

**Alaska Health Care Strategies Policy Council**  
**Salient “Facts” and Initial Problem Identification/Excerpts from Council Resources**  
**October 30, 2007**

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At the October 15, 2007 meeting of the Alaska Health Care Strategies Policy Council, members engaged in two significant activities: 1) identifying the “facts” that are most salient to solving the issue facing health care in Alaska, and 2) stating the five main problems, and beginning a discussion of how to solve those problems. In identifying the most relevant facts, the two following sections are presented.

Section I: In preparation for identifying the main problem areas which policy strategies must address, the council articulated the “facts” that struck them as being most salient to their process. The thoughts from members are presented below, summarized when more than one member articulated similar/related thoughts, and placed within logical (though fluid) groupings. Based on these groupings the council was able to identify what it considered the most noteworthy issues requiring immediate and long-term attention in Alaska’s health care system:

- Prevention
- Personal Responsibility;
- Costs of and Access to Quality Health Care for all Alaskans;
- The Healthcare Workforce
- Water and Wastewater Systems in Rural Alaska.

Each of the above issue areas is described in Section I, and includes a description of the issue, why it is important, and what “facts” might prove useful in developing solutions for the Governor.

Section II: Following the discussion of issue areas in this document, as reference material for council members, Alaska-specific excerpts from the more than 70 reports made available to the council are presented.

## **SECTION I: ISSUE AREAS AND SALIENT FACTS**

### **Prevention and Personal Responsibility**

**What’s the problem:** *While Alaskans may understand the connection between their lifestyle choices and their individual health, for the most part they do not make a connection between their personal choices and the cost of their health care.*

**Why this is important:** *A clear understanding of the role of personal choice in individual health status and health care cost, as well as health care costs statewide, is a critical component in development of long-term strategic policies in Alaska health care.*

#### **What “facts” can we use to solve this problem?**

- The link between chronic disease and lifestyle choices is clear. With prevention, better lifestyles translate to better health.

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- The greatest impact of prevention will be seen with programs targeting good diet and exercise in children.
  - Therefore, Alaska school districts will be an important player in health care change.
- Promoting physical fitness in Alaska in line with the President’s Physical Fitness model could be an effective tool for changing the way Alaskans think about their health.
  - The focus on prevention will make the most significant change,
    - Operating under a health model instead of a disease model, a prevention model instead of a treatment model,
    - Providing incentives that focus on prevention – not illness – and incentives for health care versus treatment of disease.
- While the foundation of a focus on prevention and personal responsibility will have the largest impact upon youth, Elders also need incentives for maintaining good health
- Government has an important role to play to “jump start” healthy choices through incentives,
  - There is a big window – with the commitment of the Governor and the ability to fully incorporate health care oversight in statute – to make long-lasting change in Alaska’s health care paradigm.
    - True success will be the result of long-term commitment of the state to keeping an eye on health care through a long-term structure

### **Costs Of and Access to Quality Health Care**

**What are the problems:** *Two of the biggest barriers to building healthy Alaskans are 1) the extremely high and ever-growing costs of health care in the state, and 2) the lack of access to necessary and appropriate quality health care in both Alaska’s rural and urban areas. Costs for health care in Alaska and across the nation are already high and skyrocketing upwards. In addition, many Alaskans do not have access to health care, because they live in remote rural communities – and limited access to specialized care even in urban communities due to lack necessary specialization.*

**Why this is important:** *Reducing the overall costs of health care, and increasing access to quality health care are ‘must do’ priorities if there is to be long-term, positive reform in Alaska’s health care system. With respect to both high costs and lack of access, insurance plays a central role. These issues may respond well to the development of a system in which insurance is more portable and readily available, health care services are more consumer driven and market-responsive. On the access side, Alaska can make great strides by thinking about how to more effectively get health care services to our rural communities, and about how to increase specialized professional services.*

**What “facts” can we use to solve this problem?**

- Merely providing everyone insurance will not solve the problem of costs, but incentives to individuals to become healthy could;
- Incorporating consumerism (patient engagement in understanding and demanding high quality and appropriate cost) more fully into Alaska’s health care system will allow consumers to make health care choices based on having cost and quality information,
  - Part of building a consumer-driven health care system in Alaska is providing a place – virtual most likely – where Alaskans can go to get information on quality and costs of health care,
  - There is a belief that the state of Alaska is in a unique position to be a clearinghouse for that kind of information, provided to enable more rational and market-based decision making;
- With consumerism Alaskans will get better, more accurate information, and the expectation that they should shop around, which could in turn could lead to reduced health expenses for many;
- Having “skin in the game” is a big motivator when it comes to making lifestyle choices and pursuing health care options;
  - Without having personal engagement there is little reason for consumers to change their attitudes or behaviors;
- Reductions in Alaska’s public health system have had a negative consequence of to the level of access to health care for Alaskans, especially in rural areas,
  - Building up the public health presence in the state will be an important part of health care reform;
- Incentives for good health care choices, and disincentives for bad health care choices, will have a huge impact on building healthy Alaskans,
  - There must be consequences for bad choice, and incentives for making good choice, such a debate about how to implement such incentives may take ongoing community education and building acceptance for such a strategy,
  - Incentives may be necessary for people to make positive choices;
- People don’t always suffer the consequences of bad lifestyle behavior, and everyone else is forced to subsidize the poor lifestyles,
  - While presenting incentives for positive health care choices seems intuitive, there must be caution when penalizing Alaskans for poor lifestyle choices,
  - Policy makers must remain cognizant of the fact that some lifestyle choices are complicated, and are made long before incentives will work, especially for youngest people;
- Incentives and education help in making health lifestyle choices – but it must be sensitive to be implemented in a culturally appropriate manner,
  - Supporting traditional health practices will be important;
- Mobile and airborne clinics could be used more to get health care to people who don’t have access;

