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ALASKA HEALTH CARE COMMISSION

FRIDAY, MARCH 8, 2013

8:00 A.M.

FRONTIER BUILDING, ROOM 896

3601 "C" STREET

ANCHORAGE, ALASKA

VOLUME 2 OF 2

PAGES 264 THROUGH 411



1 technical problem? Well, it's important. Procedural issues  
2 are important. Does anybody have any concerns with moving the  
3 by-laws change discussion up now? Okay. Ward, would you mind  
4 just kind of facilitating a conversation to see if anybody has  
5 any questions, if I start off with a brief explanation?

6 One of the benefits of having an audit -- I mentioned to  
7 all of you in an email not too long ago that Legislative Audit  
8 has begun the sunset audit, which is a typical procedure for  
9 any body that has a sunset date, that 18 months in advance of  
10 the sunset date, an audit process will begin, and they do look  
11 at all of our procedures and activities and make sure that  
12 we're following the rules, that we have rules and that we're  
13 following them, but they also will look at whether the  
14 Commission is serving both their intended purpose and serving  
15 a public good and will make a recommendation to the  
16 Legislature to those points.

17 So one of the benefits is, you know, they're already  
18 highlighting some areas where we can improve procedurally and  
19 pointed out that our by-laws that we had established before  
20 the Commission was established in statute -- we had scrambled  
21 right after we were established in statute with the group  
22 expanding to change the number required for a quorum, but we  
23 hadn't updated other parts of the by-laws to be in conformance  
24 with our statute.

25 And so what the proposed change does -- and you have it

1 behind tab one in your notebook, right behind your agenda --  
2 is bring both the description of the members, the membership  
3 and the description of the duties to match exactly what's in  
4 the statute, and I provided a copy of the statute behind the  
5 proposed by-laws change so you can check and see if you have  
6 any questions.

7 Under our by-laws, we can't make changes to the by-laws  
8 at the meeting at which they're first proposed and so you all  
9 received them over, I think -- the changes over email at one  
10 point, but we won't consider until maybe reading it the first  
11 day of next meeting in June and then vote the second day.

12 So with that, if you all have any questions or  
13 discussions about it, I need to reboot the laptop, and maybe  
14 Ward could handle those. Is that okay?

15 COMMISSIONER URATA: Do you need an action today, like a  
16 motion, or is it just information-only first reading, and then  
17 subsequently next meeting, we'll have the action?

18 CHAIR HURLBURT: Yes. Yeah (affirmative). Are there any  
19 questions or comments or suggestions? I have one tiny one,  
20 and this is to take out a period, but it does make a  
21 difference. The legislation is what I believe is appropriate  
22 on this. It's page three, paragraph eight. Or it's not a  
23 period; it's a comma. Page three, paragraph eight where is  
24 says -- between "primary care" and "internal medicine," there  
25 is a comma, and there should not be, and the legislation does

1 not have it there. It's -- the intent was to be, in talking  
2 about who is going to be a primary care doc, it's not any  
3 internist. It's not a hematologist or a hospitalist or  
4 something. It's a primary care internal medicine doc.

5 COMMISSIONER ERICKSON: Good catch. I think Leg Audit  
6 should hire you after you're done with this stint.

7 CHAIR HURLBURT: Maybe nobody else would talk to me.

8 COMMISSIONER ERICKSON: I'll make that correction.  
9 That's actually really important. Thank you.

10 COMMISSIONER DAVIS: Highlighted items are the changes?

11 COMMISSIONER ERICKSON: Yes. More explanation about the  
12 changes before you, I've highlighted in yellow any place where  
13 there is a change, underlined additions/added language, and  
14 struck through deleted language.

15 (Pause)

16 CHAIR HURLBURT: We will bring it up again when we vote  
17 on it in June, but I believe that Deb did a very thorough job  
18 of making sure it's consistent with the legislation.

19 COMMISSIONER ERICKSON: So if we're ready to move on, you  
20 all have, in front of you now, a five-page document, and for  
21 folks in the room, it is available on the back of the table,  
22 and I apologize to folks online. We're not able to update our  
23 website very quickly, so I'm not able to provide it on the Web  
24 at this point, but will in the future.

25 The last two pages -- I'll point, first, to the last two

1 pages. The last two pages of this document, pages four and  
2 five, are the notes just as I captured them on the slides  
3 yesterday. So you can refer back to those bullet points that  
4 were up on the screen while you were talking. What I did on  
5 these first three pages then was try to pull out some common  
6 themes and organize them around early preliminary draft  
7 Findings and Recommendations related to transparency, All-  
8 Payer Claims Database, and Hospital Discharge Data.

9 So if you want to take a couple minutes, while I continue  
10 to work on the laptop, to review this and then we will just  
11 continue the conversation from yesterday afternoon and  
12 continue improving these and adding to them. And it occurred  
13 to me, at the last minute -- I wish it had occurred to me a  
14 little bit earlier, but if you think it's important, I brought  
15 the document down. I kind of -- I hate to recreate the wheel,  
16 and we do have Findings and Recommendations already related to  
17 transparency and the Hospital Discharge Database and All-Payer  
18 Claims Database in a previous annual report, and you do have  
19 the Recommendations in the other document that I was referring  
20 yesterday, this Core Strategies and Recommendations. What's  
21 not there are our previously approved Findings Statements, and  
22 it might have been helpful to you to have those in front of  
23 you, too, and if you think it's really important, I could  
24 actually probably pull them up on the screen. But anyway, if  
25 any of you have questions or comments -- I want to hold off on

1 the brainstorming for just a couple minutes while the computer  
2 reboots, but if you have questions or comments about this  
3 document that you want to raise at this point, feel free to do  
4 that.

5 CHAIR HURLBURT: Why don't we just take the time to look  
6 through it quickly while the computer is rebooting?

7 COMMISSIONER BRANCO: Ward, if you don't mind -- this is  
8 Pat Branco, and while I won't have an opportunity to review  
9 the notes from yesterday and I'm only able to participate for  
10 a little bit this morning, I would like the opportunity to  
11 review the notes and make comments on them as well.

12 COMMISSIONER ERICKSON: Pat, do you have access to your  
13 email? Pat, did you hear me? This is Deb.

14 COMMISSIONER BRANCO: Sorry. I was on mute. Yes. I do.

15 COMMISSIONER ERICKSON: Let me see if I can email it to  
16 you quickly.

17 COMMISSIONER BRANCO: Terrific. Thank you.

18 (Pause - Commissioners review By-Laws)

19 COMMISSIONER ERICKSON: Pat, the email was just sent. So  
20 hopefully, it will show up in your inbox soon.

21 COMMISSIONER BRANCO: Thank you very much. I've got it.

22 COMMISSIONER ERICKSON: Technology can be wonderful, at  
23 times.

24 (Pause - Commissioners review By-Laws)

25 COMMISSIONER ERICKSON: Barb is going to make a quick

1 copy of the page from our 2011 report that has the Findings  
2 related to transparency. So we'll have those in a second,  
3 too.

4 (Pause - Commissioners review By-Laws)

5 COMMISSIONER ERICKSON: I think I'm ready, if you all  
6 are. So I have suggested, again, breaking up the transparency  
7 Findings and Recommendations, at least for now for purposes of  
8 conversation, from Findings and Recommendations related  
9 specifically related to an All-Payer Claims Database and  
10 specifically to a Hospital Discharge Database. So does that  
11 work okay for all of you, and should we start with a  
12 conversation just about public transparency, price and quality  
13 information?

14 So what I had gleaned from the conversation yesterday and  
15 the bullets that we'd captured on the slides for the first  
16 brainstorming sessions was a general finding that consumers  
17 desire price and quality transparency and then some more  
18 specifics related to that, that there is some early evidence  
19 that consumers in the other states where that data might be --  
20 that information might be more transparent do not utilize it  
21 fully, at least, due to, in part, lack of price sensitivity  
22 and perhaps, in part, due to lack of knowledge.

23 The point was made -- actually, it was by Emily, and she  
24 apologized. She had a work crisis this morning, but she  
25 anticipates being here soon. But Emily had raised the point

1 about the choice depends on the context of care, and  
2 especially in an urgent or emergent situation, price might not  
3 matter quite as much, price choice anyway.

4 Another point that was made is the healthcare system, it  
5 does appear to be moving towards greater price sensitivity for  
6 the patient that -- it's moving towards patient engagement in  
7 bearing costs and financial risk.

8 Also, the point was made that transparency could help  
9 improve clinical quality of care and also that one method of  
10 providing transparency is through public reporting of All-  
11 Payer Claims data. Another method is mandating providers to  
12 make their prices publicly available and that those two  
13 methods are not necessarily mutually exclusive.

14 I thought I would share, too -- while you are looking at  
15 that, I received an email last night that I thought I'd read  
16 to you and then there was some subsequent information from  
17 this person. So it's short. I'll read it to you and then  
18 I'll pass out the longer response that my response to her  
19 prompted.

