

Health, Education, Labor and Pensions Committee

February 20, 2007

Testimony of Frank Appel

I am here to testify on the denial of medical services to seniors in Alaska, specifically the denial of Medicare services by primary care physicians. I am testifying as an individual who has been denied service and as chair of the Alaska Commission on Aging.

Last summer, my primary care physician sent me a letter stating that he would no longer provide Medicare reimbursed services. The reason stated was that the paperwork was too demanding. He sent along a contract for me to sign stipulating that I could continue obtaining services provided I pay for those services personally. I have declined to sign that contract. I have contacted a few primary care physicians, based on the referral of friends, but have been unsuccessful in finding one who will accept new Medicare patients. I haven't searched aggressively because I had a physical last May. However, I do have a prescription that cannot be renewed after April 1 of this year, so I need to increase my effort. My wife has suggested that I schedule an appointment for a physical at a clinic in Seattle.

Several weeks ago a group of us were sitting around the table at a senior advocacy coalition meeting. The subject of Medicare service denials came up. I was astonished when three of the five people present who were over 65 said they had been denied Medicare reimbursed services or were unable to find a primary care physician who would accept Medicare patients.

During the last year, the Commission on Aging has received many comments and much anecdotal evidence that seniors have been denied service or have been unable to find a primary care physician who will accept new Medicare patients. They have been told by doctors that they are not receiving adequate reimbursements to cover their costs. Seniors have told us they have made many unsuccessful phone calls to obtain primary care services. I have heard that seniors have increasingly turned to the services of hospital emergency rooms, nurse practitioners, and neighborhood health clinics. I talked to the Executive Director of the Anchorage Neighborhood Health Clinic. She said that the Clinic has been overwhelmed recently by the numbers of seniors seeking Medicare and Medicaid services. Incidentally, this issue seems to be a greater problem in the larger population centers than in the rural and smaller communities of the state.

I understand there is the shortage of primary care physicians in the state. That shortage may be contributing to this problem.

Under these circumstances, I am concerned that:

- The quality and availability of medical care for seniors in Alaska is declining.
- Seniors may have difficulty getting their prescriptions filled if they cannot find a primary care physician to sign off on a refill.
- Poor or inadequate health care may lead to illnesses and more costly long-term care (and the State and Federal Government may have to shoulder the burden of these costs).
- Seniors with resources may decide to move to the lower 48 where they can obtain medical care, thus removing their economic benefit to the state.

I read a national editorial recently that suggested that Medicare reimbursement rates were a form of price control that so far hasn't reduced the supply of medical services. With the elimination of the Alaskan differential on Medicare reimbursement rates, we may have reached the point where those controlled rates are reducing the supply of services in Alaska.

I think this issue is one of many health care related problems facing the nation. We hear of such large numbers of uninsured citizens. We also read how rapidly increasing medical costs are becoming a burden to businesses. I encourage the Senate to not only address this Medicare issue but examine some form of comprehensive medical coverage that will deal with our broader health care problems.

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