

ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

March 30, 2023

3:30 p.m.

MEMBERS PRESENT

Senator David Wilson, Chair
Senator James Kaufman, Vice Chair
Senator Löki Tobin
Senator Forrest Dunbar
Senator Cathy Giessel

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE JOINT RESOLUTION NO. 10

Encouraging Alaska's Congressional delegation and the federal government to raise Medicare reimbursement rates to meet the actual cost of care for the state's senior citizens.

- MOVED SJR 10 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SJR 10

SHORT TITLE: MEDICARE REIMBURSEMENT

SPONSOR(S): SENATOR(S) GIESSEL

03/13/23	(S)	READ THE FIRST TIME - REFERRALS
03/13/23	(S)	HSS
03/30/23	(S)	HSS AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

MIKE COONS, representing self
Palmer, Alaska

POSITION STATEMENT: Testified in support of SJR 10 with concerns.

DR. MICHAEL SAVITT, Chief Medical Officer
Anchorage Health Department
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SJR 10.

JEROME GEORGE, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SJR 10.

ERIC GURLEY, Executive Director
Access Alaska Inc.
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SJR 10.

ACTION NARRATIVE

[3:30:38 PM](#)

CHAIR DAVID WILSON called the Senate Health and Social Services Standing Committee meeting to order at 3:30 p.m. Present at the call to order were Senators Tobin, Kaufman, Giessel, Dunbar, and Chair Wilson.

SJR 10-MEDICARE REIMBURSEMENT

[3:31:02 PM](#)

CHAIR WILSON announced the consideration of SENATE JOINT RESOLUTION NO. 10 Encouraging Alaska's Congressional delegation and the federal government to raise Medicare reimbursement rates to meet the actual cost of care for the state's senior citizens.

[3:31:25 PM](#)

SENIOR CATHY GIESSEL, speaking as the sponsor of SJR 10, provided the sponsor statement as follows:

[Original punctuation provided.]

"Encouraging Alaska's Congressional delegation and the federal government to raise Medicare reimbursement rates to meet the actual cost of care for the state's senior citizens."

Alaska's senior population has been the fastest growing, per capita, in the nation for the past ten years, in a state whose medical costs are among the highest in the nation. This increase has triggered a demand for more healthcare services, from basic in-home assistance to high levels of acute care. The medical system is struggling to provide the appropriate level of care for seniors under persistent workforce challenges and the inadequate Medicare

reimbursement rates that simply do not cover the cost for services.

This untenable situation elevates the need for the rebasing of Medicare reimbursement rates as an immediate priority.

Healthcare providers who do accept Medicare have long been struggling to stay profitable and retain staff. Some providers, who almost exclusively serve the senior community, have had to shut down due to staffing issues originating in part from uncompetitive Medicare reimbursement rates. For these reasons, many more medical providers are choosing not to accept new Medicare patients. This has left countless Alaskans without access to reliable and affordable health care. The lack of available Medicare providers is driving more and more financially vulnerable Alaskans to emergency rooms and urgent care clinics, exposing them to unnecessarily high medical bills and putting further strain on the system.

The hard truth is that our aging seniors who rely on Medicare to cover the cost of their medical services do not have time to wait for the long and deliberative process of policy making to play out. This is why we must urge the President and our federal delegation to act now.

Senate Joint Resolution 10 sends a strong message to our federal delegation by asking them to take immediate action on lagging Medicare reimbursement rates that are detrimentally affecting our healthcare providers and access to appropriate care for Alaskans.

Please join me in support of this critical resolution that seeks to help Alaska's seniors by bringing Medicare's lagging rates to the attention of our federal representatives.

[3:34:01 PM](#)

CHAIR WILSON opened public testimony on SJR 10.

[3:34:17 PM](#)

MIKE COONS, representing self, Palmer, Alaska, stated he is a 70-year-old veteran who deals with Medicare and Veteran Administration health insurance. He proposed an amendment adding

the Veteran's Administration (VA) and TRICARE for Life insurance to the resolution. Medicare, VA, and TRICARE for Life insurance are all federal programs. He provided several examples of medical claims and the limited payout amounts that his doctor received. He opined that doctors need to stay in business. Limited payouts make it difficult for doctors to accept Medicare and veteran patients. He questioned how long Mat-Su hospital would continue to take Medicare patients when the government only pays pennies on the dollar.

[3:39:38 PM](#)

DR. MICHAEL SAVITT, Chief Medical Officer, Anchorage Health Department, Anchorage, Alaska, stated he supports SJR 10 because it addresses many clinics' concerns. Elders need continuity of care. The closing of the Alaska Regional Senior Clinic resulted from a lack of staff due to the pandemic. Its closure has left many seniors without care, exacerbating an existing problem. He formed a task force to help Anchorage's Medicare-insured community obtain medical care. He said it is difficult to fix a federal situation at a local level. Local leaders have requested federal assistance, but none is forthcoming. Many states are facing the same problem. There is no quick fix. Alaska needs to become more self-sufficient, creative in recruitment, and look for short-term and long-term solutions.

[3:43:56 PM](#)

JEROME GEORGE, representing self, Anchorage, Alaska, agreed with the points Dr. Savitt made. He said he is a retired state employee who believes Alaska needs to pay attention because if Medicare goes bankrupt, Alaska will be on the hook for the bills. It is in the state's best interest to see that Medicare survives. He suggested that the "blackmail" clause should be removed because it does not allow doctors to accept Medicare patients with supplemental insurance unless they accept all Medicare patients. He stated that the clause made it difficult for Medicare patients to find doctors when the Alaska Regional Senior Clinic closed. He said Alaska's seniors are the fastest-growing and largest group of voters in the state, but the sector's needs are unmet. He said education is the biggest deterrent to attracting young professionals to Alaska, which affects Alaska's medical crisis. He opined that Alaska needs to improve its school system.

[3:48:17 PM](#)

ERIC GURLEY, Executive Director, Access Alaska Inc., Anchorage, Alaska, described how Access Alaska supports seniors. He testified in support of SJR 10 and said the state of Alaska population projections for 2021 to 2050 expect the number of Alaskans 65 and older to increase by 30 percent. Current Medicare rates do not support the access seniors require for health care problems. Seniors having to wait for care can be life-changing. Economic insecurity and increasing costs affect seniors with fixed incomes. He asked that the legislature continue to work with Alaska's congressional representation to increase Medicare rates. He also requested that the government address the lifelong penalty for late enrollment, as it is unfair.

[3:51:31 PM](#)

CHAIR WILSON closed public testimony on SJR 10.

[3:51:40 PM](#)

At ease.

[3:52:20 PM](#)

CHAIR WILSON reconvened the meeting and asked for further questions.

[3:52:29 PM](#)

SENATOR TOBIN commented that millennials recently surpassed seniors as the largest voting population in Alaska.

[3:53:11 PM](#)

CHAIR WILSON solicited a motion.

[3:53:14 PM](#)

SENATOR KAUFMAN moved to report SJR 10 from committee with individual recommendations and attached fiscal note(s).

[3:53:27 PM](#)

CHAIR WILSON found no objection and SJR 10 was reported from the Senate Health and Social Services Standing Committee.

[3:54:42 PM](#)

There being no further business to come before the committee, Chair Wilson adjourned the Senate Health and Social Services Standing Committee meeting at 3:54 p.m.