20 So this was just a member of the public who was listening  
21 to our conversation yesterday. "Hi, Ms. Erickson. I wonder  
22 if it is possible to get the name and/or contact information  
23 of the individual who spoke during the public comment  
24 opportunity. I'm specifically interested in getting the name  
25 and a contact for the gentleman who spoke on provider price

1 transparency, the ability to know what something costs prior  
2 and during healthcare service delivery. This is of personal  
3 interest to me as well. My daughter actually had her  
4 healthcare appointment canceled, and the provider refused to  
5 see her when she asked for information regarding routine  
6 charges for services. I wanted to see if he -- that would be  
7 Dave -- could share his research with me. And if you're  
8 uncomfortable sharing his information with me, perhaps you  
9 could share mine with him."

10 And so I forwarded her email to him and let her know.  
11 And then she responded that -- in full disclosure, she said --  
12 I asked if I could share her message with you, and she said  
13 certainly, and in full disclosure, that she's a Contract  
14 Officer for a PPO, but she's had increasing personal  
15 experience with her own family as well. So that's the  
16 disclosure part, but since it was along the lines and recent  
17 (indiscernible - mic cut out) to our conversation yesterday, I  
18 thought I would share this email with you as additional public  
19 comment on this point, as you're considering it this morning.

20 CHAIR HURLBURT: Any comments or questions on the  
21 Findings part there on transparency that Deb went through?  
22 I'll start off.

23 On the first line there, I think many consumers' duties  
24 are price and quality transparency, but I wonder, is it really  
25 broader than that? It's payers. It's consumers as payers.

1 It's employers as payers. It's insurers as payers. So I  
2 would wonder whether we should consider having it be payers?

3 And then on the third bullet down, the second indented  
4 bullet down, I certainly would agree with what Emily said  
5 about urgent and emergent situations. Then when you have a  
6 nurse call line, one of the most important things, functions  
7 they can do is, when the situation is right, to say hang up  
8 and call 911 right now. Don't worry about where you're going.  
9 Don't worry about what the costs are. Hang up and call 911.

10 However, payers really are interested, and there can be  
11 steerage with educated consumers. And if you get a better  
12 rate, such as the State has right now at Regional, you would  
13 like your employees to go to Regional, if that's where you  
14 have a contract. Or if there is an understanding and the word  
15 "urgent" is there, that there is a difference between urgent  
16 care and ER care, and you may be able to go to urgent care and  
17 have the same problem cared for, for a few hundred dollars  
18 that might cost you a few thousands dollars in an ER. So it's  
19 -- I absolutely agree with Emily's observation that, when  
20 you've got an emergency, the last thing you're going to want  
21 people to worry about is what the cost is, what the contract  
22 is, and that's what a call nurse will say, hang up, call 911,  
23 get taken care of. But there are parameters around that with  
24 being knowledgeable cost, so that you go where there may be a  
25 more favorable contract or to have the judgment to go to the

1 appropriate level of care when that's urgent care versus ER  
2 care.

3 COMMISSIONER BRANCO: Ward, this is Pat. Do you mind if  
4 I weigh in for a moment?

5 CHAIR HURLBURT: We would appreciate it, Pat. Thank you.

6 COMMISSIONER BRANCO: Certainly. This is one area that,  
7 you know, providers have been conflicted about over a period  
8 of time, and the perception is that we're resistant to telling  
9 anybody the prices. That's contrary to the truth. What we  
10 deal with is not getting put in the position of making a false  
11 estimate. On the outset of a course of treatment, it is  
12 unknown what the (indiscernible - phone interference) price  
13 will be. It is typically -- and as the physicians in the room  
14 will attest, the level of care evolves as the more information  
15 is learned about the patient, the needs, the diagnostic  
16 studies required. So one of the typical response that will  
17 lead in towards these is being able, with some certainty, to  
18 offer patients a range of prices, that it may fall within this  
19 category based on what we're hearing on the onset of the chief  
20 complaints. And so I think our language needs to be careful  
21 that we don't make a promise that every thing in a patient  
22 encounter we will have a price that's absolute and available  
23 ahead of the care or treatment or even the assessment and  
24 evaluation. I think that's a careful point that we want to  
25 make sure we don't overcommit to transparency, but the genuine

1 belief in trying to afford people the opportunity to  
2 understand what they're going to be charged, including payers  
3 as well.

4 CHAIR HURLBURT: Thank you, Pat. Other comments?

5 COMMISSIONER DAVIS: Thank you. I don't really think it  
6 came out yesterday, but in my discussions with physicians,  
7 particularly primary care physicians and others, they are also  
8 very interested in what things cost. I'd be interested in  
9 your comments on this, Dr. Stinson, but you know, we know that  
10 there is significant variation for the same thing, and Pat's  
11 right. An episode of care is tricky, but you know, a facility  
12 fee for a procedure is a comparable apples-to-apples, and when  
13 you know that, one place, it's four times more than another,  
14 then you make decisions based on that, if you're the referring  
15 physician. If you don't know that, you can't factor that in,  
16 and you know, it's been identified by the AMA and others that  
17 cost, prices are also a form of waste in healthcare that needs  
18 to be driven out. So it's not -- transparency is very tricky,  
19 but there are instances where it's important, and I think what  
20 I'm trying to say is that physicians who are helping make  
21 decisions with their patients are also interested in this and  
22 do not have access to it at this point in time.

23 COMMISSIONER ERICKSON: Yes, Jim?

24 COMMISSIONER PUCKETT: I don't think that it's asking too  
25 much of the industry to be able to provide a consumer a close

1 estimate of what something is going to cost. I know, as a  
2 consumer, I understood perfectly well when my bicep tendon was  
3 separated and I asked my physician what are we looking at here  
4 for costs, and he gave me an estimate, which, by the way,  
5 turned out to be pretty close. And so I don't think we're  
6 expecting the providers and the industry to tell us that this  
7 procedure is going to cost this many dollars, this many cents  
8 when a consumer is wanting to just see what are facing as far  
9 as expenses once my insurance pays for it or whatever. So I  
10 think we can work toward, at least, being able to do that  
11 where a consumer can have a pretty close idea of what they're  
12 facing before they make their decision on whether to go  
13 forward with treatment.

14 COMMISSIONER STINSON: Along all of those lines,  
15 everybody I know -- Ward, you know this, too. Sometimes, you  
16 go in for an appendectomy, and it turns out to be an  
17 adenocarcinoma, and you have to dissect lymph nodes. It turns  
18 into a big case. Someone has to be admitted to the hospital  
19 for a while. But still, if you took the median, maybe plus or  
20 minus the standard deviation, at least 80% to 90% of the time,  
21 an appendectomy is an appendectomy. A hernia operation is a  
22 hernia operation. So while there are always variables and  
23 things can always get out of hand in specific instances, I  
24 don't think it is unreasonable to try to hit a fairly good  
25 median, and maybe with an asterisk saying, provided this is

1 all that is done, I mean, if you want to watch out for the  
2 legalities of that, and I think that that would be reasonable  
3 actually because, once you go in, you don't know 100% for  
4 sure, ever, what you're going to find. But still, I think, as  
5 a starting point for information, negotiations, patient  
6 education, it would be very reasonable.

7 COMMISSIONER URATA: So our clinic does OB in Juneau, and  
8 we always have, on a piece of paper, global fees for routine  
9 OB care and what's expected, and you know, a range payment  
10 and/or check and see what your insurance will cover and this  
11 and that. So you know, in that sense, we're transparent in  
12 terms of that. And we've been doing that for years.

13 COMMISSIONER ERICKSON: I'm sorry. Could you say just  
14 the first part again, Bob? The hospital is providing?

15 COMMISSIONER URATA: No.

16 COMMISSIONER ERICKSON: Your clinic?

17 COMMISSIONER URATA: Our clinic professional fees will be  
18 "X" number of dollars for OB care because it's a global fee,  
19 one charge and then for routine, low-risk OB and that includes  
20 delivery, and you know, the nine or ten visits or whatever,  
21 plus the lab tests beforehand.

22 COMMISSIONER ERICKSON: And I'm sorry. I'm just multi-  
23 tasking, and it's not working. So did you say it was an  
24 estimate or are you actually charging them a single global  
25 fee?

1           COMMISSIONER URATA: That's a single charge, yeah  
2 (affirmative), for OB. Right, Jeff?

3           COMMISSIONER STINSON: And a lot of physician clinics,  
4 there is kind of a global charge for the things that they do  
5 the most common. So for us, for example, that wouldn't be  
6 difficult at all either. I think we, pretty much, have a  
7 global charge for things that we do, kind of akin to what  
8 Bob's talking about.

9           CHAIR HURLBURT: Allen?

10          COMMISSIONER URATA: Excuse me. The idea is that we put  
11 it on a piece of paper, give it to the patients at their first  
12 OB visit so they know what the charges are, and they can take  
13 it down the street and compare it with the next person or the  
14 other person, that kind of thing. But our intention is to let  
15 them know how much it's going to cost because we hope that,  
16 nine months down the line, they're going to have a baby and  
17 then, you know -- so we know what the outcome is supposed to  
18 be and this is how much it will cost.

19          COMMISSIONER BRANCO: Dr. Urata, this is Pat again.

20          COMMISSIONER ERICKSON: Go ahead, Pat.

21          COMMISSIONER BRANCO: Oh, thank you very much. I never  
22 quite know when to weigh in. Sorry about that. One of the  
23 things, when a patient can go down the street and compare  
24 prices, that's one thing, but when the providers, themselves,  
25 aren't able to get that information, we end up not being aware

1 of whether we're out of the price market or not. So this may  
2 be a backwards process in which we learn that we're out of the  
3 market range more accidentally than purposefully. We're  
4 prohibited from finding out the pricing of our competitors,  
5 even our collaborators. So it's an unusual circumstance.

