

HB

55

Alaska State Legislature

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Member

House Finance Committee
Legislative Budget & Audit

Representative Mike Kelly

House District 7

HB 55

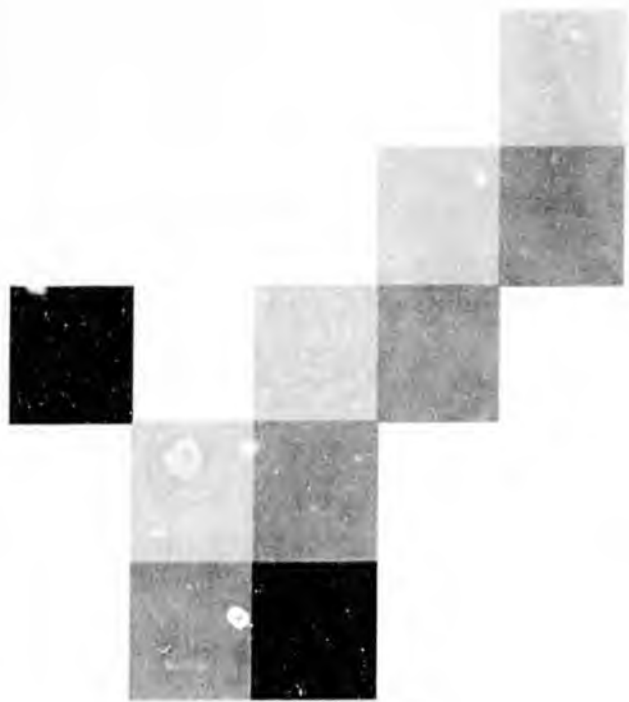
*"An Act relating to postsecondary educational services
and programs for Alaska residents."*

The purpose of HB 55 is to address the severe doctor shortage in Alaska. According to the Alaska Physician Supply Task Force, Alaska would need an increase of 28% (375 doctors) to catch up with the lower 48. Increasing the in-state production of physicians by increasing the number of medical school and residency positions in Alaska is the No. 1 goal according to the Task Force.

The shortage is affecting access to care throughout the state and increasing costs to hospitals and health care organizations. HB 55 is a small, but important first step in addressing the recruitment and retention of a qualified physician workforce.

The Alaska WWAMI Biomedical Program, which began in 1971, is one component of a collaborative medical school, established through an agreement among the University of Washington and the states of Wyoming, Alaska, Montana and Idaho. An intent to return to Alaska upon completion of the WWAMI program is absolutely required before entrance. Each year, support from the State allows 10 certified Alaskans to begin their medical education in this cooperative. This number (10 seats) represents fewer seats per capita than all but 5 of the 50 states. This bill aims to double the program from 10 to 20 students.

The WWAMI program partnership is No. 1 among Primary Care medical schools in the country according to the U.S. News and World Report. Teaching programs in family medicine and rural health also received the No. 1 ranking.



Securing an Adequate Number of Physicians for Alaska's Needs

**Alaska Physician Supply Task Force
Alaska Health Summit
December, 2006**

**Legislative
Health Caucus**

Task Force Members

Co-Chairs:

- Richard Mandsager, MD, Previously Director, State of Alaska Director of Public Health. Currently Director of Children's Hospital at Providence
- Harold Johnston, MD, Director, Alaska Family Medicine Residency

Members:


- Rod Betit, President, Alaska State Hospital and Nursing Home Association
- David Head, MD, Medical Director, Norton Sound Health Corporation, and Chair, Alaska State Medical Board, representing Alaska Native Tribal Health Consortium
- Jan Gehler, Ph. D., Interim Provost, University of Alaska Anchorage
- Jim Jordan, Executive Director, Alaska State Medical Association
- Karen Perdue, Associate Vice President for Health Affairs, University of Alaska
- Dennis Valenzano, Ph. D., Director, Alaska WWAMI Biomedical Program



Staff to the Task Force

Health Planning and Systems Development Unit
in the Commissioner's Office, Alaska Department of Health
and Social Services

- Patricia Carr
- Alice Rarig
- Joyce Hughes
- Stephanie Zidek-Chandler
- Jean Findley




Alaska Physician Supply Task Force

- Commissioned January 2006 by UA President Hamilton and the Commissioner of DHSS Karleen Jackson
- Addressed two questions:
 - What is the current and future need for physicians in Alaska?
 - What strategies have been used and could be used in meeting the need?
- Variety of sources of information, including physicians, other experts, and public participation

The consensus of the Task Force is that this report represents the best answer possible to these questions, within the constraints of time and budget, and the inherent uncertainties of available data and predictions.

