supported HB 148.

[4:19:27 PM](#)

JOSHUA GILMORE, TANANA CHIEFS CONFERENCE, FAIRBANKS (via teleconference), testified in support of Medicaid expansion. He observed that given that the state's current financial situation was lacking, Medicaid expansion offered a unique opportunity; it was one of the few opportunities that would increase the state's revenues by up to \$1 billion over the upcoming five years. He relayed that expansion would improve access, care, and outcomes for a vulnerable population (specifically the working poor. He opined that medical care was an individual's right. He believed the state had an obligation to ensure that people were able to seek needed treatment in a timely way to prevent worsening outcomes. He reasoned that healthy individuals were able to contribute much more than individuals who were unemployed due to illness or injury. He thanked the committee for its time and urged its support for HB 148.

[4:21:46 PM](#)

JEANETTE GRASTO, NATIONAL ALLIANCE OF MENTAL ILLNESS (NAMI), FAIRBANKS (via teleconference), testified in support of Medicaid expansion. She shared that NAMI believed Medicaid expansion was the right thing to do morally, ethically, financially, and on a human level. She cited specific examples of difficulties of receiving care. She stressed that it was difficult to get help even through community mental health centers because grants did not provide for everyone who had no method to pay. She emphasized that the inability to pay for medical care did not eliminate healthcare needs, but eventually moved into more expensive institutional care such as emergency rooms, mental health units, and correctional facilities. She relayed that treatment for mental illness enabled many people to return to work.

[4:23:38 PM](#)

DANIEL NELSON, PRESIDENT, ALASKA PHARMACISTS ASSOCIATION, FAIRBANKS (via teleconference), testified in support of Medicaid expansion. He noted that there had been several large financial analyses of the issue; the majority had shown significant positive financial impact for the private sector and government. He stated that projections showed an increase of 4,000 new jobs, \$2.5 billion in economic activity, and \$1.2 billion in salaries and wages. He

detailed that the increase in Medicaid expenditures in the state had been projected at only 1.4 percent. He communicated that many religious, social advocacy, medical, and other groups (both liberal and conservative) had advocated for Medicaid expansion. He shared that Medicaid expansion would provide a venue to increase medication access to those in need, while simultaneously improving the state's economy. He encouraged members to vote in favor of HB 148.

[4:25:53 PM](#)

DAVID BOYLE, SELF, ANCHORAGE (via teleconference), testified in opposition to Medicaid expansion. He was a senior and military veteran. He stressed that the issue was about fairness. He opposed Medicaid expansion because of the serious impact it would have on seniors on Medicare and veterans enrolled in Tricare. He communicated that Medicaid reimbursed primary care physicians about 30 percent more than Medicare or Tricare. He stressed that seniors had paid into the Medicare system every working day of their lives; however, Medicaid patients paid nothing into the system. He stated that veterans' families would take a backseat to people enrolled in Medicaid. He understood that much of the Medicaid funds would be used by patients for transportation from rural Alaska to see providers in Anchorage; however, Medicare and Tricare did not pay seniors or veterans' families to travel. He questioned the likelihood that 4,000 jobs would be created under Medicaid expansion. He reminded the committee that its members would someday be Medicare recipients.

[4:29:06 PM](#)

ANDREE MCLEOD, SELF, ANCHORAGE (via teleconference), she is a registered Republican in support of Medicaid expansion. She stated that the intent was to provide health services to Alaskans in dire need of the services. She stated that the issue was complicated. She stated that Congress had already vetted Medicaid expansion. She noted that there was federal funding available to enable a system that would streamline services and simplify the process of providing health related services to vulnerable adults. She stated that 1,200 to 1,500 additional people would have access to mental health services in Anchorage and Fairbanks alone. She stated that without the services most of the individuals ended up in jail, in the emergency room, and

living on the streets. She stated that the individuals were ill through no fault of their own.