6 COMMISSIONER ERICKSON: So.....

7 COMMISSIONER BRANCO: Yes?

8 COMMISSIONER ERICKSON: .....would you -- oh, I'm sorry.  
9 Allen, you had a comment and then I have question for all of  
10 you regarding a potential -- not suggesting a recommendation,  
11 but asking a question about one. Go ahead, Allen.

12 COMMISSIONER HIPPLER: It sounds like you had a follow-up  
13 for Pat. Why don't you do that first, while it's in your  
14 mind?

15 COMMISSIONER ERICKSON: Okay. Thank you. Along the  
16 lines of the concerns about anti-trust and not being able to  
17 share amongst each other, providers sharing amongst each other  
18 -- and it's come in a previous conversation in this group, and  
19 there were examples provided yesterday of other states that  
20 have imposed legal mandates on providers to disclose their  
21 prices. It overcomes the anti-trust barrier for providers  
22 then and is one mechanism for providing transparency for the  
23 public. So without trying to be too leading, is there -- does  
24 the group have a feeling about whether you would want to make  
25 a recommendation regarding a legal mandate that would be

1 imposed on providers to make their prices more transparent?  
2 And did you see any examples in any of the other states'  
3 legislation that does that?

4 COMMISSIONER BRANCO: I can.....

5 COMMISSIONER ERICKSON: And Jim has his hand raised and  
6 then Pat.

7 COMMISSIONER PUCKETT: Well, I would like to see it be a  
8 voluntary situation. I would like to see that's a voluntary  
9 situation rather than legally mandating it, and then if that's  
10 not going to work, then the Legislature can take up that  
11 question at that time.

12 COMMISSIONER BRANCO: Is it okay for me to weigh in? One  
13 of our closest neighbors has this in effect right now. It's  
14 Washington State. Sorry. I'm getting feedback from my phone,  
15 and I apologize for your hearing it. Forgive me.

16 But what we've got is Washington State mandates that  
17 hospitals report their pricing of their average (indiscernible  
18 - phone interference), average cost per discharge, average  
19 cost for admission, et cetera. So it isn't the individual  
20 procedure pricing that's mandated. That's usually only a  
21 penalty imposed by the federal government when anybody is  
22 caught committing fraud, such as Virginia Mason. Then they're  
23 forced into price disclosure, and I think the rolled up data,  
24 the generic data gives people a sense of who are the high cost  
25 providers in their community or within the state. Each month,

1 I get a list of providers in Washington State on this  
2 aggregated data on pricing and cost. I'm able to put our  
3 numbers into effect, and I find out that, on this comparison,  
4 I'm in the middle of the pack of Washington State hospital  
5 providers. It's fairly useful data to, at least, measure your  
6 performance or your pricing position within the market, and  
7 it's fair for consumers to see as well.

8 And so I would advocate rolled up data, and I don't mind  
9 mandated, but I certainly don't like a heavy-handed approach  
10 in which it's an unfunded mandate that requires hundreds of  
11 hours to produce the data from which we derive no benefit.

12 COMMISSIONER ERICKSON: Pat, could I, again, ask for  
13 clarification on that? In Washington State, is it -- I mean,  
14 it almost sounded like an All-Payer Claims Database, that  
15 they're taking aggregate data and producing average and ranges  
16 of prices.

17 COMMISSIONER BRANCO: No. It's not ranges. It's every  
18 hospital in the state, and it's run through the hospital  
19 association, not an All-Payer Claims Database. What it is,  
20 they mandatorily report to the hospital association specific  
21 financial information as average cost per discharge. That's  
22 one of the metrics that they use.

23 COMMISSIONER ERICKSON: Thank you.

24 COMMISSIONER BRANCO: And it's -- and I apologize. To  
25 get even more complicated (indiscernible - voice lowered),

1 average cost per adjusted discharge. So regardless of the  
2 size of the institution or the acuity of the patient level,  
3 it's a complex measure, but it gets to the point where they're  
4 comparing apples-to-apples.

5 COMMISSIONER ERICKSON: Thank you. Bob?

6 COMMISSIONER BRANCO: You're welcome. Did that make  
7 sense?

8 COMMISSIONER ERICKSON: Yes. It did. Thank you.

9 COMMISSIONER BRANCO: And actually, Deb, I will share  
10 that document with you sometime here within the next week, and  
11 you'll be able to look at all of the hospitals in Washington  
12 State and key this number in. I'd be happy to share it with  
13 anybody on the Commission as well.

14 COMMISSIONER ERICKSON: Thank you. I'll make it  
15 available.

16 COMMISSIONER BRANCO: You bet.

17 COMMISSIONER ERICKSON: When I get from you, I'll make it  
18 available to everybody.

19 COMMISSIONER URATA: When I was on the Board back in  
20 Juneau, we used to look at the discharge cost or cost of  
21 discharge, average cost of discharge that is available through  
22 Medicaid and that's how we used to compare our costs with the  
23 costs of other hospitals in Alaska. And so that might be  
24 available, but the problem, I think, is it's not necessarily  
25 comparing apples with apples. Providence and Alaska Regional

1 were always higher than us and so we would put ourselves in  
2 the category with Ketchikan and Kenai or Seward and Kodiak and  
3 try to compare, you know, our discharge costs with theirs, but  
4 I believe that should be available for all of us as well. Is  
5 that correct?

6 COMMISSIONER BRANCO: And Bob, the leveling of the  
7 playing field is (indiscernible - voice lowered) adjusted  
8 average cost per discharge.

9 COMMISSIONER STINSON: What's interesting is I'm not  
10 quite how they're deriving the data or how valid the data is  
11 or how valid the data is across several different instances,  
12 but it shows you something. Everyone is paying attention and  
13 trying to get -- they're paying attention. So if we're  
14 looking to control costs and enhance value, if we can get a  
15 good metric that people agree on, this is something -- one of  
16 the first questions was whether or not people are going to  
17 utilize the transparency. Well, if the providers do, that's  
18 a good first step.

19 COMMISSIONER BRANCO: And let me weigh in, too. Our  
20 Board, like Dr. Urata when he was on the Board of Juneau, used  
21 that information to make sure that we were not exceeding the  
22 market range. So even with adjusted price information or  
23 discharge cost information, we adjusted our prices increases  
24 annually, based on that information, to make sure we did not  
25 become the highest cost provider in our community or within

1 our region or within the state. So it was a conscious effort  
2 to maintain and control our costs, as a direct result of that  
3 information.

4 COMMISSIONER ERICKSON: Allen, did we.....

5 COMMISSIONER HIPPLER: Yes. I -- in light of this  
6 conversation, I would like to discuss a price theory a little  
7 bit, which everybody loves, I'm sure. Prices have a purpose.  
8 Ideally, they're supposed to be a way in a market economy for  
9 resources to be allocated efficiently. That's the purpose of  
10 prices. That only works if prices are related to an approach  
11 cost. So from my perspective, it seems like one thing the  
12 healthcare industry suffers from is a lot of cost shifting.  
13 That is to say, if certain procedures are over or  
14 undercharged, those procedures do not then reflect the costs,  
15 and prices don't work like they should. I just thought I'd  
16 point that out.

17 COMMISSIONER DAVIS: Thank you. So I'm really struggling  
18 with this, but it's -- I applaud the efforts that have been  
19 discussed from the provider side, to use the data that's  
20 available as a reasonableness test, but what strikes me is  
21 this -- that is really just the crawling -- averages -- it  
22 reminds me of the actuarial joke, you know, two actuaries  
23 playing golf, and the first one hits a ball 100 yards right,  
24 and the second one hits the ball 100 yards left, on average,  
25 they both got a hole-in-one, okay? They can be so misleading.

1 And what we have found in our work -- again, I applaud what  
2 Pat has described and what Dr. Urata has described because  
3 you're using what you've got, but what we've found in our work  
4 is, on average, this hospital, you know, falls in this  
5 category, but if you look at a particular service, like OB,  
6 you might find, wow, this hospital is, on average, good, but  
7 for OB, they are way out of line or vice versa. And so you  
8 really have to go beyond just simple averages, and it takes  
9 people, like Peter and healthcare economist actuaries, to say  
10 this is a real number that you can rely on. So if we're not -  
11 - you know, we need this information. We need it for a lot of  
12 reasons that we've talked about. We need good information,  
13 but if we're not willing to commit to getting to good  
14 information, then let's not do it because the unintended  
15 consequences happen.

16 And to Allen's point, you get things that are totally  
17 unrelated to the cost, the cover of the TIME magazine article,  
18 the acetaminophen pill. You know, the cost was, what, a cent-  
19 and-a-half, and you know, the price was something very, very  
20 different than that. So I just, you know, throw that out  
21 there that this is really hard work, if you want to get to  
22 meaningful price transparency, and we'll have to commit to  
23 that, if it's going to produce a beneficial result for the  
24 public. Thank you.

25 COMMISSIONER URATA: I agree with that, but you know,

1 that was the only data we had available to our Board was the  
2 Medicaid discharge, which was, yeah (affirmative), far and  
3 away, you know, kind of the minority of our discharges.

