United States Senate Committee on Health, Education, Labor & Pensions Field Hearing Feb 20, 2007

Testimony of
Karen Perdue
Associate Vice President
University of Alaska

Thank you for inviting me to participate in this field hearing on the important topic of the physician shortage and its impact on access to medical care in Alaska. In my current position at the University of Alaska, I work on a daily basis to "grow our own" health care professionals. These professionals are needed to fill the thousands of health care positions vital to the health of our Alaskan communities.

Recently, I also had the pleasure to be appointed by Secretary Leavitt as a member of the National Advisory Committee on Rural Health and Human Services and in that capacity I look forward to working on a national solution to the growing crisis of the shortage of health professionals, including physicians, in rural America.

The University of Alaska is playing a critical role in meeting the workforce needs of one of Alaska's most important industries. My comments are organized into the following areas:

- 1) Documenting Alaska's Health Workforce Needs
- 2) Alaska's Physician Supply Task Force
- 3) Expanding and Strengthening Health Workforce Programs
- 4) Recommendations

Documenting Alaska's Health Workforce Needs

The development and maintenance of the health workforce requires resources – resources to understand needs, develop strategies, and implement programs.

Federal funding to understand the health workforce, to track fluctuations and gaps over time, has been limited, but we have accomplished some important efforts.

Over the past five years, the University of Alaska has successfully partnered with the Alaska Department of Health and Social Services to support some health workforce assessments. The resultant data clearly point to huge gaps in Alaska's health workforce. Demand exceeds supply in almost every health profession.

Through 2010, the US Dept of Labor predicts that the top 30 fastest growing jobs in the nation will be in the field of allied health. This finding is mirrored in Alaska, where 30% of the jobs created in the past five years are in health care. Further, the health care jobs in Alaska make up 8.3% of the wage and salary employment, and that may continue to grow as the population ages relative to the Lower 48 and Alaska develops more comprehensive services.

The Status of Recruitment Resources and Strategies (SORRAS) study commissioned by the State of Alaska's Department of Health and Social Services and conducted by the Alaska Center for Rural Health at UAA (Alaska's AHEC), documented recruitment expenditures for 13 health occupations, including oral, behavioral and physical healthⁱ. Specific occupations included: physicians, pharmacists, physician assistants, nurse practitioners, nurses, dentists, hygienists, psychiatrists, clinical psychologists, masterslevel therapists, and licensed clinical social workers.

The 2006 study documented a staggering \$24 million spent by Alaska's hospitals, community health centers, and tribal health facilities in recruiting providers for their most recent fiscal year. Of that sum, \$12.9 million or 54% is attributed to itinerant providers.

This \$24 million is lost to direct patient care, driving up the cost of doing business, compromising continuity of care and forcing organizations to make decisions on the allocation of precious resources. Equally important, the salaries to itinerant providers represent an economic loss to the communities, as itinerant providers do not buy homes or otherwise invest in the local economy.

Focusing on those occupations in the study that are supported by the National Health Service Corps, we know that respondent organizations spent an average of

- > \$126, 782 for the recruitment of each physician (MD or DO;
- > \$25,655 for the recruitment of each physician assistant and nurse practitioner; and
- > \$35,542 for the recruitment of each dentist.

The University of Alaska is now commissioning the Alaska Center for Rural Health to conduct a statewide Health Occupations Vacancy Study, looking at vacancies for over 100 occupations in Alaska's hospitals, nursing homes, tribal health organizations, behavioral health facilities, public health nursing, school districts, medical clinics, dental clinics, pharmacies, rehabilitation (PT, OT, Speech) clinics, diagnostic imaging clinics and medical laboratories. The resultant data will inform our program planning efforts.

Physician Supply Task Force

Alaska has historically experienced a shortage of physicians, but stories from patients, providers and health policy experts seemed to point to a worsening problem.

That is why in January 2006 that University of Alaska President Mark Hamilton, along with Commissioner Karleen Jackson empanelled a group of experts to take the first ever comprehensive look at Alaska's physician supply. The report of the panel, issued in

August 2006 paints a challenging picture of the job in front of us: to address a current and looming physician shortage in our state. If we do not act quickly, we will face an evergrowing crisis.

The Alaska Physician Supply Task Force called for immediate action to increase the supply of physicians in Alaska. In order to reach an adequate supply of physicians by 2025, Alaska needs to add a net of 59 physicians per year, every year, starting immediately. This is a 50% increase in new physicians.

While these numbers may seem small at first blush, they are daunting considering the following:

- ➤ It takes between 7-10 years to train a physician.
- ➤ Only ten Alaskans a year are currently admitted to the Alaska/University of Washington Medical School Partnership known as WWAMI. The seats have not been expanded since the program's inception in 1971.
- ➤ Alaska has only one Residency program a common tool for recruiting new physicians
- Competition for physicians across all disciplines will increase as shortages occur across the nation.

Sustained and strategic action is needed to meet the growing shortage of physicians. No one strategy will meet the need. The Task Force recommended improvements in four areas (selected strategies listed):

- 1) Increase the in-state production of physicians by increasing medical school slots and graduate medical education opportunities in Alaska.
 - > Increase state-subsidized medical school positions through WWAMI
 - > Support and enhance residency training in Alaska
 - > Support, with service obligation, Alaskans attending other medical schools
- 2) Increase recruitment of physicians.
 - > Create a statewide entity with resources to help communities with recruitment
 - ➤ Provide recruitment incentives like loan repayment and tax incentives to physicians who practice in rural communities
- 3) Expand and support programs that prepare students for medical careers.
 - > Support college prep programs in math and science, internships, scholarships
 - > Support Alaska's AHEC, which is a system devoted to attracting and retaining Alaskans into health careers
- 4) Increase the retention of physicians by improving the practice environment.
 - > Practice environment index

Expanding and Strengthening Health Workforce Programsⁱⁱ

The University of Alaska recognizes the growing demand for health careers academic programs and continues to innovate to make programs available throughout Alaska, and in communities where people reside.