[4:30:55 PM](#)

JERRY JENKINS, CEO, ANCHORAGE COMMUNITY MENTAL HEALTH SERVICES, ANCHORAGE (via teleconference), testified in support of Medicaid expansion and reform. He relayed that expansion would allow an increased capacity to see more individuals and would take some of the pressure off of the Alaska Psychiatric Institute and potentially the Department of Corrections. He shared that expansion would enable the organization to see people sooner and would hopefully help offer lower cost services.

[4:31:46 PM](#)

MICHAEL SOBOCINSKI, ANCHORAGE COMMUNITY MENTAL HEALTH SERVICES, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. He emphasized the importance of the state moving toward integrative care to address behavioral and physical health issues early on in order to improve the overall quality of healthcare. He believed Medicaid expansion would be a key component of moving towards integrative care. He believed the bill was an important step in the right direction. He stated that that mental health and substance abuse were linked to physical health. He thanked the committee for hearing his testimony.

[4:33:14 PM](#)

~Michael Chambers, Chair, Alaska Libertarian Party, Anchorage{ spoke in opposition to Medicaid expansion. He communicated that Libertarians overall believe in less government dependency and more individual responsibility. He stated that currently the federal Indian Health Service was only funded at 54 percent. He wondered if any representatives had requested that federal representatives demand full funding. He stated that some of Medicaid funding under expansion would be used to augment medical travel into Anchorage. He spoke to the high rate of no-shows for medical appointments even when travel costs were covered. He questioned if it was a legitimate investment to use Medicaid for travel purposes other than medical care. He stressed that currently Medicaid was fraught with questionable reimbursements. He wondered if the committee knew what the liability would be to Alaska if it had to opt

out because it could not sustain the financial burden. He opined that Medicaid was clearly an expansion of Obamacare. He stated that Medicaid expansion would encourage couples "shacking up" for government benefits.

4:36:10 PM

DAVID NEES, SELF, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. He stated that his in-laws had worked for 50 years in Alaska and had earned the right to Medicare. He stressed that they would be last in line for medical care if the bill passed. He stressed that Medicaid was an entitlement and was not earned. He acknowledged that there were needs existing, he did not feel it was right to displace people who had earned healthcare. He questioned the feasibility of adding 40,000 recipients to Medicaid.

4:37:51 PM

SHELLY VENDETTI-VUCKOVICH, SELF, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. She shared that she had emailed every member of the legislature; she had also called legislators and had testified in the past. She relayed her personal experience with medical bills. She had not qualified for Medicaid as a young parent and when her son had been hospitalized for 3.5 weeks the bills had been in the hundreds of thousands of dollars; for 12 years she had been paying a monthly payment that would continue for another 10 years. She reiterated other testimony that the number of young adults suffering from mental health issues would benefit from Medicaid expansion. Without treatment many of the individuals self-medicated, which would create an entire group that would end up costing the state money in the legal and correctional systems. She did not understand how Alaska could say no to Medicaid Expansion. She encouraged support of HB 148.

4:41:14 PM

KATIE PARROT, DIRECTOR, QUALITY ASSURANCE AND PROGRAM DEVELOPMENT, RESIDENTIAL YOUTH CARE, KETCHIKAN (via teleconference), testified in support of Medicaid expansion. She stated that the organization and its current patients would not benefit directly from Medicaid expansion. However, the organization was taking a longer-

term perspective for the youths it served; some of the youths would need behavioral health support services well into adulthood. As a provider, the organization was very familiar with the challenges related to the payment and eligibility systems. She shared that they had trouble with receiving timely payments and had been owed a significant amount of money; however, in spite of the challenges the organization supported Medicaid expansion. They did not believe that a broken system was justification for allowing a broken citizenry. She spoke to the daily challenges facing clients that could not be overcome without help; too often individuals could not access the care they needed without insurance. She acknowledged that the organization was nervous about the measures that could weaken the already weakened and stressed system of care; however, they believed that reform was possible through expansion. The organization took DHSS at its word that the staff were working diligently to repair the systems; the hard work was beginning to show results.