4 COMMISSIONER ERICKSON: Yes?

5 COMMISSIONER STINSON: So when we're talking about it, we  
6 have to agree upon what data, what information we need so we  
7 can make more intelligent, more informed, deep decisions, and  
8 actually, people like you, across the table from me, would  
9 probably know what kind of transparency to what depth and what  
10 kind of information needs to be collected, so that apples are  
11 apples and oranges are oranges, and I would defer to people  
12 with expertise in that field.

13 COMMISSIONER DAVIS: So if I may? So where we've settled  
14 in on that is that that prices for a particular -- now, it's  
15 complicated. So a global OB price is one thing. I mean,  
16 that's great. That's apples-to-apples. That's cool, but we  
17 get away from that. Where we've settled in is episodes of  
18 care, episodes of treatment, and comparing episodes of  
19 treatment across providers because then you factor in price  
20 and units of service and complication and all of those things  
21 to get to an episode of treatment. So you know,  
22 cholecystectomy. Here is an episode of treatment for this  
23 surgeon and this surgeon, and also, it factors in what  
24 hospitals they use and all of that. We attribute it back to  
25 the physician we can attribute it to. That's what we've

1 settled into. So I was thinking about, you know, mandating  
2 that people put their prices up doesn't tell you anything.  
3 Have you ever looked on the back of a hotel room door? You  
4 know, there is a price on the back of the door that, by law,  
5 they have to put there. No one pays that price, you know.  
6 It's irrelevant. And in medicine, I think there are, you  
7 know, exceptions, like a global OB fee where those are  
8 comparable, but that's not probably the right measure. But to  
9 get to episodes of treatment, you have to have a big enough  
10 sample size, you know, so that it's credible and that takes a  
11 lot of people, which is where, you know, having everyone in  
12 would be beneficial, but it's complicated to do it, but that  
13 is where we have settled in as a credible, comparable measure.

14 CHAIR HURLBURT: Let me maybe ask on that, so if you're  
15 looking at an episode of treatment group pricing methodology,  
16 you either have to have a big enough company that can do it  
17 yourself or you can go out to an Ingenix or somebody and you  
18 can purchase that. That's not something that an individual  
19 consumer, even with an HSA, could begin to think about doing.  
20 If you're a big payer -- and that could include the State of  
21 Alaska for employees and retirees or Medicaid or Premera or  
22 whoever -- it's worth it for you to either develop that  
23 internal capability or to buy it from somebody, and I  
24 absolutely agree that you have to do that, if you're going to  
25 be prudent in how you operate.

1           But that said, that's different than the posting of  
2 prices -- What is my colonoscopy going to cost? What is that  
3 going to cost? -- for the individual consumer. So they're  
4 really kind of two different things, and one of the options  
5 for paying for an All-Payer Claims Database would be for the  
6 State to pay for it with General Funds. It's not the only  
7 option, but it would be one of option. The episode of  
8 treatment group kind of thing would be something that the only  
9 way the State would pay for that would be as an employer or as  
10 a payer of another kind, like Medicaid. Would that be  
11 correct, would you think, Jeff?

12           COMMISSIONER DAVIS: Thank you. So this is what I tried  
13 to describe yesterday, sitting down in that chair. Blue Cross  
14 Blue Shield Association affiliated plans, the 19 plans cover  
15 100 million Americans, and based on that data, we've developed  
16 these episodes of treatment for a whole bunch of things, not  
17 everything, but there are over 100. And it is out there on  
18 the private websites or the -- you know, for our customers,  
19 where they can go in and say I need -- I'm going to have a  
20 total knee, and you can look at, by physician, in whatever  
21 region you choose, what the episode of treatment for that  
22 total knee for that physician range is. So then that way,  
23 that is what we're putting out there for our customers to use  
24 to make their decisions, when it's appropriate to make the  
25 decision. It's not elective. It's not emergent, you know,

1 those sorts of things.

2 I agree with you, and perhaps, didn't state it clearly  
3 earlier, but posting prices for a particular thing is, in most  
4 cases, not helpful. Global would be, you know,  
5 notwithstanding. That's a great thing to do for transparency.

6 To answer Dr. Stinson's question, after a lot of work, a  
7 lot of people nationally, that is where we settled in as, for  
8 now, a measure that is useful and helps people make good  
9 decisions about where they should go. And the variation --  
10 Alaska is not the only place with variation. You look in the  
11 Greater Seattle Metro Area, and even with a delivery, you can  
12 see a 200% variation, or even downtown Pill Hill Hospital is a  
13 200% variation for OB. And you look at the next thing, you  
14 look at total knee, and it goes the other way.

15 So it's -- that's to my point about, you know, I applaud  
16 the efforts to use the average price information because  
17 that's what you had, but it can lead you to the wrong  
18 decisions, if you can't go to the next level and really look  
19 at specifically that particular service because, to Allen's  
20 point, prices are not related to cost. They're related to  
21 something else. Because there is no transparency and there is  
22 no competition, they can be whatever that provider wants it to  
23 be for that service.

24 COMMISSIONER ERICKSON: So what's the answer from the  
25 consumer's perspective?

1           COMMISSIONER DAVIS:  What I'm suggesting is that that --  
2           and probably because it's my bias is that, to go down this  
3           road and to get to something that's useful for the consumer,  
4           you've -- at least, the way the technology exists today -- to  
5           get to an episode of treatment type measure, and you know,  
6           that's not going to be perfect, and it's not going to be  
7           available in every market because of small sample size.  But  
8           anything short of that, in my experience, doesn't -- it  
9           produces unintended consequences.

10           COMMISSIONER ERICKSON:  So do we need an All-Payer Claims  
11           Database to get at that?

12           COMMISSIONER DAVIS:  I think so.  I'm not sure, but I  
13           think so.  I don't know.  You know, we can do that for our  
14           customers.  Jim could -- he's big enough.  He could do it for  
15           his customers, but to the point yesterday, what about the rest  
16           of us, you know?  And so without that, I don't know how you  
17           get to data that is used by every Alaskans, and our goal is to  
18           have all Alaskans be the healthiest, not just Premera  
19           customers be the healthiest.  So with trepidation, I think  
20           yes.

21           COMMISSIONER ERICKSON:  Jim and then Larry?

22           COMMISSIONER PUCKETT:  Just for a point of clarification  
23           for what it's worth, sitting here as an individual, if the  
24           idea would be that a patient could have a conversation with  
25           his physician, and his physician could give him a reasonable

1 estimate, and the patient would know what he was up against  
2 and he could make his decisions accordingly, but  
3 unfortunately, we're not able to get that way to that degree  
4 because of the varied price structure that the physicians have  
5 to have. And so in this chair, as an individual, I was  
6 looking at it from the perspective, what can we do so the  
7 consumer has information to make an informed decision? And if  
8 an APCD -- so I don't have to say all of it -- is one of the  
9 tools that we could recommend that would be available to the  
10 public, great. The question remain as to whether we're going  
11 to go that direction, whether it would really solve what we're  
12 trying to get here. I'm just simply -- I'm completely behind,  
13 get information out for the individuals so they can make an  
14 informed decision on their healthcare.

15 As a Health Plan Administrator, Jeff is right. We've got  
16 enough data. So even if the State does implement an APCD,  
17 we're going to be mining our data. There's enough there.  
18 We're going to be able to do it for our own, individual plan,  
19 and if an APCD is there and we can draw information from that  
20 to help, whatever is out there for the public, we're going to  
21 be mining our own data, and we're going to be making our  
22 changes in our plan -- I say our plan, the State of Alaska's  
23 plan -- so that we are the most effective with improving  
24 quality and outcomes and costs for our plan.

25 So just for a point of clarification, when I'm saying we

1 need to get information for consumers, I'm talking about the  
2 data, as a whole. As Jeff said, we'll give the information to  
3 our plan members for whatever (indiscernible - voice lowered)  
4 we think we need to do and for whatever we need to do to be  
5 efficient managing our own plan.

6 COMMISSIONER ERICKSON: Just an observation of what I've  
7 heard. It's interesting, and I think it's significant that  
8 Jeff just said, publicly, that you think you've gotten to the  
9 point where you would support an All-Payer Claims Database in  
10 other states, where it's a mandate; did you say that? I was  
11 going to say, did I hear you say that?

12 COMMISSIONER DAVIS: Reluctantly, yes.

13 COMMISSIONER ERICKSON: Reluctantly, yes; you would  
14 support it.

15 COMMISSIONER DAVIS: Yes, as a Commissioner.

16 COMMISSIONER ERICKSON: As a member of the Commission,  
17 because my understanding of the process in other states, the  
18 commercial insurers are the ones who have the mandate, the  
19 state law to report have been the most reluctant to get behind  
20 it, and it's been the provider community, understanding that  
21 the payers are the ones that have the data that they don't  
22 have access to, and this is one way for them to get access,  
23 who have advocated for and supported an All-Payer Claims  
24 Database. So that's an interesting position for us to be in,  
25 potentially.