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- Financial impact (“who will pay?”) must be part of the health care conversation,
  - There are constrained and strained finances and competing uses of government dollars,
    - When brainstorming solutions, it is critical to keep an eye on costs;
- Collaborative partnerships are a necessary precursor to true health care reform, and health care problem-solving,
  - Building those collaborative partnerships, is critical, for instance through prevention mini-grants;
- For low-income and rural Alaskans, community health centers are an effective way to improve access to health care;
- In rural areas, combining community mental health and community mental health is an important vehicle for improving access to, cost for, and quality of health care in Alaska;
- Any basic discussion of prevention must include the following factors:
  - Tobacco use,
  - Alcohol and substance abuse,
  - Obesity,
  - Diabetes,
  - Heart disease,
  - Quality water and safe sanitation;
- Alcohol/chemical dependency is the #1 behavioral health problem in Alaska and the #1 cause of death in Alaskan youth;
- We should spend the most money on addressing self-induced health care problems;
- Health insurance coverage is not the only solution to Alaska’s health care problem, but one of many solutions,
  - Insurance that is portable, consumer-focused, and consumer-owned, purchased with pre-tax dollars;
- The differing interpretations of the role of health insurance is part of the problem, part of the solution could be a clear understanding to certain questions such as:
  - Is insurance for catastrophic events, or is it for pre-paid coverage for routine or predictable events? (Currently, 16-17% of health premiums are for predictable expenses)

### The Healthcare Workforce

**What is the problem:** *Alaska has too few health care workers at all levels of the system – physicians, physician’s assistants, and nurse practitioners, to lab personnel, radiology technicians, and other support staff.*

**Why this is important:** *Without ample health care workers, the system will fail – it is showing signs of strain. We can build recognition of the link between health and prevention, and articulate the link between personal responsibility and health care, but without the people to do the work, the system falls apart. We can strive to reduce the overall costs of health care, and improve access to quality care for all Alaskans. But without a qualified health care labor pool, no positive change can take place.*

#### What “facts” can we use to solve this problem?

- The lack of availability of health care workers is a factor in increasing costs of health care, and the inability of all Alaskans to access health care services;
- Among health care workers, one of the major deficits is in direct care behavioral health workers;

### Water Quality and Safe Wastewater Systems

**What’s the problem:** *In Alaska’s rural communities, the number one cause of death in children is poor water quality and unsafe – or non-existent – wastewater treatment.*

**Why this is important:** *The state has been involved for decades in building a statewide system of quality water and safe water treatment to every Alaskan community. While the Health Policy Strategies Council is not the water and wastewater business, the indisputable connection between the health of Alaska’s rural residents, especially the children, and water and wastewater, makes this one of the central issues in building a long-term strategy for building healthy Alaskan communities filled with healthy Alaskan children.*

#### What “facts” can we use to solve this problem?

- In rural areas the primary causes of poor health is the lack of safe wastewater and sanitation systems.

## **SECTION II: EXCERPTED FINDINGS**

Alaska-specific reference excerpts are grouped by issue area, in alignment with the issues raised in Section I. The material is presented for reference purposes only, and should be considered neither exhaustive, nor comprehensive. Reference material is presented without editing from existing reports available to Council members. With regard to water and sewer issues specifically, reports presented to the Council do not address these concerns; information relevant to this discussion will be forthcoming to the Council.

### **Cost of Health Care**

Alaska Senate Medicaid Program Review – Pacific Health Policy Group Report, January 2007, pp. 82 – 83.

#### **Medicaid Access Recommendations:**

There are additional incremental opportunities available to the state to moderate program growth and to secure additional federal funds. These include:

- Expanding the prior authorization process for prescription drugs to include additional drug classes
- Adopting a tiered payment system for pharmacies that continues to reimburse critical access providers at higher rates, while adopting lower rates for other pharmacies (e.g., chain drug stores in urban areas)
- Implementing a comprehensive pre-admission screening instrument for the elderly/physically disabled portion of long-term care, and moving Personal Care services from the state plan to a waiver program
- Adding new waiver service options targeted toward persons with Alzheimer’s/dementia, as a lower-cost alternative to Pioneer Home placement
  
- Extending Medicaid coverage to persons receiving state-funded DD services, either by enlarging the current waiver or creating a new waiver with services matching those available through the state-only program
- Directing resources toward preventive and early intervention behavioral health services to counter the current emphasis on costlier inpatient treatment

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Long Term Forecast of Medicaid Enrollment and Spending in Alaska: 2005-2025 –  
Lewin Group Report and ECONorthwest, pp. 86-90.

Recommendations as to Cost of Medicare Programming:

*Cuts or Restrictions on Benefits*

Among the most obvious ways of reducing cost in the Medicaid program is to restrict or eliminate specific state-optional Medicaid services. Such measures became common in the early 2000s as the economy slowed and Medicaid enrollment rose. According to Smith et al., the number of states that cut or reduced benefits for Medicaid services declined in 2005, due in part to the improving economy, but also due to the fact that many state-optional services had already been restricted or cut in previous years.

Among the Medicaid services restricted or cut by policy makers were: podiatry, outpatient mental health, vision, dental, methadone clinic services for adults, and over-the-counter drug coverage. In addition, one or more states imposed limits on inpatient hospital stays in any hospital or non-public hospitals.

