

SB

123

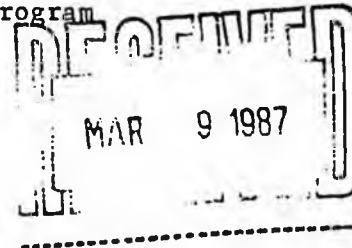


UNIVERSITY OF ALASKA—FAIRBANKS

Fairbanks, Alaska 99775

WAMI Medical Education Program

March 5, 1987



Senator Joe Josephson
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Senator Josephson:

I met with Don Behrend today here in Fairbanks, along with Ray Bailey of the WAMI Program. The University will be submitting a formal set of numbers to you in the next two weeks but, in general terms, the enclosed figures represent a close approximation. It is quite possible that the University of Washington may reduce these figures, but probably not in an appreciable manner.

If SB 123 were to pass, it would probably cause less disruption to the Program in the next year if it remained in Fairbanks, thus giving UAA time to do its other restructuring, and for us to have more time to get all of the support faculty on line in Anchorage. My reading is that the long range plan of the University of Alaska is for WAMI to be in Anchorage.

For the data specifically, please refer to Chart #1. It shows that the WAMI Program is costing the State of Alaska \$1,807,564 this current year. If the Program were to remain in Fairbanks next year with 10 freshman students, the cost would be \$1,792,564. This small decrease is due to a reduction in the operating cost of the community clinical units. If the Program were to move to Anchorage in the next year, there would be about a \$50,000 increase in that cost for both moving and coordination, bringing the cost to \$1,842,564, or \$35,000 over the current fiscal year.

The Regents have at this point agreed to an altered and reduced program with only 5 freshman students being accepted and sent to Seattle. It is indeed difficult to compare costs, since the thrust and concept are totally different. This configuration would thus cost \$1,235,644, all of which would go out of State to the University of Washington.

Thus, for purposes of Line Item funding for SB 123, I would feel that either \$1,792,564 or \$1,842,564 should be allocated. The Post Secondary Education Commission would receive this amount of money and then redistribute it as follows:

- \$1,322,166 to the University of Washington for years medical student years 2, 3 and 4
- \$470,398 to the University of Alaska for the freshman year
- \$50,000 to a transition fund should you elect the Anchorage option.

UNIVERSITY OF ALASKA

Senator Joe Josephson

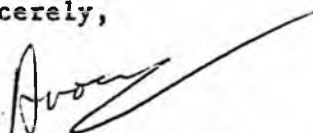
March 5, 1987

Page 2

I shall call you early next week to correlate this with you and your staff. I have a tentative meeting with Don Behrend and perhaps President O'Dowd on March 26 so that we could continue to work on this process. As you know, the more expeditiously this legislation can be accomplished, the more the integrity of the Program can be maintained by accepting new, high quality students for the Fall of 1987.

Thank you again for all of your help on this issue.

Sincerely,



Aron S. Wolf, M.D.

ASW/bm

c.c. Sen. Jan Faiks

Rep. Nillo Koponen

Rep. Johnny Ellis

Provost Don Behrend

Assoc. Prof. Bailey

WAMI BUDGET

Fiscal Year	Post Secondary Education Option 10 Freshman Students			University Option 5 Freshman Students
	FY87	FY88	FY88	FY88
Location of freshman students	Fairbanks	Fairbanks	Anchorage	Seattle
Number of Freshman students	10	10	10	5
Total number of students	48	48	48	43
State Appropriation				
To Univ. of Washington	1,337,166	1,322,166	1,322,166	1,235,644
To Univ. of Alaska	470,398	470,398	470,398	-0-
Moving Expenses	-0-	-0-	50,000	-0-
TOTAL BUDGET	1,807,564	1,792,564	1,842,564	1,235,644

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: SB123
Publish Date: 2/12/87

Revision Date: _____

Agency Affected: Education
BRU: Postsecondary Commission

Title: Re: Agreements for Medical Education

Sponsor: Josephson and Faiks

Components: General Admin.

Requestor: Senate HESS

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	N.A.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Language is merely permissive. No staff or funding is required.