1           COMMISSIONER DAVIS:  If I may, that is why I made the  
2 point about being in that chair versus this chair.  In this  
3 chair as Commissioner, my duty is to look at what's going to  
4 work for all Alaskans, from the -- bringing the perspective of  
5 a payer to the table, and it's from that perspective, as a  
6 Commissioner, that I don't see how we are able to bring  
7 transparency to all Alaskans without something like this  
8 happening.

9           Now back in that chair, my colleagues are not going to be  
10 really very thrilled with the decision.  I don't know how much  
11 it takes to get this done.  There are a few other things we're  
12 being asked to do by the government in Washington D.C., but  
13 that's not the charge that I have, sitting in this chair.

14           COMMISSIONER ERICKSON:  Val?

15           COMMISSIONER DAVIDSON:  So have we transitioned to the  
16 APCD conversation.....

17           COMMISSIONER ERICKSON:  Yes.

18           COMMISSIONER DAVIDSON:  .....because I think we agreed,  
19 at the beginning, that we were going to separate those issues,  
20 but it seems like we've jumped there.  So if we have, let's  
21 just go there.

22           COMMISSIONER ERICKSON:  Uh-huh (affirmative).  Larry?

23           COMMISSIONER STINSON:  One more question for Jeff.  The  
24 episode of care, I king of -- I like the idea for apples-to-  
25 apples and then it cuts through a lot of variables, and I

1 think it addresses some of the other comments and concerns.  
2 I'd like to see either a definition or an example, I mean,  
3 just so I can understand it better. Jeff, I don't know if you  
4 could give an example to Deb, at some point, where she could  
5 send it out. Like, for knee arthroscopy, what is considered  
6 an episode of care? Is it the treatment, including  
7 hospitalization or a surgery center, and then six weeks'  
8 recovery? I would like to see that because, if that's what it  
9 is, that would seem to be a lot more valuable than just  
10 putting out numbers at different hospitals or numbers by  
11 different providers.

12 COMMISSIONER DAVIS: So there's a lot of actuarial  
13 science and magic that goes into that. I can attempt to get  
14 that and provide it, but it's my understanding it is what you  
15 just described. It is this person had a total knee done by  
16 this surgeon, and when we look at everything related  
17 longitudinally to that surgery, this is how much that case,  
18 that episode of treatment costs or this is how much that CABG  
19 costs or this is how much -- whatever. So I will get some  
20 further clarification around that.

21 CHAIR HURLBURT: And to some extent, it's a little  
22 definitional in that what your most interested in is the  
23 global charge, including the professional fee, the facility  
24 fee, the whatever, but you might have a reason for just  
25 looking at what's the episode cost for the facility, but

1 overall, you're usually going to be looking at the global fee  
2 because the surgeon's fee might be outrageous, but the  
3 hospital is only charging you \$500 a day, so you're going to  
4 go there maybe, globally, but it is a little bit definitional,  
5 at least what I've seen.

6 COMMISSIONER DAVIS: Right, and it's not perfect --  
7 sorry, Keith -- because the argument will be raised, well,  
8 yeah (affirmative), my episodes' treatment are more because I  
9 get all the complicated patients, and my buddy sends me the  
10 complicated ones because he knows I'm better at that, you  
11 know. So there is that argument, and you have to -- you know,  
12 at that point, you have to say we're not weighing in on that.

13 COMMISSIONER CAMPBELL: That led to my question. Is  
14 there any sort of outcome data tied to your episode? Okay.

15 COMMISSIONER DAVIS: There is social media tied to it,  
16 but not -- that's another whole morass.

17 COMMISSIONER ERICKSON: I want to see if there are any  
18 other comments specific to All-Payer Claims Database and  
19 what's captured in the draft right now, and for process and  
20 for timing, what I'm going to do is incorporate the notes that  
21 we've taken this morning, in the conversation this morning,  
22 into the next draft for this document and circulate it in the  
23 next week or so, and we'll continue the conversation. What I  
24 would suggest, too, because the -- we had -- one of our other  
25 learning sessions scheduled for this year is on how hospitals

1 manage their financial systems and accounting and how  
2 healthcare pricing works. And so it seems, to me, that this -  
3 - I mean, it's an issue that keeps coming up related to this  
4 conversation we're having. So if we could continue this  
5 conversation in the context of that other learning session,  
6 hopefully, we can maybe schedule that for our next meeting so  
7 it's still relatively fresh, even though it will be a couple  
8 months from now. Yes, Val?

9 COMMISSIONER DAVIDSON: I agree that we need to spend  
10 more time on this and probably not today because, I mean,  
11 there was a lot of information thrown at us yesterday, and I'm  
12 still sort of trying to process what those implications are,  
13 but one thing I heard yesterday that I still -- that just  
14 keeps haunting me of, what has the benefit been to the State  
15 and to the consumers of the State that have implemented All-  
16 Payers Claims Databases? So have they seen their health costs  
17 decline? Have they seen the quality of their healthcare  
18 improve? I mean, really, what is the problem that we're  
19 trying to fix? And if that's what we say we're going to do,  
20 then I would assume that there would be a corresponding trend  
21 in that direction for the states that have had All-Payer  
22 Claims Databases for a while.

23 And the other is I would also want to see what the Cost  
24 Benefit Analysis is for -- so for example, how many  
25 individuals have utilized that information? Is it 1,000

1 people in this state? Is it -- have people done 1,000  
2 queries? Have there been 10,000 queries? Have there been 500  
3 queries? So what's the cost per query for maintaining that  
4 system?

5 COMMISSIONER ERICKSON: Wes, Jeff, and Larry?

6 COMMISSIONER KELLER: On that point, your question  
7 assumes a short-term benefit. In my mind, an APCD may be a  
8 very long-term benefit. It is a change that is going to take,  
9 in my mind -- and I'm guessing, you know -- years before we  
10 see the result because it's inserting the market forces back  
11 into a system that has been devoid of it. So for what it's  
12 worth.

13 COMMISSIONER DAVIDSON: I guess I was assuming a long-  
14 term answer, but we would start that trend. If it truly was a  
15 long-term impact, we would start seeing some trend, at some  
16 point, probably within a few years.

17 The other challenge is, I mean, we have all kinds of  
18 price transparency with airline tickets. I haven't seen the  
19 cost of airline tickets go down nor have I seen the quality of  
20 that service improve. So I think that the question really  
21 goes back to this sounds great, but if we do something  
22 effectively, we also have to take a look back and say what is  
23 this going to cost, what's the utility, is it doing what we've  
24 asked, what we assumed that it would do, and what's our check  
25 to make sure that those assumptions are true.

1           COMMISSIONER DAVIS: So Val, I'm troubled by the same  
2 things you are, but here's how I get myself, at least  
3 partially, past that.

4           So I've described where we are now with our data, and as  
5 a result of that, things are possible that were never possible  
6 before. We are developing kind of a layer over the top  
7 program that will reward people for seeking out this  
8 information and reward them, you know, above and beyond what  
9 they would have done before. And Mr. Hanson yesterday, our  
10 new healthcare economist, you're right on track with that, you  
11 know. So people haven't used it, but we think, with this kind  
12 of program layered over the top of it, they will, but if we  
13 didn't have the data, this would not be possible. So that's  
14 one example.

15           The other is we're working with primary care providers in  
16 the market who are hungry for this kind of information. Say,  
17 okay, I have -- it's a hypothetical -- a patient who needs a  
18 total knee. I send them to this group and this group, but I  
19 have no idea where -- you know, which is -- the quality is  
20 equal in my mind. If I knew that this group was five times  
21 more expensive than this group, guess what I would always send  
22 to this group. And that's kind of the information we're  
23 trying to figure out how to get in front of the primary care  
24 doctor before they're making the referral. Again, if we  
25 didn't have it, that now advance, if you will, that drives out

1 waste would not be possible.

2 So I'm with you. I'm troubled by it, but without it, we  
3 can't -- this is what I was trying to say yesterday. Without  
4 it, we can't move forward. With it, then moving forward is,  
5 at least, possible to drive out waste and improve quality.

6 COMMISSIONER STINSON: I totally agree with Valerie,  
7 which I was really thinking about that yesterday and didn't  
8 have much to say. This has the potential to be a boondoggle.  
9 That's why I was interested in the episode of care. They may  
10 have been looking at the wrong thing. That's why I wanted to  
11 look. We need -- Alaska needs to be different, yet once  
12 again, we need to look at something that may be more helpful  
13 and possibly be more influential on the process, but I totally  
14 agree that, within two years, three years, if it's not  
15 working, maybe it should be canned.

16 But on the possibility just raw cost data is not  
17 effective enough, this other information -- again, as long as  
18 it's explained on the website and people have an  
19 understanding, that might be helpful. And the other thing, as  
20 we've already heard, that, at least, the providers seem to be  
21 paying attention. So if I've got two different surgeons to  
22 refer somebody for a herniated disk to and one is one-third  
23 the cost of the other and they're otherwise both equally  
24 ethical and skilled surgeons, I would be more inclined to send  
25 one to the lower cost provider, but we don't even have -- I

1 have no information like that.

2 COMMISSIONER MORGAN: I guess I'm now showing my age, at  
3 this point. If you look at the cost of airline -- I'm going  
4 to revert back to the airlines. If you go back to the cost of  
5 airlines to when they were highly regulated and their costs  
6 set through that regulation, through a reg board, you had a  
7 lot of planes flying with a lot of empty seats, but those  
8 costs were spread. If you actually take the two years before  
9 deregulation and then look at the cost per mile now, factoring  
10 in inflation, it did bring down the cost per ticket, but it  
11 was two -- two things affected it. One, so with deregulation,  
12 competition did spring up, but that competition was spurred by  
13 being able to set your rates and to go with the competition.

