

Alaska State Medical Association

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Remarks to the Senate Committee on Health, Education, Labor, and Pensions
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By: Ross Tanner, DO, President-elect
For: The Alaska State Medical Association

I am Dr. Ross Tanner the President-elect of the Alaska State Medical Association. The Alaska State Medical Association (ASMA) represents physicians statewide and is primarily concerned with the health of all Alaskans. ASMA is also federated with the American Medical Association.

Welcome to Alaska and thank you for the opportunity to address you today. It is indeed an honor to be able to address the Senate Committee on Health, Education, Labor and Pension.

Today I would like to provide you a current “environmental” assessment regarding Alaska’s chronic and currently acute shortage of physicians, and to provide you with ASMA’s recommendations as to how you can help us address this critical situation that endangers the health of every Alaskan.

Currently Alaska:

1. has a 30% shortage of physicians, or nearly 400 physicians;
2. has 10 slots per year at the University of Washington Medical School through participation in the collaborative WWAMI Medical School Program (Washington, Wyoming, Alaska, Montana, and Idaho);
3. has only one residency program, the Alaska Family Medicine Residency, which will train a maximum of 12 residents per year;
4. has a physician workforce that is more aged than most other states; and
5. over the next 20 years will need to nearly double the number of physicians just to keep pace with the expected population growth. (This requires a net increase of about 50 physicians per year which, given the projection of the number of physicians who will leave practice, will require that about 100 physicians per year be added to the physician workforce.)

I did not pull these numbers out of the air; these were numbers developed by the Alaska Physician Supply Task Force. This Task Force was convened by University of Alaska President Mark Hamilton and the Alaska State Commissioner of the Department of Health and Social Services, Karleen Jackson. The Task Force reported their findings-after working for over six months-in its report, “Securing An Adequate Number of Physicians for Alaska’s Needs.” ASMA was represented on this Task Force by its executive director, Mr. Jim Jordan. I believe that you all have been provided with this report.

For those of you from larger states these numbers would, at their face, seem small. However, when put in perspective to other states, the Alaska picture is indeed grim:

- *Alaska has the sixth lowest physician-to-population ratio in the nation.
- *Most physicians practice within 100 miles of where they complete their residency or specialty training.
- *Alaska has only one residency training program with 12 slots for family medicine residents; by contrast, as reported by the Texas Medical Association, Texas has 6,386 resident slots in multiple specialties, New York has 15,084 slots, California has 8,924 slots, and Pennsylvania has 6,828. If 12 slots were sufficient for Alaska’s roughly 650,000 population, that would mean in comparison that Texas’ 6,386 slots would be sufficient for a population of 325 million.
- *Alaska, with only 10 slots at the University of Washington Medical School coupled with the 12 Family Medicine slots, cannot come anywhere near to growing enough of our own physicians to meet our health care needs.
- *Alaska’s current physician workforce is not sufficient to provide the clinical teaching resources necessary to expand residency training for a wide variety of needed specialists.
- *An increase in the slots in the WWAMI program or additional slots through other medical schools will not provide any help for a minimum of 7 to 10 years.
- *Recruitment costs in Alaska range from \$60,000 - \$200,000 per physician.

I think you will agree that the current physician workforce environment in Alaska is in crisis. This is particularly true when taken in the context that Alaska needs to recruit physicians from other parts of the country at a time when a nationwide shortage of physicians is projected to be from 80,000 to 200,000--truly alarmingly large numbers.

Before I outline what ASMA recommends for ways in which you can help Alaskans get the health care they need and deserve, I would like to briefly describe what we are doing at the state level.

For the past 10 years, ASMA has been instrumental in advocating for legislation that would create and maintain an environment conducive to attracting and retaining physicians. Those successful measures include major liability reform in 1997 and 2005, enacting an Alaska Patient Bill of Rights, enacting fair contracting provisions for relationships between physicians and health insurers, enacting a health insurance prompt payment law, and enacting legislation that allows physicians to jointly negotiate with insurers for everything but fees. Currently ASMA, along with other key organizations such as the Hospital and Nursing Home Association and the University of Alaska, is acting as the catalyst to enact a bill to double the WWAMI class size from 10 to 20 medical students. The State Legislature is expected to act on the bill early in 2007 so that this fall a total of 20 qualified Alaskans can enter medical school at the University of Washington. ASMA is also exploring ways to develop a long-term, sustainable funding mechanism for physician education for qualified Alaskans.

Here's what I think you can do at the national level that will help our patients in Alaska and, really, all across the nation:

1. Enact legislation that permanently fixes the Medicare physician payment system so that it realistically reflects the physician practice costs.

Alaska reportedly has the second fastest growing elderly population – second only to Nevada. Continued year-to-year uncertainty created by the flawed Sustainable Growth Rate formula has caused a loss of access to care for Alaska's Medicare beneficiaries. Medicare's payments to physicians in Alaska represent about 37% to 40% of the cost of opening our office doors each day.

2. Support and enact legislation that provides tax credits for young physicians to practice in frontier states like Alaska.

Senator Murkowski's S.290 bill is one such bill. This will help Alaska and other frontier/rural states to attract physicians.

3. Support and enact legislation that revamps the funding for graduate medical education (residencies).

Reforms need to be made that recognize residencies like the Family Practice Residency in Alaska and make them eligible for federal funding support, as well as for other mechanisms that would encourage "regional" residencies between states like Alaska, Wyoming, Montana, and Washington. Furthermore, the latitude to work with Canada is needed. Alaska could work with Canadian medical schools in Western or Northwestern Canada to develop joint residencies.

4. Develop programs to help medical students cope with the enormous debt of going to medical school.

Our best and brightest students are being disincentivized from going to medical school due to the tremendous educational debt associated with medical training. For public medical schools it is an average of \$125,000 per student and for private medical schools it is approximately an average of

\$200,000. For those bright students not deterred by the debt, it is impacting their choice of specialty training. Many physicians are choosing their career path based on potential future income. So now students are often going into more lucrative subspecialties than are going into family practice or general internal medicine. Ways to remove those disincentives must be found.

Others here today will also speak to many of these same issues that I've mentioned, most with special expertise such as Dr. Johnston on graduate medical education and Dr. Neubauer regarding the practice of internal medicine. I hope the irony of ASMA and the other practitioners being here and testifying is not lost. I would imagine it is a rare occasion when a specific profession, business or trade comes to you asking you to increase its competition.

As I stated at the beginning, the physicians are truly concerned with the health of all Alaskans.

I'd be happy to address any questions that you may have. Thank you.