*Eligibility Changes*

Eligibility reductions are one of the most difficult cost containment measures that states can undertake to rein in Medicaid costs because such changes negatively impact the ability of the low-income and economically vulnerable portion of the population to access needed health and long-term care services (Smith et al.). Nevertheless, states have taken steps to reduce eligibility into Medicaid in an effort to reduce the growth in the Medicaid enrollee population. Such steps have included closing enrollment into the Standard waiver program (Oregon) and freezing enrollment of non-pregnant adults into the medically needy program (Tennessee). There were also a number of states that either expanded eligibility or restored former eligibility standards.

*Co-payment Requirements*

States are increasingly relying on new or higher co-pays as a component of their strategy of cost containment. According to Hudman and O’Malley (2003), however, even a “nominal” co-payment amount, which Federal Medicaid Law generally defines as \$3.00 or less per service, can deter low-income individuals from receiving necessary care. According to Smith et al., in fiscal year 2005, eight states imposed new or higher co-payments for Medicaid services; for fiscal year 2006, 13 states have or will pose higher co-payment amounts. Comparatively, in fiscal years 2003 and 2004, the number of states imposing new or higher co-payment amounts was 17 and 20, respectively.

*Fraud and Abuse Controls*

States report the increased use of fraud and abuse detection activities. These include, enhancements to Surveillance and Utilization Review Systems (SURS),

audits, increased staffing, and the sharing of information with other agencies. Pharmacy fraud and abuse control was a primary focus for many states.

*Managed Care Initiatives*

Given Alaska’s relatively small population and expansive geography, managed care is probably not a viable option for the State or at least not for the population outside of the Anchorage/Mat-Su region.

*Long-Term Care and Home and Community-Based Services*

Long term care (LTC) recipients are among the most vulnerable of Medicaid recipients and, because of this, states find it difficult to make cuts or slow the growth in LTC spending. Nevertheless, LTC represents more than one third of Medicaid spending for most states. Currently, spending in Alaska on Medicaid LTC services is considerably less than one third of total Medicaid spending, however the rate of growth in LTC spending, 12% to 13% per year, is significantly greater than spending growth for the entire Medicaid program (about 9%).<sup>71</sup> Steps to control growth in LTC spending, cited by Smith et al., include tightening eligibility criteria for nursing home care, reducing payments for bed holds within nursing home facilities, validation of patient assessments, and reductions in the reimbursement for Medicare nursing home coinsurance costs. Within the home and community based (HCB) waiver program, several states implemented one or more of the following measures:

- Reduced the number of waiver slots;
- Placed lower limits on waiver services;
- Implemented a more rigorous utilization review program for HCB Services;
- Lowered caps on monthly expenditures;
- Measures to reduce spending growth in Personal Care services, which is an optional service category provided by Alaska and many other states, include measures to reduce eligibility and benefits, as well as increased review of service utilization.

In recent years, state Medicaid programs have gone to great lengths to reduce costs within their Medicaid program. In the past couple years, these efforts, along with a recovering national economy, have been successful in reducing the rate of growth in Medicaid spending. Nevertheless, with an aging population, the greater utilization of medical services by the elderly population, and continual advances in medical technology, demand for Medicaid services will continue to grow nationally and in Alaska. The projections of total and state matching fund spending presented in this report assume that the mix of Medicaid services remains constant and that eligibility criteria do not change in the future. These

assumptions were necessary to show how Medicaid spending in Alaska would grow under the program’s status quo.

#### ISSUES TO CONSIDER GOING FORWARD

This study reveals, under current law, how spending on Medicaid is likely to grow; it provides a view of emerging demographic trends and identifies those service categories that will be most affected by those trends. By looking significantly farther into the future than is typically the case, policy makers and ADHSS executives can be more proactive and less reactive. There are many issues to consider going forward. These include, but are not limited to the following:

- Alaska’s Medicaid program has been a program dominated by children but it will become a program for the elderly. This change will affect the mix of benefits that Medicaid provides and, more importantly, the cost. On a per recipient basis, Medicaid costs are much greater for the elderly than they are for children. Alaska will have to pay close attention to services for elderly, especially long-term care.
- Alaska has unique challenges; expansive geography and a small population limit access to care; high unemployment in rural areas translates into a high percentage of the population on Medicaid; high costs of living mean high medical costs.
- Federal Medicaid reform is always on the horizon. What changes will be made at the federal level remains to be seen, but it is unlikely that the federal government will opt to pay more of the total costs of the Medicaid program.
- Working with Native communities to provide health care for their tribal members is a current strategy of the ADHSS. By working with tribal health providers to increase services, such as long-term care (LTC), ADHSS can reduce state fund spending without reducing services. Such participation between ADHSS and Native communities should continue. Currently, tribes are not very active in LTC, but they have expressed an interest in LTC for their members.
- The ADHSS is currently conducting a long-term care and cost study, the final results of which will not be published before this report is complete. The findings from the long-term care study and this study should be examined together before considering changes to programs or eligibility.
- A considerable aid for controlling state matching funds would be a change to the FMAP formula that takes into account Alaska’s high cost of medical care. FMAP is affected by the level of and changes in per capita personal income (PCPI), but is not affected by differences in cost of living. This has a negative effect on Alaska, which although having a PCPI that is a little higher than the national average, also has a significantly higher cost of living than the rest of the nation.