14 Now, the bad part of that was a lot of small communities  
15 suddenly didn't have an airline because it was not cost-  
16 effective to do it. It did what Allen said; it actually  
17 worked. So the market reacted to that.

18 It was sort of my analogy when I used to teach economic  
19 history, back during the Civil War, that the Gross National  
20 Product of the United States doubled between 1859 and 1867,  
21 and the main spur to that, besides a major war inside the  
22 United States were the railroads that connected the West with  
23 the East to bring products in and finished products out, but  
24 that was great because of the income change, that that  
25 development came, but ask the Buffalo how well that worked and

1 another group of people, which I won't go into.

2 So the point is, is there is always debits and credits,  
3 and there is always good and bad, but I think the whole  
4 discussion has been very good in that let's not make it worse,  
5 that whatever we do makes it better, but I find it really good  
6 that, even when it might be a little tougher on your own  
7 industry, you're thinking about that guy that was sitting out  
8 there yesterday trying to get a CT scan and couldn't get  
9 prices.

10 This email I just saw -- of course, we don't know the  
11 other side of this, but that just sounded bad. Now like I  
12 said, there's always another side to the story, but everyone  
13 around this table grimaced when they looked at that email that  
14 was passed around. So that's the balancing act, but hey, you  
15 know, we're paid so much to be on the Commission to deal with  
16 these things that that's the way it goes. Hey, well, I got  
17 this, this morning.

18 So anyway, let's not discount competition in markets, but  
19 on the other side, we're going to have to do something here, in  
20 some way, without causing unintentional consequences and make  
21 it worse, and I think prudence is good, but we also have to  
22 look at this. And I think some demonstrations on -- I've done  
23 pricing in hospitals. I've done charge master work for many -  
24 - several years in hospitals and in primary care community  
25 health centers, and I even helped my father out in a five-man

1 dental operation, helping them do prices, especially with  
2 provider agreements with Blue Cross and some other groups.

3 So how pricing is done is a little voodoo here because  
4 there is more to the charges. There is a whole, big formula  
5 out here about how many units are Medicaid and how many units  
6 are not that are preferred provider, and it skews it, and it  
7 pushes cost -- it pushes subsidies on the other groups, and I,  
8 personally, worry, as we go through this process -- and I've  
9 seen it in the Lower 48 -- that, suddenly, the poor guy trying  
10 to get a CT scan is paying the full price, the full cost and  
11 some more because we have a large group that can negotiate a  
12 rate closer to cost. So it's going to be a rocky year, I  
13 think, for us to get through that.

14 CHAIR HURLBURT: Let me just finish up, maybe by going to  
15 back to Val's comment and Jeff's effort, I think, to help Val  
16 through her comment because I agree with it.

17 One of the things that disappointed me yesterday was to  
18 hear the response from Linda and Amy that it has not  
19 demonstrably made a difference in having an All-Payer Claims  
20 Database and that kind of set me back a little, and it gave me  
21 some caution.

22 And then one of the disappointments that I had, I felt  
23 that Freedman and Linda and Amy did a very nice job of putting  
24 the report together, outlining what an All-Payer Claims  
25 Database was, the upsides, the downsides, what are various

1 options between going all the way and not going all the way  
2 there, but we had asked them to tell us some stories about how  
3 it's worked in other states, and I didn't get out of that what  
4 I had hoped to get. I thought that was pretty light.

5 And so what I would suggest, maybe consistent with the  
6 concern that Val expressed and that Jeff really did and I have  
7 and I think most of us, is an assignment for Deb and me  
8 between now and the time we come back to this for us to try to  
9 reach out to folks in New Hampshire or Massachusetts or  
10 Colorado or some of the other states where this has been  
11 doing, maybe getting folks who are more involved in the middle  
12 of it and to try to come back with some data, but also with  
13 some stories, with some objective information, but also some  
14 subjective information. Is this making difference? Is this  
15 helping? And if we come back and say it's really not, you  
16 know, then we have consider what we're going to recommend, if  
17 we can say no. When it come out last year in Colorado, the  
18 media just talked it like it was the greatest thing since  
19 sliced bread, and you know, you can find out all this  
20 information now that you couldn't have. So I'm sorry, Deb,  
21 but I think maybe if -- that it might be a good way to  
22 respond.

23 COMMISSIONER ERICKSON: I am -- would like to invite Dr.  
24 Williard and Dr. Whistler to come up, and as they come up to  
25 the head of the table, just to summarize our next steps, I

1 will get the next set of notes from this conversation,  
2 incorporated into the notes you have in front of you, out in  
3 the next week or two. We'll work on -- make a goal of having  
4 our meeting in June, in part, devoted to that learning session  
5 on financing and pricing of healthcare services, and continue  
6 this conversation about All-Payer Claims Database and  
7 transparency and Hospital Discharge Database, and Dr. Hurlburt  
8 and I will do some additional homework to see what we can  
9 gather on all of the questions. I listed quite a few  
10 questions, actually, in the conversation today, but  
11 significantly, see what we can learn ourselves from some of  
12 the other states. Yes, Dr. Urata?

13 COMMISSIONER URATA: Just quickly, can we get more  
14 information on episodes of treatment?

15 COMMISSIONER ERICKSON: Yes. That's one of the things  
16 that is on the to-do list. Yep. There are a few things on  
17 that to-do list, too, in addition to what I mentioned  
18 specifically.

19 CHAIR HURLBURT: Thank you very much. I think this next  
20 session is going to be quite interesting. As I say, it's the  
21 first time since the Commission was started back in the  
22 beginning of 2009, four years ago now, that we have looked  
23 oral health areas, and we have two panelists here.

24 Dr. Brad Whistler is the State Dental Official, has been  
25 very active in dental public health, both within the state and

1 nationally, and has done a nice analysis for us.

2 And then Dr. Mary Williard is with the tribal health  
3 system and has been a very controversial person in the sense  
4 that she has been a real leader in developing the Dental  
5 Health Aide Technician Program, which has been so impressive  
6 in addressing some of the oral health needs of folks in the  
7 small villages in Alaska, building on experience that folks  
8 had in New Zealand and so on, but really bringing it to this  
9 country, and other parts of the country are talking about  
10 doing similar things now. I've visited their training  
11 facility out in Bethel as well as the one here, and I've been  
12 real impressed. So anyway, Mary, we appreciate the  
13 perspective that you're going to bring. And I guess, Brad,  
14 you'll start, please?

15 DR. WHISTLER: I'm going to start and sort of give an  
16 overview of dental in general with some slides in terms that  
17 are going on nationally and then I'm going to shift to some  
18 Alaska information. But in terms of your program, I'll just  
19 differentiate in terms of oral health and dental health, and  
20 mostly, what we're going to be talking about today is dental  
21 in terms of the teeth or dental decay. Oral health in  
22 general, we'd be talking about periodontal disease, avoiding  
23 tobacco for reduction in oral cancer and periodontal disease.  
24 We might be talking about congenital defects, like clef lip or  
25 clef palate, but I think both Dr. Willard and my presentations

1 today are more focused on dental decay specifically.

2 So I thought I'd give an overview of some things that  
3 dentistry shares with other things you've been looking, like  
4 physician expenditures and hospital services, but also some  
5 things that are unique to dental. And I didn't find  
6 information to compare dental education costs with medical  
7 education costs, but I suspect that dental education costs are  
8 higher, similar sort of training programs.

9 The other thing for dental students is, typically, they  
10 have to purchase their equipment as they're going through  
11 dental school. So they're purchasing hand pieces, hand  
12 instruments and all that as they go along, so tens of  
13 thousands of dollars of equipment in addition to the tuition  
14 costs.

15 Most dentists are general practitioners. About 79% of  
16 dentists are general practitioners. I'll go through the  
17 specialty list a little bit later.

18 A significant amount, about 40% nationally on average, of  
19 dental reimbursement is out-of-pocket. So later, I've got a  
20 slide, but there are more than double the number of Americans  
21 that lack dental coverage or dental insurance than there are  
22 those that lack medical insurance and that influences things  
23 in practice. Dentistry is more economically sensitive because  
24 there are more out-of-pocket expenses, and it also has made it  
25 where, in terms of other slides, dentistry, in many states,

1 has not been rolled into managed care. It's been a carve out,  
2 and it's because of the differences that there is not the same  
3 leverage with most dental practices, because much of their  
4 practice is private pay, to go into preferred provider  
5 agreements or go into managed care, and it's a balancing act  
6 between Medicaid reimbursement and dental participation in the  
7 Medicaid program.

8 So the other thing in dental practices, for general  
9 practitioners, about 78% of practices are sole practitioners.  
10 Now that could be in our larger areas where they're co-located  
11 in the same building, but it is still very common where it's a  
12 general practitioner in a building that they have purchased.  
13 And so they are the facility manager, they are the admin  
14 manager, and they're the provider all in the same field in  
15 terms of doing that.