Assessment of Need

- The ratio of physicians to population in Alaska is below the national average (2.05 MDs per 1000 population in Alaska vs. 2.38 U.S.)
- Alaska should have 10% more physicians per population than the national average because of Alaska's rural nature, great distances, severe weather, and resulting structural inefficiencies of the health care system
- Alaska needs a higher ratio of mid-level providers (advanced nurse practitioners and physician assistants) to physicians than the national average
- Shortages: most apparent in internal medicine, medical subspecialties and psychiatry
- Alaska currently gains about 78 physicians per year, loses about 40 per year



Strategies that Have Been Used to Enhance Physician Supply in Alaska

- **Residency programs** are one of the most effective ways to produce physicians for a state or community. (Alaska Family Medicine Residency places 70% of its graduates in Alaska.)
- In 2005, 29 of 73 Alaskan applicants were admitted into medical school. Ten per year attend **WWAMI** (first year in Alaska), others attend medical schools without state support from Alaska.
- Recruitment for physicians is facilitated by the availability of **loan repayment programs** such as the Indian Health Service and National Health Service Corps loan repayment programs.
- Alaska has a number of **initiatives to increase interest in medical careers** among Alaskans include but these generate too few applicants to replenish Alaska's shortage, and diversity is inadequate.

Figure A. Gain in Alaskan Physicians— Static Doctor to Population Ratio vs. Desired Growth Scenario

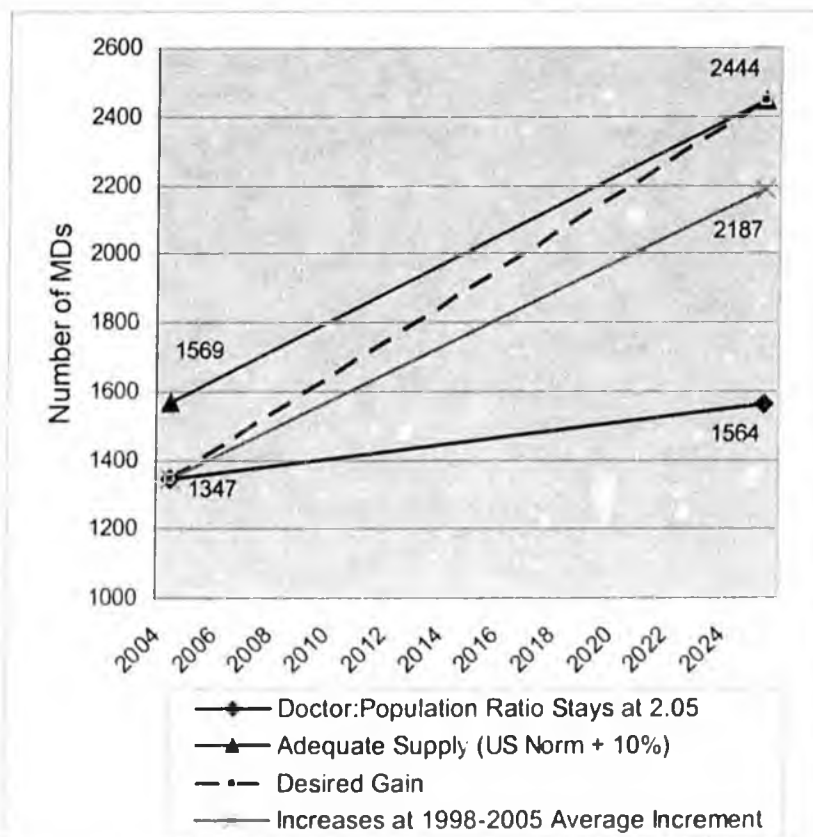


Figure B. A First Look at Physician Count in Alaska

Measure:	MD Count (Alaska)	MDs Per 1000 Population
2004 actual physicians in patient care (per AMA Master File)	1347	2.05
2004 "expected" at national average	1565	2.38
"Deficit" from national norm	218	---
Percent "deficit"	14%	---
Outside Anchorage Vacancy Rate (AFMR survey 2004)	16%	---




Recommended Strategies

- The Task Force recommends improved monitoring of physician workforce issues and specific strategies and action steps to achieve four goals related to assuring an adequate supply of physicians to meet Alaska's need. These are detailed in the report: *Securing an Adequate Number of Physicians for Alaska's Needs.*



Goals:

1. Increase the in-state production of physicians by increasing the number and viability of medical school and residency positions in Alaska and for Alaskans
2. Increase the recruitment of physicians to Alaska by assessing needs and coordinating recruitment efforts
3. Expand and support programs that prepare Alaskans for medical careers
4. Increase retention of physicians by improving the practice environment in Alaska



Goals and Strategies for Securing an Adequate Physician Supply for Alaska's Needs

Major Goal 1.