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Cost reduction recommendations

1. Prevention through Public health education, and early intervention Preventing illness will save more lives, more lost work time and more healthcare dollars than any other option available to us as a community. Consider the adage “the cheapest health insurance is healthcare you don’t need.” Measures include flu shots when they are recommended and vaccinations against common diseases. Encourage the following behaviors: weight control, regular exercise, avoiding cigarettes and excessive alcohol, fat, salt, and sugar, adequate water consumption, and controlling blood pressure.
2. Encourage and promote the establishment of an Electronic Medical Record with a common interface as a means to improved safety and efficiency of health care.
3. Drug formularies—utilize where appropriate and effective.
4. Promote the strong interrelationship between cost of health care and a state fiscal plan as a means of putting health and budget decisions in perspective.
5. Fee and billing transparency. Mandatory disclosure of fees in advance of treatment and “understandability” standards for medical billing.
6. Encourage local cooperation and sharing of services and facilities. Promote community by community dialogue on the cost of duplication
7. Analyze the possibility of saving money by joint purchasing by appropriate parties.
8. Allocation and rationing might be considered if other measures fail to stabilize health care costs.
9. Suggest legislation to mandate fee transparency
10. Consider legislative solutions to tort and liability issues. Quantify professional liability insurance, patient reimbursement and tort issues—are there legislative solutions? Look at tort reform experiences Outside, such as MICRA, for ideas that might apply to Alaska.

Presentation on the Uninsured in Alaska to Anchorage chamber of Commerce (Sen. Bill Wielechowski, Sen. Hollis French, and Rep. Les Gara, August 2007)

Web Link to French Website: <http://www.healthyalaskans.com/aboutthebill/index.html>

Recommendation of SB 160:

SB 160 will ensure that all Alaskans can afford meaningful health coverage. The bill establishes the Alaska health care board, which will oversee the program and review private insurance plans, ensuring that each plan is a quality product. A health care clearinghouse would be created under the bill, where private insurers could compete for health care 'vouchers', adding competition and personal choice

of plans into the mix. Two types of vouchers will be established by the proposal: needs based and specified beneficiary vouchers. Needs based vouchers will ensure that all Alaskans can afford insurance by providing assistance to individuals and families that cannot afford plans on their own. Specified beneficiary vouchers allow employers and individuals to contribute additional dollars towards a health plan.

Recommendation of Gara presentation:

Let working families at 175% - 300% of Federal Poverty Line buy in to Denali Kid Care.

A buy in plan above that income level would:

- enable nearly universal kid’s coverage
- remain consistent with the legislature’s intended limits on free coverage
- at little cost.

Also, require families with available children’s health coverage at work to purchase it to extent allowed by federal law.

Controlling Healthcare Spending: Role of State Health System Redesign, Kenneth E. Thorpe, Emory University

Recommendations:

Policy Implications: Components of a Modern Healthcare Delivery and Prevention Model

Key ingredients

- Define best practice care management model based on health care home concept
- Change the way we reimburse providers for coordinating care for chronically ill patients
- Develop clear measures of clinical preventive performance
- Engage the patient in self-management through innovative benefit design, including waiving all cost sharing associated with clinically recommended preventive care (cancer screens) and care associated with chronic disease (HbA1c tests, lipid profiles, and health risk appraisals)
- Create policy environment to quickly diffuse these best practice models into the private sector using the government’s purchasing power leverage (state employee plans, state plans for the uninsured, etc.)
- Move toward statewide implementation of electronic medical records (Vermont an interesting case study)

Implications for the Design of Health Insurance

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- Traditional health insurance concept makes little sense in managing costs and outcomes among chronically ill patients
- High co-pays and deductibles deter chronically ill patients from refilling drugs, and using clinically recommended preventive care
- Insurance could be redesigned to provide positive incentives for chronically ill patients to self-manage their conditions
  - Those enrolling in a care management program should receive all clinically recommended preventive services with no cost sharing (we want to deliver these services on a timely basis without co-pays discouraging their use)
  - Could even receive generic equivalents with no cost sharing as well to assure persistency in use

Prevention Works!

- Effective approaches to managing costs need both population based interventions (for asymptomatic patients) and approaches described above for patients with established chronic illness
- Identify best practice components of effective prevention
- Diabetes prevention program one model—reduced incidence of diabetes by 58% among at risk asymptomatic adults 25+.
- Need to find less expensive approaches for delivering this protocol
- Create financial incentives or requirements for programs like the DPP to be included in more traditional health insurance plans.

Better Health, Lower Cost for Alaska, Health Care Strategies Planning Council, August 27, 2007, Jim Frogue, State Project Director, The Center for Health Transformation

What is Healthcare Consumerism?



When employers, insurers, hospitals, physicians, drug and device manufacturers, and individuals know and share accurate price and outcome data for all players

It is bottom-up where providers respond to empowered, informed patients

Individuals, employers, and insurers all have strong incentives to promote wellness, prevention, and early testing

It is better for *all* people, *particularly* those with multiple chronic conditions.