[4:44:01 PM](#)

MARY JANE TOUTONGHI, SELF, SOLDOTNA (via teleconference), testified in support of Medicaid expansion. She was very concerned about Alaskans without health insurance. She believed Medicaid expansion would offset the state's economic woes. She disputed the argument that the state would be stuck when the federal government no longer provided funding. She reasoned that the state could help people avoid pain and suffering and to become more productive citizens while it had Medicaid. She stressed that Alaskans deserved to have healthcare much more than highly profitable companies deserved to receive major draws from the state's assets with no responsibilities in exchange. She reiterated her support for Medicaid expansion.

[4:46:05 PM](#)

PAT LINTON, EXECUTIVE DIRECTOR, SEWARD COMMUNITY HEALTH CENTER, SEWARD (via teleconference), testified in support of Medicaid expansion. He stated that at they saw the challenges and frustrations facing many patients and fellow citizens on a daily basis who fell between the eligibility cracks. He communicated that Medicaid expansion would enhance the sustainability community health center. He stressed that community members needed and wanted

sustainable primary care. He supported reforming Medicaid to control costs, better coordinate care, and improve patient outcomes. He believed primary care would naturally assume an even greater role within the reformed Medicaid program. The center was ready to do its part. He asked the committee to hold community health centers accountable to do their part to achieve the goals.

[4:48:34 PM](#)

JIM SYKE, SELF, PALMER (via teleconference), testified in support of Medicaid expansion. He noted that the Mat-Su Borough Assembly had sent a letter supporting Medicaid expansion. He shared that his wife and daughter were both registered nurses; he had been involved with the healthcare issue in Alaska for 25 years and had been generally unhappy with healthcare reforms in Washington D.C. However, there were many people who currently needed treatment and many new people who needed health information and early intervention of treatment in order to avoid the need for serious treatment. He believed it was important to get ahead of the curve to meet people's immediate and critical needs and to take steps that would lead to a healthier population. He asked the committee to act on providing healthcare coverage for people at present instead of putting it off for another generation. He noted the legislation had broad support across a spectrum of people and groups. He believed the best opportunity the state had to control and lower costs, attract more jobs, and to promote better community health.

[4:50:36 PM](#)

BONNIE CAMERON, SELF, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. She felt that the Governor was shaming the people of the state into expanding Medicaid. She was counting on the legislature to protect its constituents and their paychecks. She stressed that it was not the role or responsibility to pay for things that citizens should be responsible for paying for themselves. She wondered how fathers and husbands were supposed to lead and provide for their families if the government was acting as a parent in all aspects of people's lives. She believed healthcare costs would continue to escalate as long as people using the service were not paying for it. She stated that her family had been without health insurance for several years; she found that providers had been helpful

and willing to work with them on payment plans. She opined that the state already had a state income tax and would raid the Permanent Fund in the future. She stated that Anchorage was already not affordable to live in. She wondered where the welfare would stop.

4:53:01 PM

MONICA STOESSER, SELF, ANCHORAGE (via teleconference), spoke in strong support of the legislation. She worked in the homeless division of Anchorage Community Mental Health. The agency was one of the only organizations that provided free healthcare for uninsured adults with mental illness. She stressed that it was extremely difficult for patients to get into see someone at the organization; there were many people who were screened and denied, but who had mental health issues. She had heard the argument many times that people who were in the shelters and did not qualify for the Affordable Care Act (ACA) should get on social security for Medicaid or they should become employed to gain eligibility for the ACA. However, to get gain access to either it was necessary to have doctor's reports. She emphasized that the individuals could not qualify for a disability without seeing a physician, but could not see a physician without health coverage. She pointed to high numbers of incarcerated individuals with mental illness in Alaska. She underscored that the state was already paying for the individuals, but not in a way that helped them get the needed care. She strongly urged the committee to go forward with Medicaid expansion.