16 Surgical model of care versus the move to an infectious  
17 disease model of care. Dentistry, traditionally, has been  
18 drill and bill. You're looking for dental decay on a tooth.  
19 Then you get in there with surgeon. You drill it out, and you  
20 put in a restoration. Well, a lot of the science now shows  
21 that, if you catch dental decay early while it still just  
22 involves the enamel and it hasn't broken through that enamel  
23 and gotten to the dentine, if you see that patient more  
24 frequently to try and change behavior, if you add topical  
25 fluorides, many times, you can get that tooth to remineralize

1 so that you're not actually having to get the drill out and  
2 work on that tooth and that's been a very slow shift in  
3 dentistry to move that direction, but dentistry is slowly  
4 moving that direction. And Mary's going to touch on that a  
5 little bit more in terms of the infectious disease model and  
6 what's going on with the tribal programs here in Alaska.

7 Mobility of dentists. There are sort of two pictures on  
8 that. In private practice where you buy a practice and you  
9 equip it for dentistry, dentists are not very mobile. They're  
10 generally going to practice in one location throughout their  
11 career. That compares, in Alaska, within our tribal programs  
12 or in the community health center FQHC models where they're on  
13 salary, the dentist really doesn't have a high investment in  
14 that practice. And so unfortunately, we see, in some cases,  
15 where our tribal programs and our FQHC programs take on a  
16 newly-graduated dentist, and by the time they're getting more  
17 proficient and more productive, they move out to private  
18 practice. So they aren't fully getting the efficiency of  
19 dentistry that you would see in a private practice with that  
20 kind of turnover.

21 Medicaid participation and treatment of other underserved  
22 groups. This is a national issue. Alaska fairs better than  
23 most states in terms of private dental participation in our  
24 Medicaid program, but in many states, less than 20% of the  
25 dentists participate in the state program and that was

1 highlighted nationally with a child death around the  
2 Washington D.C. area a few years ago. Deamonte Driver has  
3 been publicized, at least a lot in the dental world, where he  
4 was a 12-year old boy with a dental infection that became a  
5 brain abscess, and ultimately, he died of that dental  
6 infection. Well, part of it, during that time, another  
7 sibling in that family was looking for dental care; the parent  
8 had been calling, trying to find a dentist to accept Medicaid,  
9 was not able to find one, ultimately contacted the Maryland  
10 Medicaid Program. They started calling the dentists on their  
11 list, and they weren't finding dentists that were accepting  
12 new Medicaid patients. So it really sort of highlighted a lot  
13 of things around dental access and also the need to improve  
14 reimbursement in the Medicaid program and also more active  
15 lists around who was accepting new Medicaid clients, so  
16 children-in-need could get into services.

17 Dental insurance. Dental insurance, really, does not fit  
18 an insurance model. The disease is so prevalent, dental  
19 insurance is really a prepayment plan. So you're not  
20 spreading the risk because the risk is so high. Really,  
21 you're just sort of capturing the payments early, on a monthly  
22 basis, and then you're sending them out the door by the end of  
23 the year. And that may not be true on an individual level.  
24 There may be individuals that are at low risk for dental  
25 decay, but overall for the population, it's high enough that

1 it really does not fit an insurance model.

2 I mentioned already in terms of the number of Americans  
3 that lack dental coverage, and the other part is, nationwide,  
4 about 90% of dentists practice in metropolitan areas, and in  
5 terms of looking at rural, very rural farming type areas, less  
6 than 1% of dentists practice in those areas, and like  
7 physicians, what we're seeing is the dentists practicing in  
8 those areas are getting older, and as they retire, they are  
9 not new practitioners moving out there. So that's one of the  
10 national concerns.

11 In terms of cost of dental education, looking at resident  
12 tuition from 2001-2002 to currently, you can see it went from  
13 just over \$88,000 to over \$171,000. Non-resident dental  
14 education costs increased from just over \$128,000 to \$233,000.

15 One of the things that the Alaska Dental Society has been  
16 raising is the WICHE (ph) program in terms of Alaska students,  
17 and part of what the concern is, is that, with the cost of  
18 tuition and the debt that's going on in dental school, many --  
19 you know, Alaska students looking to dental school without  
20 family resources to get in there, we're getting to the point  
21 that we're precluding students to be able to get in there to  
22 line up the loans to take on that kind of debt to go through  
23 dental school.

24 Those bottom bullets, here, show the mixed picture in  
25 terms of the American Dental Education Association. One in

1 four graduates in 2010 left school with more than \$250,000 in  
2 student loans. And then about the same number, about one in  
3 four left with no debt or debt less than \$100,000. So it sort  
4 of shows the difference of who is going to dental school, and  
5 I would say that's not uncommon in dentistry that it's the son  
6 or daughter of the dentist that's going to dental school, and  
7 the family is supporting them while they get through dental  
8 school, and often, once graduated, that's who takes over the  
9 practice when that dentist retires. But for some students,  
10 it's really getting unaffordable.

11 Sort of national discussions went on around, you know,  
12 sort of the moral obligation to treat care and why we get into  
13 healthcare professions. This is a slide from the American  
14 Dental Education Association again that kind of looks at  
15 changes and transition of what incoming dental students were  
16 reporting in terms of why they got into dentistry. So you  
17 sort of saw this change in terms of self-reporting, that it  
18 really had to do with the social aspects of treating  
19 populations to where it was really sort of a good career to  
20 get into financially. And so that's sort of been the  
21 discussion of how do we pick different dental students getting  
22 into school that feel more of that social obligation to  
23 practice in underserved areas and to see underserved  
24 populations. And so some of the schools have started changing  
25 some of their admissions criteria to address some of these

1 issues in terms of who is getting into dental school.

2 Dentistry remains predominantly male, predominantly White  
3 male nationwide. The big change -- the most dramatic change  
4 is more women going into dentistry, and these numbers would  
5 look much different if we were looking at first-year dental  
6 students. The percentage of female first-year dental students  
7 would be much higher than 14%. But the other change has been  
8 in terms of racial minorities, and the push there is that,  
9 typically, dentists from racial ethnic minority groups are  
10 more likely to accept Medicaid. They're more likely to  
11 practice in underserved areas. They're more likely to see  
12 other racial and ethnic minority populations. And despite a  
13 lot of push in this area, there has been very little change  
14 over the last two decades. The biggest change has actually  
15 been with Asian dental students going into dental school, but  
16 you know, for American Indian/Alaska Native, a very small  
17 percentage going into dental school across the United States.

18 So this slide is on the dental specialties. The most  
19 common specialties are oral surgeon and orthodontist, followed  
20 by pediatric dentists. And on here, I have the public health  
21 dentist, which is a small percentage, and public health  
22 dentistry is actually a specialty within dentistry. And while  
23 we have public sector dentists here in Alaska, at this time, I  
24 don't think we have any public health dental specialists in  
25 Alaska at this time, and nationally, that's a very small

1 number also. That's a dentist that's gone back to school to  
2 actually specialize in treating underserved populations and  
3 also address water fluoridation, sealing programs, and all  
4 that. I have some information on Alaska specialists later.

5 Out-of-Pocket Expenditures. I already mentioned that  
6 about 40% of dental comes from out-of-pocket expenditures.  
7 This is out of the Bureau of Labor Statistics. But dental  
8 expenses are second only to prescription drugs for out-of-  
9 pocket expenses in the United States.

10 So the next emerging issue that we're going to be hearing  
11 probably more about in the dental world is with seniors, and  
12 with the baby boom generation and the demographics there,  
13 Medicare does not cover dental procedures. They cover it if  
14 it's related to trauma or other conditions, but routine dental  
15 procedures are not covered under Medicare. So as retirees  
16 retire out, if they don't take some sort of what was employer-  
17 based coverage with them, they lack dental coverage at a time  
18 that more seniors have most of their teeth. So if we were  
19 looking prior to World War II, you know, most seniors probably  
20 would have been (indiscernible - voice lowered) and in  
21 dentures by that time, but this time, even from our Alaska  
22 data, it shows that most of the 65 and older population in  
23 Alaska have most of their natural dentition. So to the extent  
24 that they don't have health insurance later, that's going to  
25 be an out-of-pocket expense.

1 Dental expenditures nationwide. This is 2011  
2 information, but \$108 billion. It's approximately four  
3 percent of U.S. healthcare expenditures. You've got the  
4 increases there. Out-of-pocket spending and the inflation  
5 increase is about a 4.1% increase in 2011, a 0.7% increase in  
6 2010.

7 In terms of looking at net income and gross receipts from  
8 dental practice -- and this is national information from the  
9 American Dental Association, but average net income for  
10 general practitioners was just over \$192,000. Gross receipts  
11 for that kind of practice was just over \$700,000, average  
12 dental specialist income, \$305,000, and gross receipts for a  
13 dental specialist just over a million. And typically on that  
14 -- I don't have breakdowns for the specialties, but typically,  
15 the high end would be pediatric dentistry, oral surgery, and  
16 orthodontics. Orthodontics is probably the highest in terms  
17 of gross receipts in the dental specialties.

18 So here is the trend chart, and it probably -- you know,  
19 on a lot of healthcare expenditures, you've been seeing these  
20 same kinds of charts with it climbing. I believe this one is  
21 actually -- this one is not adjusted for real dollars, but  
22 some of the later ones are. This was a chart -- it's a little  
23 bit busy, but this was looking in real dollars in terms of  
24 what's gone on with mean household incomes over the last  
25 several years. You see the dip in terms of the national

1 economy, in terms of adjusted household income dollars.