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<b>The Consumerism Grid</b>		1 <sup>st</sup> Generation Consumerism	2 <sup>nd</sup> Generation Consumerism	3 <sup>rd</sup> Generation Consumerism	4 <sup>th</sup> Generation Consumerism
		Focus on Discretionary Spending	Focus on Behavior Changes	Integrated Health & Performance	Personalized Health & Healthcare
 <b>Personal Care Accounts</b> <b>Wellness/Prevention</b> <b>Early Intervention</b> <b>Disease and Case Management</b> <b>Information Decision Support</b> <b>Incentives &amp; Rewards</b> 	Initial Account Only	Activity & Compliance Rewards	Indiv. & Group Corporate Metric Rewards	Specialized Accts, Matching HRAs, Expanded QME	
	100% Basic Preventive Care	Web-based behavior change support programs	Worksite wellness, safety, stress & error reduction	Genomics, predictive modeling push technology	
	Information, health coach	Compliance Awards, disease specific allowances	Population Mgmt, Integrated Hlth Mgmt, Integrated Back-to-Work	Wireless cyber – support, cultural DM, Holistic care	
	Passive Info Discretionary Expenses	Personal health mgmt, info with incentives to access	Health & performance info, integrated health work data	Arrive in time info and services, information therapy	
	Cash, tickets, Trinkets	Zero balance acct, activity based incentives	Non-health corporate metric driven incentives	Personal dev. plan incentives, health status related	

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**Workforce Shortage**

Report of the Alaska Physician Supply Task Force, August 22006, Prepared for Mark Hamilton, President, University of Alaska and Karleen K. Jackson, Ph.D., Commissioner, Alaska Department of Health and Social Services, pg. 6-7

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

Major Goal	Strategy	Timeline for Impact	Estimated Cost
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.	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	Medium	i) \$550,000 per practicing physician for WICHE; ii) cost unknown at
	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

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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	\$250,000 per year
	B. Research and test a physician relocation 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
3. Expand and support programs that prepare Alaskans for medical careers	A. Expand and coordinate programs that prepare Alaskans for careers in medicine	Medium	Up to \$1,000,000 per year
4. Increase retention of physicians by improving the practice environment in Alaska.	A. Develop a physician practice environment index for Alaska	Short	\$100,000 to develop index; \$20,000 annually to update
	B. Develop tools that promote community-based approaches to physician recruitment and retention	Short	\$50,000 per year
	C. Support federal tax credit legislation Initiative for physicians that meet frontier practice requirements	Short	Zero cost to the state

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SORRAS II: Status of Recruitment Resources and Strategies, 2005-2006, State of Alaska, Department of Health and Social Services, Office of the Commissioner, pg. 40-41.

Recommendations as to Rural Recruitment of Health Care Employees

**E. Recommendations**

Recommendations from surveyed health care employers are similar to suggestions from the rural health care employers in the 2003-04 study. Distilling comments from the questions on how to make recruitment efforts more effective and what respondents want to see happen as a result of this study, organizations would like:

1. Information on how other organizations conduct recruitment towards the formulation of new ideas and more efficient recruiting practices;
  2. Increased funding to a) allow them to offer a more attractive salary and benefits package and b) increase their overall recruitment budget;
  3. Increased collaboration with other organizations to target individuals interested in rural living and exploring the concept of a candidate pool, a network of organizations that pool providers;
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4. Increased awareness at the local, state, and federal level that recruitment is extremely challenging and expensive, and worthy of more support;
  5. More information on good recruitment practices. Suggestions varied from a recruiter's workshop and concrete ideas to technical assistance; and
  6. More/improved in-state training programs towards a larger local candidate pool.
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1. Workforce development issues
  - a. Expand the WWAMI program. Improve the supply of primary care providers (family practice physicians, internists, nurse practitioners, physician's assistants), especially outside of Anchorage. Current or potential shortages can be identified in specific specialties.
  - b. Market the Alaska lifestyle to Outside doctors. JV with tourism, the State Medical Board, ASMA. Create a dog and pony show.
2. Investigate and modify the factors that influence the cost of professional liability insurance

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3. Reduce the number of uninsured Alaskans— A non-government designed system is probably preferable to a government-operated system.
4. Investigate pooling smaller companies a la the Foraker Group in an effort to reduce premium costs.
5. Promote lower cost models such as neighborhood health centers where appropriate
6. Educate the public and promote same day access to alternatives other than hospital emergency rooms. This involves creation of more readily available and timely access to primary care. Alternatives could include increasing the number of primary care providers and clinics, establishing a variety of disincentives for visits for minor complaints, and establishing a system for care for the uninsured. Emergency rooms themselves may need to be reorganized and redesigned to separate life-threatening emergencies from routine medical needs.
7. Examine uninsured models elsewhere; e.g. Utah, Maine and Florida.
8. Adjust the Medicare (GME) reimbursement formula for Family Practice Residency programs.
9. Ensure adequate government reimbursement to doctors, hospitals, community health centers, mid-level practitioners and community health aides without unreasonable bureaucratic burdens.
10. Consider making accepting Medicare patients a condition of licensure in Alaska. This has been done in Massachusetts. Weigh the advantages of increased access for Medicare patients against the negative effect of attracting practitioners to Alaska.
11. Consider public hearings for health care insurance and professional liability insurance rates to facilitate price transparency. Currently insurance rates are largely negotiated between large institutional users and insurance carriers. As private contracts, the resulting rates are not disclosed. Individuals have little or no negotiating power and either have to accept or reject rates offered to them. The thought is that greater transparency could result in more favorable, or at least understandable, rates for individual consumers.

### **Access to Health Care**

See Alaska Long Term Care and Cost Study pp. 22-63 for recommendations as to cost and access to long-term care.

