

HOUSE JOINT RESOLUTION NO. 52

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES NORDLUND, Brice, Foster, Larson, Finkelstein, Toohey

Introduced: 1/21/94

Referred: Health, Education & Social Services

A RESOLUTION

1 **Urging the Congress to amend the Social Security Act so that the higher cost**
2 **of living in Alaska is reflected when the per capita income of the state is used**
3 **as a factor in determining the federal share of Medicaid costs.**

4 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 **WHEREAS** the federal matching rate for the Medicaid program in each state varies
6 from 50 percent to 79 percent, based on the relative per capita income of each state; and

7 **WHEREAS** the American Chamber of Commerce cost of living index for 1992 shows
8 that the cost of living in Anchorage, Fairbanks, Juneau, and Kodiak ranges from 130 percent
9 to 146 percent of the national average and that the health care costs in those communities
10 ranges from 171 percent to 190 percent of the national average; and

11 **WHEREAS** the use of a simple per capita income figure in the Medicaid program is
12 unfair to the State of Alaska because it ignores the higher cost of living in Alaska, particularly
13 the higher cost of health care services; and

14 **WHEREAS** this unfair federal funding formula affects not only the state's receipt of
15 federal matching funds for Medicaid but also for the program of aid to families with
16 dependent children, foster care assistance, and the JOBS program (Job Opportunity and Basic

1 Skills); and

2 **WHEREAS** the federal government has already recognized the higher cost of living
3 in Alaska by adjusting by 25 percent the Medicare nursing facility rates and the federal
4 poverty level figures for the state; and

5 **WHEREAS** the use of a 25 percent cost-of-living adjustment in the federal formula
6 would reduce the state's general fund Medicaid match from 50 percent to 38 percent, resulting
7 in a savings of \$31,000,000 that could be applied to other state purposes without any
8 reductions in Medicaid services;

9 **BE IT RESOLVED** that the Alaska State Legislature respectfully urges the Congress
10 to amend the Social Security Act so that the higher cost of living in Alaska is reflected when
11 per capita income is used in determining the federal share of Medicaid costs in the state; and
12 be it

13 **FURTHER RESOLVED** that the legislature commends the work already done on this
14 issue by Senator Ted Stevens and urges the entire Alaska delegation to join him in his efforts.

15 **COPIES** of this resolution shall be sent to the Honorable Bill Clinton, President of the
16 United States; the Honorable Al Gore, Vice-President of the United States and President of
17 the U.S. Senate; the Honorable Robert C. Byrd, President Pro Tempore of the U.S. Senate;
18 the Honorable Thomas S. Foley, Speaker of the U.S. House of Representatives; the Honorable
19 Donna E. Shalala, Secretary of Health and Human Services; and to the Honorable Ted Stevens
20 and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S.
21 Representative, members of the Alaska delegation in Congress.