Growing Enrollments: In the last five years, enrollment in health programs at the University of Alaska increased by 66% and the number of our graduates has grown by 55%.

Expansion of Distance Education: Training Alaskans in their communities for Alaska's thousands of good health care jobs is the only long-term solution to shortage. However, until recently, Alaska's vast geography has been a barrier to the creation of learning cohorts. That changed in 2004 with the formation of the Health Distance Education Partnership.

In its first three years of operation, the Health Distance Education Partnership has created over 50 distance-delivered courses covering eight occupational areas, serving over 1,000 students. Distance is not a barrier to learning. It is the future of its delivery.

National exams show that students taught by distance in nursing perform equal of out perform their own campus peers.

Doubled Nursing Supply: In 2002, the University/Industry Task Force established the goal of doubling the number of basic nursing graduates (AAS and BS programs) from the UAA School of Nursing by 2006. This goal has been met and exceeded, growing from an annual graduation of 96 to 215 students. Industry partners have given more than \$4 million so far to support the expansion. Further, those industry partners also provide clinical rotation space in their hospitals. Nursing education is available in eleven Alaskan communities, enabling students to learn in the communities where they live.

Alaska WWAMI Program Expansion: Alaska WWAMI students are able to spend three of their four years of medical school in Alaska. This corresponds with the validated research that people practice where they are trained. The University of Alaska strongly supports the expansion of the Alaska WWAMI program, expansion from 10 to 20 first year students in the coming year. The Legislature is currently considering this expansion.

Strengthening Mid-level Academic Programs: Alaska has and should maintain a higher ratio of mid-level providers (advanced nurse practioners and physicians assistants) to physicians than the national average. The University of Alaska offers Nurse Practitioner education through the School of Nursing and a Physicians Assistant Completion Program in collaboration with the University of Washington's MEDEX Northwest Physician Assistant Program. These programs should be strengthened and supported.

Alaska Area Health Education Center (AHEC) Program: Because Alaska does not have a stand alone medical school, in September 2005, Alaska's School of Nursing became the first in the nation to have an Area Health Education Center (AHEC). All other AHEC programs in the country are housed in Schools of Medicine. Funded by the DHHS Health Resources and Services Administrationⁱⁱⁱ, the program is responsible for strengthening the health workforce via collaborations with regional partners, called AHEC Centers.

The Alaska AHEC supports strengthening the physician workforce, and does so with the following activities:

- Support of a summer program encouraging high school youth into medicine and other fields;
- ➤ Support of the WWAMI R/UOP Program, a summer experiential rotation for first year medical students;
- > Support of clinical rotations for medical students throughout Alaska;
- Representation of the UW WWAMI Medical School on the AHEC Board of Directors; and
- Alaska Family Practice Residency serves as a host institution for the South Central AHEC Center.
- Fairbanks Memorial Hospital and the Yukon Kuskokwim Health Corporation also house AHEC centers.

Recommendations

The federal government has a critical role to play in addressing the physician supply issue. We make the following additional recommendations:

First, we applaud Senator Murkowski's Physician Shortage Elimination Act, which proposes to:

- ➤ Double funding to the National Health Service Corps
- > Expand current medical residency programs
- ➤ Re-authorizes some Title VII programs
- ➤ Bolster Community Health Centers

Secondly, we strongly support the preservation of AHEC funding and other relevant federal programs under Title VII.

The University of Alaska system is severely hampered in its efforts to improve the volume and distribution of health workers due to federal cuts that occurred in FY 2006 and are being sustained in FY 2007. Broadly referred to as Title VII of the Public Health Service Act, and housed in DHHS Health Resources and Services Administration's Bureau of Health Professions, these competitively awarded grants to the University of Alaska are collectively valued at \$1.4 million per year and included:

- ➤ Geriatric Education Centers, to train physicians and other health workers in the provision of geriatric care;
- ➤ Health Careers Opportunities Program, to expose youth from disadvantaged backgrounds to careers in medicine and other health fields;

- ➤ Health Education and Training Centers, to expose village high school students to careers in health, including medicine; and
- Quentin Burdick Rural Interdisciplinary Training, to support interdisciplinary clinical rotations in geriatrics and behavioral health.

All these efforts came to a halt when Congress defunded large parts of Title VII last year.

Alaska's AHEC provides a golden opportunity to build a statewide system of programs that work on the ground to recruit, train and retain Alaskans into health careers. Funds for this program should be enhanced.

Thirdly, we support federal legislation to address the rural physician shortages like the recently introduced Senate Bill 498, Medicare Rural Equity Act, introduced by Collins and Feingold, which provides:

- ➤ Rural representation on the Medicare Payment Advisory Commission;
- Funding for quality demonstration projects in health information technology;
- Funding for hospital-based clinical rotations in underserved areas; and
- ➤ Elimination of the geographic physician work adjustment factor in the Medicare physician fee schedule

Fourthly, we recommend the US Dept of Labor include the health industry in list of "high growth fields".

Senator Murkowski, we look forward to working with you as you introduce the Physician Shortage Elimination Act and thank you for your leadership in addressing the physician shortage crisis in Alaska and our nation.

i http://nursing.uaa.alaska.edu/acrh/projects/report_sorras-05-06.pdf

ii University of Alaska Health Programs: Pathways to Alaska Health Careers

iii http://bhpr.hrsa.gov/ahec/