See Alaska Primary Care Association, Community Health Centers report (Shelley Hughes, September 2007)

### **Unhealthy Population/Prevention**

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Recommendations as to Healthy Community:

1. Plan a “walkable community.”
  - a. Land use designed to facilitate walking and biking can encourage cardiovascular health. Maintaining safe municipal trail systems, seasonal bike paths, and cleared wintertime walkways permit citizens to practice healthful life habits year around.
  - b. Enlightened city planning and architecture can promote a more active lifestyle.
  - c. As public demand for exercise opportunities grow, their inclusion in real estate development and city planning can improve property values.
2. The role of public health as community educator and provider. Municipal health departments need to serve many more people than those who seek care at the clinic. Promoting wellness and healthful living habits to the entire community is an essential part of the public health mission. This portion of the mission needs to be funded adequately in the budget.
3. The importance of physical education in the schools— (not a “frill”) It is important to teach children about the relationship between health, diet and exercise. Not every child will want to join a sports team, but learning to be responsible for their own health by incorporating physical activity into their daily lives is an important health lesson that cannot be ignored.
4. Eliminate internal inconsistencies and conflicts between programs and objectives. For example, eliminate financial incentives in schools to promote unhealthy foods. Provide a financial alternative to schools that have come to rely upon income from selling junk foods in the schools.
5. Incentivize healthy behaviors through workplace activities. Convince the Top 49 Alaska businesses to educate their employees on healthy lifestyles and offer healthful workplace activities. The Top 49 businesses would represent a large percentage of the Alaska population not already covered

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- by Federal or Alaska Native health care systems. Encourage a Top 49 Health Summit to facilitate understanding and participation of these large Alaska businesses.
6. Develop intervention programs for promoting the traditional rural diet.
  7. Reconsider rural access to dentistry as part of the study. Many rural communities lack a sufficient population to support construction of a simple dental facility to house a full time dental practice. The investment required to maintain a facility for use by an itinerant dentist would likely need to be made by the community, possibly partnering with the state. Lack of roads prevents the use of mobile dental clinics that are used in other remote locations worldwide.
  8. Reduce the critical shortage of facilities for alcohol and drug detox, and psychiatric facilities. The lack of services these facilities provide can increase costs in the long run. Persons affected by alcohol and drug use, and the accidents they cause, account for a significant portion of the population needing care in hospital emergency rooms and psychiatric facilities. Yet Alaska has too few beds to treat those in need of drug and alcohol recovery. As a result we are forced to tolerate that burden of higher healthcare costs. Detox beds make good economic and health policy sense.
  9. Find ways to incorporate U.S Task Force on Preventive Health recommendations into medical practices, schools, work environments and homes.
  10. Continue the Institute of Circumpolar Health Studies to analyze common problems and look for solutions that will work for all circumpolar peoples. Similar environments and cultures may result in shared knowledge that can benefit those in northern latitudes. Many health issues in Alaska relate to weather, the environment, subsistence food quantity and quality, potable water and sanitation issues. These are issues shared by other circumpolar peoples. Alliances with other circumpolar countries, and organizations like the Institute for Circumpolar Health Studies may provide new insights in resolving some of these issues.

Municipality of Anchorage Mayor’s Task Force on Obesity and Health 10 year Plan, May 10, 2006, pg. 10

Goals as to obesity for Anchorage are listed. See full report for actual action steps attached with each goal:

Goal 1 – Ensure Plan Implementation, Oversight and Review.

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- 1.1 Establish oversight of plan progress, promotion and review.
- 1.2 Identify an umbrella program that will assist in quantifying and rewarding efforts on a community-wide basis.

Goal 2 – Improve the eating habits of the Municipality of Anchorage residents through better nutrition.

- 2.1 Improve the overall nutrition in all schools, public and private, within the Municipality of Anchorage.
- 2.2 Improve the overall nutrition of licensed Child Care Centers and Child Care Homes within the Municipality of Anchorage.
- 2.3 Improve the nutrition in the workplace.
- 2.4 Improve the availability of nutritional choices within the community.
- 2.5 Encourage health care providers and insurance carriers to promote better nutritional habits.

Goal 3 – Increase the number of adults, adolescents and children who engage in regular physical activity.

- 3.1 Increase the number of pre-school aged children engaged in recommended daily physical activity.
- 3.2 Increase opportunities for physical activity in the Municipality of Anchorage schools.
- 3.3 Increase and improve workplace initiatives promoting physical activity.
- 3.4 Engage community organizations and recreation groups in developing greater options, access and participation in physical activity.
- 3.5 Promote public policy that supports and promotes physical fitness.

Goal 4 – Create a community environment that supports a more physically active way of life.

- 4.1 Develop safe, convenient, and attractive sidewalks/pathways.
- 4.2 Develop safe, convenient, and attractive transit facilities to include easier accessibility from both sides of the street.
- 4.3 Improve off-road trail system to provide better area wide connectivity and linkages to major destinations and adjoining neighborhoods.
- 4.4 Improve safety and maintenance of pedestrian transportation system.
- 4.5 Site public facilities, such as schools, parks, and public buildings in locations where they are readily accessible by walking, biking and/or public transit to the residents intended to be served.
- 4.6 Modify the Municipality of Anchorage’s land use regulations to encourage and facilitate compact mixed use and pedestrian friendly development, particularly in those areas so identified in the Municipality of Anchorage’s Comprehensive Plan.
- 4.7 Create new or remodeled buildings with features that support and encourage more physical activity.

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Goal One:

Alaskan seniors stay healthy, active, and involved in their communities.