4:55:14 PM

TOM LAKOSH, SELF, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. He believed that most of the committee members who were concerned about the passage of the bill were concerned that it may harm the state's economy. He suggested that the bill would do just the opposite. He stated Medicaid expansion would mean that businesses would not have to pay for or subsidize the healthcare of 40,000 workers who would qualify for healthcare. He surmised that it would allow for higher profits in the industries. He believed it would be necessary in the near future to implement a personal income tax in order to balance the state's budget. He opined that the added healthcare workers would help support the government coffers. He believed that in order for

businesses to be competitive it was necessary to have healthy workers. He mentioned compassion for the state's citizens. He urged the committee members to support HB 148.

[4:57:51 PM](#)

ALEX GIMARC, SELF, ANCHORAGE (via teleconference), spoke in opposition to Medicaid expansion. He was a parent of a disabled 29-year. He was not convinced that Medicaid expansion would serve anyone any better. He was concerned that spreading scarce resources amongst a larger number of people would hurt individuals with disabilities currently in the system. He stated that Medicaid expansion would not solve any of the systems current problems such as long wait times for approvals, multiple pre-approval requirements, a lack of providers, or the lack of treatment funded by Medicaid. He opined that if the number of Medicaid recipients increased from 60,000 to over 80,000 the problems would worsen for all recipients. He reasoned it did not make sense to dig a financial hole deeper. He believed expansion would hurt recipients.

[5:00:22 PM](#)

ALEX PRICHARD, SELF, FAIRBANKS (via teleconference), testified in support of Medicaid expansion. He would provide written testimony due to the poor phone connection.

[5:01:30 PM](#)

LORA JORGENSON, SELF, ANCHORAGE (via teleconference), testified in support of Medicaid expansion. She believed everyone should have access to affordable healthcare. She stressed that Medicaid expansion would provide healthcare for 42,000 residents, create approximately 4,000 new jobs, generate \$1.2 billion in wages to Alaskans, and \$1.1 billion in new federal revenue to the state. She believed it was the role of government to provide for the health, welfare, and safety of its residents. She remarked that the state was already paying the cost, which she believed costs to the state would be reduced. She opined that the state should not turn its back on its residents during a time of need. She encouraged committee members to support HB 148.

[5:03:12 PM](#)

FRANK BOX, SELF, ANCHORAGE (via teleconference), spoke in support of Medicaid expansion. He communicated that he worked for an independent living center in Anchorage and facilitated a head injury support group. He worked with many people who fell through the cracks and who would benefit from Medicaid expansion. He shared that his family would benefit as well. He had a granddaughter with cancer and his family could not make any more money or they would lose their benefits. He was also a cancer survivor and spoke about the financial challenges he experienced. He discussed that it was very challenging to pay for COBRA insurance when a person had lost their income due to illness or an accident. He stated that Medicaid expansion would provide preemptive care and would keep many people from having to go to the emergency room. He disputed the belief that people would rather be on welfare than have a job. He was strongly in support of HB 148.

[5:05:51 PM](#)

LEE CORAY-LUDDEN, SELF, CLAM-GULCH (via teleconference), testified in support of Medicaid expansion. She had over forty years of experience working in the human services field with a broad range of people. She thanked the committee.

[5:06:25 PM](#)

JOHN CULLEN, FAMILY PHYSICIAN, VALDEZ (via teleconference), testified in strong support of Medicaid expansion. He worked in private practice and relayed that his office ended up writing off a significant portion of its charges due to people's inability to pay. He stated that everyone paid for the care of the uninsured; the costs were shifted to those with insurance coverage. Many of the people that would benefit from expansion were working poor people who could not afford insurance. He communicated that under the federal plan Medicaid expansion was supposed to take up the slack for not offering hospitals funding for uncompensated care; therefore, without expansion, hospitals were suffering a significant loss. He thanked the committee for its time.

[5:08:42 PM](#)

Co-Chair Thompson CLOSED public testimony.

Co-Chair Thompson thanked all of the people who testified. He reviewed the agenda for the following finance committee hearing scheduled for Monday, April 13, 2015.

#

ADJOURNMENT

5:10:28 PM

The meeting was adjourned at 5:10 p.m.