Prepared by: Kerry D. Romesburg  Phone: 465-2854
Division: _____ Date: _____

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary



Alaska State Legislature

SENATE

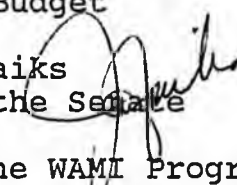
Office of the President

P.O. Box V
State Capitol
Juneau, Alaska 99811

April 30, 1987

MEMORANDUM

TO: Senator Paul Fischer, Chairman
Senate Finance Subcommittee on the Department
of Education Budget

FROM: Senator Jan Faiks 
President of the Senate

SUBJECT: Funding for the WAMI Program

As you are familiar due to your HESS Committee's work on Senate Bill 123 regarding the future of the WAMI program. As proposed, the program would move from the University of Alaska to the Postsecondary Education Commission.

To effect the change, as part of the Senate Finance Committee budget work, I request the transfer of \$1,255,800 from the University of Alaska Fairbanks currently budgeted in the Governor's Revised FY 88 budget to the Postsecondary Education Commission. In addition, I request the addition of \$536,200 in new general fund dollars which will ensure adequate funding for the 37 continuing students and 10 new students. This would bring the total dollar amount to \$1,792,564 for FY 88. This increased amount provides for 10 new students compared to the University's FY 88 budget amount which is for five new students.

Attached is further details on the requested funds. Should you require additional information, please let me know.

cc: Senator Don Bennett, Co-Chairman, Senate Finance
Committee
Senator John Binkley, Co-Chairman, Senate Finance
Committee
Senator Willie Hensley, Chairman, Senate Finance
Subcommittee on the University of Alaska

FY 88 SENATE OPERATING BUDGET REQUEST

DEPARTMENT: Education

COMPONENT: Postsecondary Education Commission BRU
New Component: WAMI

BRIEFLY DESCRIBE REQUESTED DELETION/ADDITION:

TRANSFER

1255.8 from UAF Contractual

TO

Postsecondary Education Commission and create a new component called WAMI; budget under contractual

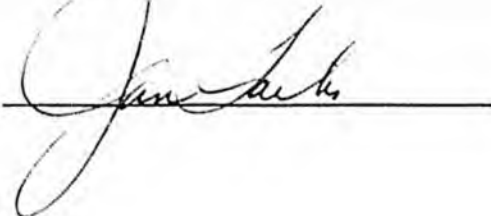
ADD

536.2 in new general fund dollars for a total budget of 1792.6.

CODE	EXPENDITURES BY OBJECT	AMOUNT
100	Personal Services	
200	Travel	
300	Contractual Services	1792.0
400	Commodities	
500	Equipment	
600	Lands, Buildings, Etc.	
700	Grants, Claims, Etc.	
800	Miscellaneous	
	Total	1792.0

No. of Positions: PFT
PPT/Seasonal

LEGISLATIVE MEMBER'S SIGNATURE



UNIVERSITY OF ALASKA

MEMORANDUM

TO: Jan Faiks
President, Alaska State Senate

FROM: Ray Bailey ^{RB}
Director, WAMI Medical Education Program

DATE: April 29, 1987

RE: SB 123 and WAMI Budget

The FY88 operating budget of the WAMI Program is planned at \$1,792,564. If SB 123 is successful, that amount would need to be placed in the Contractual Services category of the budget for the Commission on Post-secondary Education. The WAMI budget will fund 47 medical students, including 10 new students admitted to the first year class in Alaska. The budget can be broken down as follows:

FY88 WAMI BUDGET

Education of 10 new students in Alaska	470,398
Education of 37 Alaskan students in 2nd, 3rd and 4th years at University of Washington	1,101,617
Faculty support to University of Alaska	58,976
UW Administration of the WAMI Program	115,091
Community Clinical Units in Anchorage and Ketchikan	<u>46,482</u>
TOTAL BUDGET	1,792,564

A budget justification is on the next page

UNIVERSITY OF ALASKA

BUDGET JUSTIFICATION

FY88 WAMI Budget

470,398

Education of 10 first year students in Alaska. This amount would be paid to the University of Alaska to operate the first year program, probably in Fairbanks. This represents a 20% reduction from the FY84 budget.

1,101,617

Education of Alaskan WAMI students taking their 2nd, 3rd and 4th year curricula at UW and related community clinical sites. In FY88 there will be 10 second year, 15 third year, and 13 fourth year students.

58,976

Faculty support to University of Alaska. This amount is paid to UW to offset the costs of UW faculty travel and time while teaching in Alaska. These UW faculty supplement the local Alaskan faculty, and present special lectures and training not available in Alaska.

115,091

Administration of WAMI Program. This amount, paid to UW, is used to pay for administrative costs, such as student records, administrative travel and time in support of the program, an annual faculty retreat for all of WAMI, and so on.