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Objective:

- A. Agencies and organizations will partner to promote healthy lifestyles and develop policies, programs, and activities to enhance the physical, mental, economic and social well-being of Alaskan seniors.
- 

Agency and Community Partnership Strategies:

- 1.A.1 Partner with State and tribal agencies and local providers to implement statewide health promotion and disease prevention programs that are evidence based and reduce health disparities. Program will include nutrition and physical activity education, maintaining a healthy brain, mental health intervention, fall prevention, tobacco use and substance abuse education, chronic disease self management, and medication management.
  - 1.A.2 Strengthen partnerships to increase seniors’ access to statewide health screening services in order to identify chronic disease.
  - 1.A.3 Encourage development of a comprehensive fall prevention program to assess seniors for risk factors, to help them improve balance and coordination, and to provide environmental design strategies to make homes, businesses, and communities safer.
  - 1.A.4 Collaborate with senior care providers to develop and promote wellness education programs that emphasize nutrition and physical activity to prevent chronic disease or minimize its impact.
  - 1.A.5 Promote the development of multi-generational programs to encourage healthy lifestyles and social well-being in seniors and young people.
  - 1.A.6 Support communities and regional organizations in creating “elder-ready communities” in preparation for the increased senior population expected in the next 25 years. This goal may include upgrading area housing, senior center, transportation and service infrastructure as well as service workforce development and public awareness efforts to build community commitment to such things as winter maintenance of safe sidewalks and parking lots and planning intergenerational activities.
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Objective:

- B. Information and education will be available to seniors, their families and communities, and organizations serving seniors to encourage the development of healthy lifestyle habits, financial security, and civic and social involvement.
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Education and Public Awareness Strategies:

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- 1.B.1 Design and implement a campaign to raise awareness and encourage participation in health promotion and disease prevention programs throughout the state, including fall prevention, nutrition education, chronic disease self-management, physical activity, substance abuse awareness, medication management, and other programs that help keep seniors active and healthy.
- 1.B.2 Support the Division of Public Health and Alaska Commission on Aging’s “Healthy Body...Healthy Brain” campaign to promote lifestyles consistent with decreased risk factors for Alzheimer’s disease.
- 1.B.3 Promote money management classes as well as financial and estate planning classes and consultations which enable older people to make informed decisions about various concerns such as investments, wills, trusts, home sales, long-term care planning, reverse mortgages, and credit issues.
- 1.B.4 Encourage senior participation in a variety of education and support groups targeted to those with or at risk for chronic disease (e.g., diabetes, cardiovascular disease, arthritis), offering information and the opportunity to seek support for concerns. 82 Alaska Commission on Aging
- 1.B.5 Support health literacy programs for seniors and caregivers to assist them in sharpening reading, listening, math, and system navigation skills to increase their basic health knowledge, in order to help prevent health problems, properly manage chronic diseases, and access the professional care they need.
- 1.B.6 Support lifelong learning for seniors through universities, adult education centers, and other educational organizations.
- 1.B.7 Support programs to teach computer skills and internet information search strategies to seniors, while providing reasonable accommodations (i.e., their forms of information and assistance) to those who prefer not to use computers.
- 1.B.8 Encourage Medicare beneficiaries to take advantage of the Medicare preventive services such as bone mass measurements and screening for colorectal cancer, breast cancer, cervical cancer, and diabetes.

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Objective:

- C. Advocates will seek support for policy changes, programs, and activities needed to ensure that seniors can remain healthy, active, financially secure, and engaged in civic and social affairs.

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Advocacy Strategies:

- 1.C.1 Support maintaining or expanding current financial benefits and safety nets for seniors (for example, Social Security, SeniorCare, the Longevity Bonus, Energy Assistance, etc.), to enable them to live in their communities without undue financial hardship.

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- 1.C.2 Support efforts to increase coverage for health promotion and protection, to safeguard and maintain seniors as healthy and productive members of the community.
- 1.C.3 Support a re-evaluation of state and national health care policies and overall system structure encouraging a transition to an affordable, accessible system which provides health care for everyone. State Plan for Services FY2008-FY2011 83
- 1.C.4 Advocate for additional funding to provide increased statewide availability of nutrition education and nutrition counseling.
- 1.C.5 Support state and federal legislation to maintain the security of employee pensions.
- 1.C.6 Advocate for increased resources for expansion of transportation options in order to expand participation in the RSVP (Retired Senior Volunteer Program), Senior Companion, and Foster Grandparents programs, as well as volunteer positions with the Long-Term Care Ombudsman’s Office and other civic organizations.
- 1.C.7 Advocate for more resources to support volunteer programs serving seniors.
- 1.C.8 Encourage providers of long-term care insurance to enhance their coverage and to offer coverage matching the services available in Alaska.

Better Health, Lower Cost for Alaska, Health Care Strategies Planning Council, August 27, 2007, Jim Frogue, State Project Director, The Center for Health Transformation

Recommendations at to Prevention:

Aggressively Promote Exercise and Good Diet in Children

- The #1 most important thing you can do to promote health
- No health care system can support a nation of obese 12 year olds with adult-onset diabetes
- Challenge your schools and school districts to mandate physical education and a junk food-free campus
  - Playstation’s Dance Revolution in WV
- Bad food in poorer neighborhoods is a serious impediment

Silver Sneakers

- A free fitness center membership for seniors at a nearby participating location with access to conditioning classes, exercise equipment, pool, sauna and other available amenities
- Access to any participating fitness center throughout the U.S. while traveling

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- Customized SilverSneakers classes designed exclusively for older adults who want to improve their strength, flexibility, balance and endurance
- Health education seminars and other events that promote the benefits of a healthy lifestyle
- A specially trained Senior Advisor at the fitness center to introduce you to SilverSneakers and acquaint you with their site 30 percent lower costs for Silver Sneakers members on average, but *much* lower for those who attended four times per week

[www.silversneakers.com](http://www.silversneakers.com)

**Comprehensive Recommendations:**

Sustainable Healthcare in Alaska: The Journey to a Healthier Future, The Alaska Health Care Roundtable, A Commonwealth North Project, presentation by Joel Gilbertson, September 2007.