Increase the in-state production of physicians by increasing the number and viability of medical school and residency positions in Alaska and for Alaskans.

Goal 1. Increase production of physicians...

- | | | |
|---|--------|---|
| A. Increase the number of state-subsidized medical school positions (WWAMI) from 10 to 30 per year | Medium | \$250,000 per practicing physician |
| B. Ensure financial viability of the AFMR through state support including Medicaid support | Short | \$60,000 per practicing physician |
| C. Increase the number of residency positions in Alaska, both in family medicine and appropriate additional specialties | Short | \$100,000 per year plus \$30,000 for planning in year 1 & 2 |
| D. Assist Alaskan students to attend medical school by: i) reactivating and funding the use of the WICHE Professional Student Exchange Program with a service obligation attached, and ii) evaluating the possibility of seats for Alaskans in the planned osteopathic school at the Pacific Northwest University of the Health Science | Medium | i) \$550,000 per practicing physician for WICHE;
ii) cost unknown at time of PSTF report |

Goal 1. Increase production of physicians... continued...

E. Investigate mechanisms for increasing Alaska-based experiences and education for WWAMI Students	Medium	Unknown at time of PSTF Report
F. Maximize Medicare payments to teaching hospitals in Alaska	Short	Zero cost to the state
G. Empanel a group to assess medical education in Alaska, including the viability of establishing an Alaska-based medical school	Long	Undetermined at time of PSTF Report

Goal 2. Increase the recruitment of physicians to Alaska by assessing needs and coordinating recruitment efforts.

- | | | |
|---|------------|--|
| A. Create a Medical Provider Workforce Assessment Office to monitor physician supply and facilitate physician recruitment efforts | Short Term | \$250,000 per year |
| B. Research and test a physician re-location incentive payment program | Short | \$65,000 per physician |
| C. Expand loan repayment assistance programs and funding for physicians practicing in Alaska | Short | Undetermined – need to consult with other states |




Goal 3. Expand and support programs that prepare Alaskans for medical careers

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|---|-------------|----------------------------|
| A. Expand and coordinate programs that prepare Alaskans for careers in medicine | Medium Term | Up to \$1,000,000 per year |
|---|-------------|----------------------------|

Goal 4. Increase retention of physicians by improving the practice environment in Alaska

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|--|------------|---|
| A. Develop a physician practice environment index for Alaska | Short Term | \$100,000 to develop index; \$20,000 annually to update |
| B. Develop tools that promote community-based approaches to physician recruitment and retention | Short Term | \$50,000 per year |
| C. Support federal tax credit legislation Initiative for physicians that meet frontier practice requirements | Short Term | Zero cost to the state |



Implementation Strategy – Next Steps for Legislature and Other Key Policy Makers

The shortage of physicians and other health care providers creates one of Alaska's most challenging *public health and higher education* issues.

Recommended actions include:

- programmatic activities (educational programs, research and development of recruitment and retention methods and marketing),
- obtaining targeted funding (for support of medical school preparatory programs, and medical school and residency slots), and
- collaborative planning with key education, government and provider partners (including University of Washington regarding medical school planning).

Funding the action steps to accomplish the goals will be very important. The Task Force recommends creation of permanent structures for implementation including a Medical Provider Workforce Assessment Office.



Next Steps

- Discussion and consensus needed
- Legislative Initiatives
- Budget Proposals
- Potential Physician Survey
- Programmatic Development
 - Department of Health and Social Services
 - University (including Area Health Education Center)
 - Organizations (ASHNHA, ASMA, Others)

statewide

Needs and costs for recruitment and retention of physicians across the state

Significant lack of primary care physicians throughout the state

SORRAS study by the State and UA showed that 16 million dollars are spent annually to recruit physicians and other health care professionals

The cost per hire was 28,000

With the need for temporary or locums physicians this drove the cost to 38,000 per hire

Issues

- High cost of medical education—huge debt for each physician
- Poor payment by public programs—medicare and medicaid especially for primary care
- Competition for physicians across the country

Some ideas for relief

- Increase WWAMI positions (Dr. Johnston)
- A combined recruiting and retention initiative (ASHPIN) or others
- Use of technology/telemedicine
- Cooperation between segments of the health care system—
private/clinics/hospitals/Native health system/VA and military

Educating a Physician

Undergraduate degree

- can be in a variety of disciplines

4-year medical school program

- confers M.D. degree

3 to 7 years residency training

- qualifies for independent practice
- specific for specialty

Medical Education in Alaska

WWAMI is Alaska's Medical School

Admit 10 Alaskans per year

Year 1 in Anchorage at UAA

Year 2 in Seattle

Years 3-4 in any WWAMI state

- Alaska Track – nearly all in Alaska

★ Three of four years can be completed in Alaska

How Are We Doing?