46,482

Community Clinical Units. In addition to the first year program in Alaska, WAMI operates four community Clinical Units in Alaska, which provide 6 week rotations for 3rd and 4th year students. The funding is used to pay for student travel from UW to the clinical units, which are in Ketchikan (Family Medicine) and Anchorage (OB/GYN, Psychiatry and Family Medicine).

College of Natural Sciences



UNIVERSITY OF ALASKA—FAIRBANKS

Fairbanks, Alaska 99775

Department of Medical Sciences

and WAMI Program

April 24, 1987

Senator Paul Fischer
Chair, Senate HESS Committee
Room, 508, Capitol
Juneau, AK 99811

Re: SB 123, Cost to Alaska of WAMI
trained physicians

Dear Senator Fischer:

Thank you for your interest in the WAMI Program. During the HESS committee meeting on Wednesday, April 22, you asked about the total cost to Alaska for the WAMI physicians who have returned here to practice medicine. Only those students who entered the program before 1980 have had an opportunity to complete their training. Almost all students require seven or more years training before entering a practice (4 years medical school, plus 3 to 6 years residency and, in some cases, additional advanced training).

Thus far 143 students have entered the program. Of those, 42 have completed their residency training. Twenty-four graduates, or 57% of those free to do so, have returned to Alaska to practice. Another 23 doctors, trained in other WAMI states, have also chosen to practice in Alaska. Thus for every 10 physicians we train, 11 WAMI physicians come to Alaska to practice. We have two return rates: 57%, considering only Alaskan WAMIs; 110%, considering all WAMIs.

I would like to provide two answers to your request. The first is Alaska's ACTUAL cost for the WAMI physicians now in practice in Alaska. The second is the PROJECTED cost of future physicians from students currently enrolled (47), assuming the students, after they complete their training, will return at the same rate as prior students.

The attached Table I shows that students who entered the WAMI Program in the 70s are now back and practicing in Alaska. Considering the total cost to train all students who entered then, the cost to Alaska for the Alaskans who returned was \$167,255 per physician. Because other WAMIs also came to Alaska to practice, Alaska's actual cost per WAMI physician in Alaska was only \$85,407. Students who entered in the 1980s have not yet finished their training. But in projecting their cost to the State, and assuming the same rate of return, the cost per future physician will be \$267,777 for Alaskans only, and \$139,043 for all WAMI physicians.

Sincerely,

Raymond P. Bailey, Ph.D.

Director
WAMI Medical Education Program

RPB/bm
Attachment

UNIVERSITY OF ALASKA

Table I.

Total Costs of WAMI Physicians in Alaska

I. ACTUAL (only students entering before 1980 can be included)

Total State Appropriation	Total Number of Students	Total Number Practicing in AK	Cost per Physician
4,014,122	42	24 Alaskans	167,255
4,014,122	42	47 Alaskans and other WAMIs	85,407

II. PROJECTED (students currently enrolled)

Total State Appropriation (FY87 to 90)	Total Number of Students	Total Number Projected to practice in Alaska	Cost per Physician
7,230,256	47	27 Alaskans	267,777
7,230,256	47	52 Alaskans and other WAMIs	139,043

1 What is Ray

→ 47 Physicians - 35 WAMI Grad
??? Alaskans.

Total Cost to State →

5 students next year

~~200,000~~
200,000

→ Anch - Prov. Hospital Internship
→ Why not - U of W - Satellite ~~Center~~ center
Sen Kertulla
1st yr.

→ Loan - St. Life Insurance -
Academic vs Clinical → ✓

Hershey Medical Center -
21,000,000 Wash. State Budget.

→ Corrections - H + SS -

Clerkships ✓

180,000,000 - # of Med Students

~~CHE~~

→ How / when
NICHÉ - Law

STATE OF ALASKA 1987 LEGISLATIVE SESSION
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TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	N.A.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-	-0-	-0-

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Introduced: 2/12/87
Referred: Health, Education and Social
Services

5-0630A

1 IN THE SENATE

BY JOSEPHSON AND FAIKS

2 SENATE BILL NO. 123

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to agreements for the provision of
7 medical education; and providing for an effective
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 14.42.030 is amended by adding a new subsection to
11 read:

12 (d) The commission may enter into agreements with government or
13 postsecondary education officials of this state or other states to
14 provide postsecondary educational services and programs to Alaska
15 residents pursuing a medical education. An agreement with another
16 state must be limited to services and programs that are unavailable in
17 Alaska.

18 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).
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