*Roundtable recommendations are as follows:*

Principles of reform —

Guidelines for creating effective specific action steps

- Creating healthier people who consume less medical services is the only major sustainable strategy to slow growth of health care costs.
- Plans, programs and policies must encourage and support the principle of individual responsibility to maintain and protect each person’s health.
- Dramatically improve value for every health care dollar.
- Health services that effectively educate and motivate individuals underpin an effective, efficient health care system. Prevention and timely appropriate levels of care earn strong return on investment (ROI) for both employer and public programs. Examples are immunization programs, hypertension or HIV screening, promoting prenatal care, etc.
- Organizational wellness programs, government or private, are starting to prove that improving employee health is a win/win for both employees and employers.
- Financially support carefully planned experimentation with different types of health delivery models and payment models. Alaska is a highly diverse state. The wide variety of community sizes, many in remote areas, with differing access to care and different prevailing payment systems argues towards creating a variety of solutions from which to choose. Employers are particularly concerned about quality.

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- All Alaskans need quality, affordable health care that provides:
  - Physical access
  - Financial access
  - Information access
  
- Facilitate universal participation in the most appropriate fashion for each individual. Forms of coverage or care include:
  - Employer-based
  - Individual-based
  - Federal programs
  - Military programs
  - Alaska Native programs
  
- Rely on and develop the private insurance market in sectors where it is currently working and other sectors where it can be logically employed. Avoid creating costly state bureaucracies that duplicate private sector capabilities.
  
- “Grow our own” health care practitioners at all levels as much as possible.
  
- In-state education and clinical training increases the likelihood of keeping graduates in Alaska.
  
- In-state education stems the flow of education dollars Outside and helps generate a sustainable economy.
  
- Create specialized programs to meet the needs of rural Alaska.
  
- Collaboration and cooperation is essential. The problem is larger than any one part of the system can solve. Areas to address are financing and insurance, workforce development, facilities and citizen education. Private, state, federal and Native resources will need to be coordinated so all can contribute to the solution.
  - Generate sufficient information and research, both in Alaska and from best practices Outside, to support sound fact-based decision making.
  
  - Provide sufficient and appropriate facilities where necessary around the state. Emphasize regional planning, coordination, cooperation and efficiency.
  
  - Develop a statewide electronic health record network that is secure and interoperable with existing systems to improve quality of care and reduce waste by providing necessary medical information to providers.

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Elements of reform — Building blocks for a better system

- The problem is huge and complex. Businesses, individuals and governments all must contribute to managing and financing a new Alaskan health care system for it to be sustainable.
- We must stem erosion of employer-sponsored insurance. Keep what works and reshape or fill in as necessary. Reform plans should build on and improve existing parts of the system that work without harming those who are already well served.
- Information to evaluate costs and alternatives before and after treatment is an essential building block of individual financial responsibility. Information access and transparency seems like a basic need, but is elusive. Technology and disclosure requirements will help.
- Encourage adequate federal Medicare reimbursement of provider’s costs, but cobble together work-arounds until that happens. This can include creative use of Medicare and Medicaid waivers. Keep track of the changing federal health care environment to uncover opportunities and influence needed change.
- Electronic health records are the cornerstone to modernizing Alaska’s health care. Build on existing private and state-level initiatives.
- Develop navigation aids and fail-safe systems to help people gain access to and deal with complexities of the system. Navigation aids must take into account the human, as well as the technological networks, which build healthy lives.
- Alaska has information gaps that need to be filled to chart an optimum path to progress. Fundamental research will enable policy-makers to make sound decisions based on facts: 1. Quantify and identify the source of Alaska cost differentials vs. Outside. 2. Understand who is not covered or insufficiently covered. 3. Continue to define work force development challenges across the full job spectrum.
- Build on the many Alaskan programs that have proven effective or show promise in the areas of quality, access and cost control.
- Monitor and learn from other state’s experience in coverage and cost control.
- Alaska will need an ongoing official state-wide group to monitor the ever-changing health care scene and find appropriate synergies.

Specific immediate steps to consider

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- Establish an ongoing Alaska health care council/commission/board to coordinate public policy.
- Support and coordinate Alaska research and monitor national research and developments.
- Develop a variety of Alaska health care reform plans based on research to be able to compare and contrast their benefits, costs and impacts.
- Support the next step in development of Alaska electronic health records.
- Develop and monitor quantifiable health care goals for Alaska.
- Support workforce development capable of filling current and anticipated needs.
- Encourage primary care capability based on the “Medical Home” model which provides an ongoing health care point of contact. Examples are family physicians or community health centers.
- Monitor and improve liability and tort laws to help reduce malpractice insurance costs, encourage quality improvements and make Alaska a more attractive place to practice medicine.
- Encourage schools at all levels to foster healthy life styles and offer sports and exercise programs that build life long healthy habits.
- Work with the federal delegation and authorities to maximize federal support of Alaska projects and programs and to support national health care reform efforts that will benefit Alaskans.
- E.g. Develop stand-alone Medicare clinics in major Alaska hubs via an open RFP process
- Identify pseudo-reform “myths”—things to avoid.