1. Quality of WWAMI Medical Education

#1 ranked Primary Care medical education – 13 consecutive years

#1 ranked Rural Health medical education – 15 consecutive years

#1 ranked Family Medicine medical education – 15 consecutive years

US News & World Report, America's Best Graduate Schools, 2007 edition

How Are We Doing?

2. Graduates Practicing in Alaska

Each year 7 to 8 WWAMI graduates begin practice in Alaska

Return on investment: 7.5 new physicians for 10 funded positions – 75%

Alaska WWAMI Database

National average: <40%

American Association of Medical Colleges, Key Phys Data by State, Jan 2006

How Are We Doing?

3. Alaska WWAMI applicants

Alaska WWAMI:

7 to 8 applicants per position

most competitive WWAMI site last year

excellent qualifications

top group of 10 = 2nd group = 3rd group for:

MCAT (Medical Coll. Aptitude Test)

undergrad GPA (grade point average)

Alaska WWAMI Database

**Legislative
Health & Caucus**

How Are We Doing?

4. Alaskan Applicant Success - nationwide

All US Med Schools:

38% of Alaskan applicants accepted

2nd lowest of all US states

AK applicant quality at or above nat'l avg

MCAT

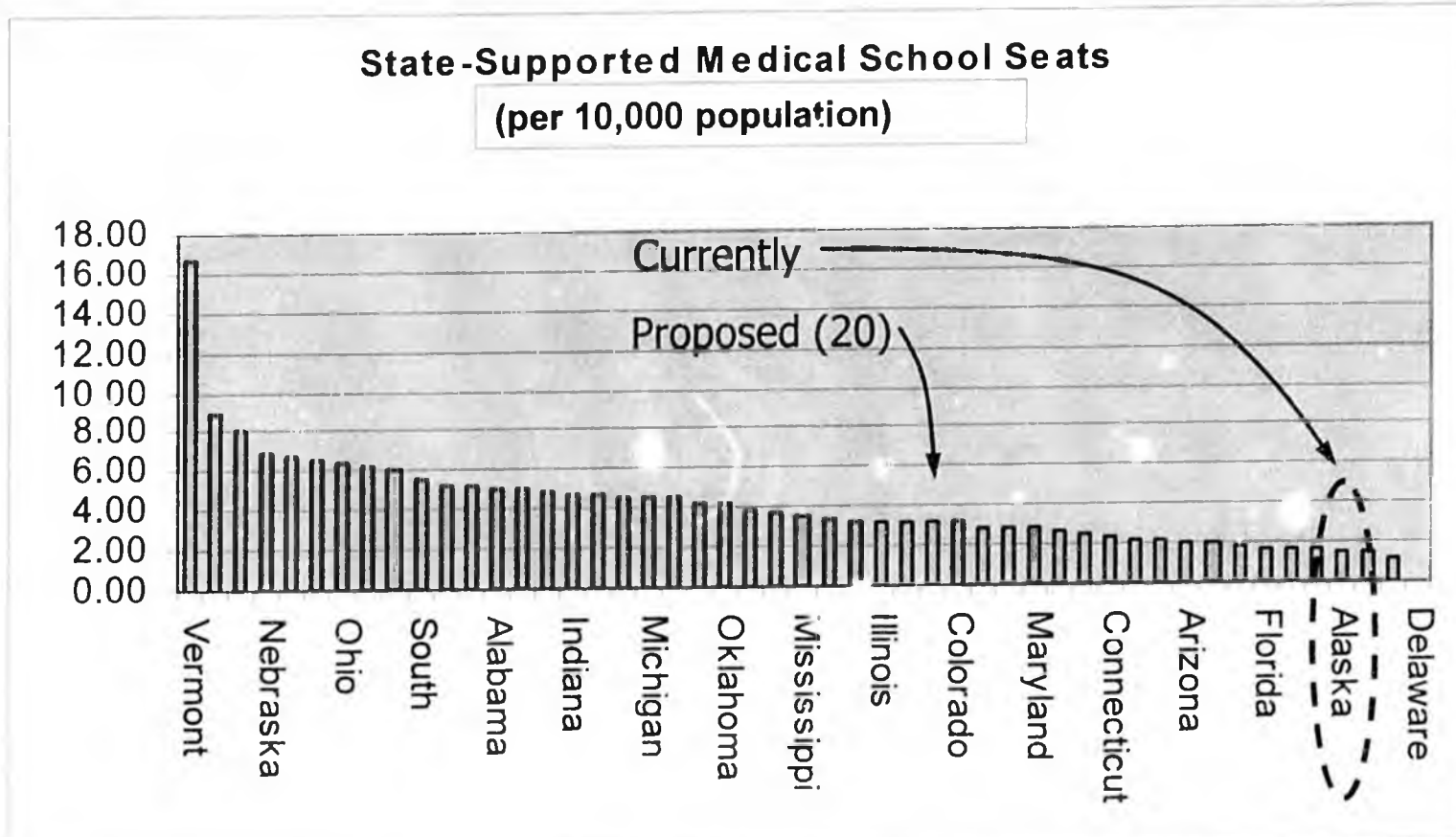
undergrad GPA

American Association of Medical Colleges database 2004

Legislative
Health  Caretakers

How Are We Doing?

5. Public Support for Medical Education



American Association of Medical Colleges database 2004

A Growing Changing Need

- In the 1950's, 60's and 70's most physicians came to Alaska for their rotations in the Military or The Public Health Service
 - This changed with the end of the Berry Plan (or physician draft)
 - It also changed with the change to Native Self Determination and fewer Service Corps Physicians in Alaska
- WWAMI was begun in the 1970 to BEGIN to address the "homegrown " needs



January 29, 2007

The Honorable Peggy Wilson, Chair
House Health, Education and Social Services Committee
Alaska State Capitol, Room 403
Juneau, AK 99801-1182

RE: HB 55 (Kelly)--Support

Dear Chair Wilson:

On behalf of the members of AARP in Alaska, we strongly encourage you and your colleagues on the House Health, Education and Social Services Committee to support HB 55, introduced by Representative Mike Kelly.

It is no secret that Alaska has a shortage of physicians which is expected to get worse over the next few years. AARP members in many Alaska communities already tell us that they are unable to find a physician who will accept them as Medicare beneficiaries. The current situation is so bad that United States Senator Lisa Murkowski is scheduling a Senate hearing on the issue in Anchorage on February 29.

The one bright spot in this shortage is the WWAMI program which has provided ten slots for family practice physicians to spend their residency in Alaska. Upon completion of their medical education, most of these physicians have chosen to stay here and practice in our cities as well as in our remote communities.

You and your House Committee colleagues have seen the Alaska Physician Supply Task Force report produced jointly by the University of Alaska and the Department of Health and Social Services. This excellent report should serve us as a roadmap for our future directions in physician training.

The former exodus of Alaska retirees has been reversed over the past few years. Because of our improved health services and provider community, older Alaskans have determined that they can remain here after retirement, close to their friends and families.

If older Alaskans are unable to find a physician willing to see them, we will be back with the situation of retirees leaving the state so they can be assured of access to health professionals.

HB 55 offers us the first real meaningful opportunity to begin to meet this need. Doubling the number of family practice residents from ten to twenty won't solve our problem but it is an excellent first step.

Our AARP members, your constituents, want to stay here after retirement. An affirmative vote on HB 55 will help accomplish that.

We urge an "AYE" vote on HB 55.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,

Marie Darlin

Marie Darlin, Coordinator
AARP Capital City Task Force
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CC: Vice-Chair Bob Roses
Representative Anna Fairclough
Representative Mark Neuman
Representative Paul Seaton
Representative Berta Gardner
Representative Sharon Cissna
Representative Mike Kelly

ALASKA STATE LEGISLATURE



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REPRESENTATIVE MIKE KELLY
HOUSE DISTRICT 7

Member

House Finance Committee
Legislative Budget & Audit

MEMORANDUM

To: Rep. Peggy Wilson, Chair -- House HESS Committee
From: Rep. Mike Kelly, Member -- House Finance Committee
Date: January 24, 2007
Re: Scheduling request HB 55

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Attached you will find a complete committee packet as a request for hearing for HB 55 –
*"An Act relating to postsecondary educational services
and programs for Alaska residents"*

I have included a sponsor statement, the bill and other items of evidentiary support including selected excerpts from the Alaska Physician Supply Task Force.

If you have any questions or comments, or require additional material please feel free to contact me at extension 4976 or my staff, Derek Miller at extension 6879.