2 So I'll show these next slides that are for the same  
3 period, and if you look at this, this chart in terms of the  
4 solid black line that's going above and below is dental  
5 visits.

6 So one of the things that happens when the economy  
7 downturns is people delay dental care. Those that might have  
8 gone in for a self-pay basis will differ care. Of course, the  
9 problem with that is that they weren't missing the opportunity  
10 to sort of prevent that decay, if there is the early sign of  
11 an enamel lesion, where we could be getting into more complex  
12 procedures as they delay that care.

13 This is showing dental income in terms of adjusted  
14 dollars, and you also see that dip in terms of adjusted  
15 dollars. So while total expenditures have gone up, you know,  
16 inflation adjusted dollars to a dental practice actually did  
17 dip with this recession. And I think one of the things we'll  
18 talk about later is Alaska benefitted from that, at least to  
19 some extent. Mary can talk about this more, but traditionally  
20 within the tribal programs here in Alaska, about a third of  
21 the dental positions would be vacant in a given year. We had  
22 two years that there was almost full, you know, dentists  
23 coming in to take those practices because things didn't look  
24 so good in the Lower 48, but they moved into Alaska. Although  
25 as a recent sign the other way, at least for one of the health

1 corporations, YKHC, which had most of its dental positions  
2 staffed, at the Dental Chiefs Meeting this last year, they  
3 were down to three dentists. So I think that, you know,  
4 people do move on, and sort of as the U.S. economy ticks up,  
5 it's a question if some these dentists that we've attracted  
6 that are practicing in community health centers and tribal  
7 programs are actually going to stay here in Alaska or they're  
8 going to move south after they've met their home repayment  
9 obligations.

10 Dental expenses as compared with general inflation, it's  
11 higher. I think that's true for most medical expenses, so I  
12 think you've seen those kind of charts before.

13 This is a chart showing by payment coverage and sort of  
14 the projections forward. This shows, you know, that it has  
15 dropped slightly in terms of out-of-pocket expenses. That's  
16 the blue line that's on this chart. The projections forward  
17 are expecting lower out-of-pocket expenses, and part of that  
18 is earlier change federally, in terms of the Children's Health  
19 Insurance Program or what we generally call Denali KidCare  
20 here in Alaska. There were some states that did not do  
21 Medicaid expansion in the Children's Health Insurance Program,  
22 and there were a few states that did not include dental  
23 services for children as part of their Children's Health  
24 Insurance Program. With the reauthorization of the Children's  
25 Health Insurance Program, they're mandated to cover dental. I

1 think some of this also is based on the projections with  
2 Medicaid expansions (indiscernible - voice lowered) and that  
3 is the primary public source that's expected to increase for  
4 dental care because, like I said, there really is no  
5 discussion about adding dental benefits within the Medicare  
6 program now. I think some senior advocacy groups are  
7 interested in that, but there really is not any momentum  
8 behind that effort.

9 This is an article from *The New York Times*, and I'm going  
10 to dispute a little bit what's on here, but this was sort of  
11 making the point of more spending and less -- and more disease  
12 in the outset. I think the real trend in dentistry has been,  
13 as far as dental decay since the 1960s with fluoridated  
14 toothpaste and water fluoridation, that, as a population, we  
15 have less dental decay, but expenditures were continuing to go  
16 up. And in the mid-1980s, you know following the recession  
17 that we had at that time, that became an issue in dentistry in  
18 that it was felt we were producing too many dentists. We had  
19 our peak number of dental graduates in 1983 in a slow economy,  
20 and there was sort of, in dentistry, what was called the  
21 business factor where dentists were not very busy. Some were  
22 getting back into sealing teeth instead of having the dental  
23 hygienist do it because there just weren't enough patients to  
24 see in the practice.

25 As a result of that, there were seven dental schools that

1 closed in the middle 1980s. Other schools reduced enrollment.  
2 So for our two closest schools -- University of Washington, I  
3 think, used to have 100 students; they dropped that down to  
4 80. Oregon Health Sciences University dropped their class  
5 size down from 80 to 60, and I think a number of other schools  
6 did that same mechanism. So we saw changes in terms of the  
7 number of graduates coming out.

8 The one point on this chart -- what I sort of question on  
9 this is this is information from the National Health and  
10 Assessment Nutrition Survey that's used by CDC, Division of  
11 Oral Health. They're only using the last two years of that  
12 survey. Usually, CDC uses a four-year average, and the next  
13 chart is a CDC chart. When you look at this one, really, the  
14 only one there was an up tick in dental decay in very young  
15 children within that four-year average. So I think the charts  
16 in the *New York Times* article are a little premature in that  
17 there may be increases in other age groups, but I really think  
18 there needs to be a couple more years' information in that  
19 average, because of the number of people by age group, to see  
20 if that's true in older children and adults, that dental decay  
21 is actually increasing.

22 This is looking at dentists per 100,000 population. And  
23 in terms of doing that with that wave of students coming out,  
24 you see sort of the peak in the late '80s, early '90s in terms  
25 of the dentists per U.S. population and then falling off after

1 that. This chart is labeled in terms of a congressional  
2 report that was done in 1991. The information is from the  
3 American Dental Education Association again, and they actually  
4 used other data. So this was done in about 2001. I compared  
5 with what I could find online for 2005, 2010, and those  
6 projections are pretty much right on with what we see in terms  
7 of dentists per population now, nationwide.

8 This is a chart from the same organization that's looking  
9 at graduates versus projected retirements, and it shows that  
10 we're coming into a phase nationally where there are going to  
11 be more dentists retiring than those coming out of school and  
12 that's expected for several decades. And the implication is  
13 that, for what we have for dental access now, there are some  
14 serious concerns around what that's going to be as more  
15 dentists retire, what it's going to be in rural areas, what  
16 it's going to be for underserved populations that already have  
17 limited access to dental services now.

18 So now switching, a little bit, to Alaska information.  
19 2009 I'm using in terms of the number of dentists, 465. We're  
20 probably closer to 510 to 520 now. It's out of the  
21 professional licensing files, but those are in transition,  
22 where they have -- for some dentists in that database, they  
23 still have their specialty dental license and their general  
24 dental license, so there is double counting. They show far  
25 more dentists than I know there are in Alaska, and there just

1 wasn't time to get that whole list and start going through to  
2 eliminate duplicates. So I would guess that we're somewhere  
3 around 510 to 520 now, but in 2009, we had 465 dentists that  
4 listed Alaska addresses on their professional services  
5 license, 233 of those in Anchorage. Orthodontists. You might  
6 wonder how we could have three-quarters of an orthodontist and  
7 a quarter of a pediatric dentist. There is actually one  
8 dentist that has both specialties, and they practice one day a  
9 week as a pediatric dentist and the rest of the week as an  
10 orthodontist. But this follows similar trends for the  
11 specialty groups.

12 So like I said, and as I said right now, for the  
13 specialties, I don't think we have any pediatric specialists -  
14 - public health specialists in Alaska now, nor do we have any  
15 oral pathologists in Alaska. For dental population.....

16 CHAIR HURLBURT: What do you do (indiscernible - away  
17 from mic)? I'm asking, how are you handling the non-Alaska  
18 license that is practicing in Alaska, like in the military or  
19 the PHS (indiscernible - voice lowered)?

20 DR. WHISTLER: Sure. Well, at this point, because most  
21 of the dentists are direct hires within the tribal  
22 organizations, most of them have Alaska licenses. So there is  
23 less of a problem there with dentists practicing in the tribal  
24 health organizations that we're not counting because they  
25 don't have a license in the state. There is some of that

1 still, but most of the dentists do have an Alaska license.

2 With the military dentists, we really haven't tried to  
3 account for that, in terms of what's going on, on the base and  
4 that number of dentists and that would be a much smaller  
5 number than those working with the Native health corporations.

6 CHAIR HURLBURT: But then do you include the military  
7 population that is included in the Alaska population in the  
8 lower ratio?

9 DR. WHISTLER: We would be, to the extent.....

10 CHAIR HURLBURT: That's what happens with physicians is  
11 they don't get counted in one place and they do another.

12 DR. WHISTLER: Yeah (affirmative). The population  
13 numbers are as reported from research and analysis in the  
14 Department of Labor. So to the extent they're counted in  
15 those numbers, yes, they are. But the other part, when we  
16 look at -- when I get done -- these population ratios -- and  
17 Mary, you can correct me if I misstate this, but I believe  
18 there are about 80 positions within the tribal programs in  
19 terms of dentists practicing for tribal organizations. If we  
20 carved out the population that they serve -- and I don't have  
21 exact numbers because many Alaska Native adults and children  
22 in urban areas actually go to general practitioners instead of  
23 going to the Native health corporations. So I can't really  
24 get a precise estimate on that, but I think our Alaska numbers  
25 would move closer to national. I think there are still more

1 dentists per capita in Alaska than there are nationally.

2 One of the -- well, there are two things that drive that.  
3 I think, one, that there is more dental insurance in the  
4 market in Alaska so we can support more dentists. In a  
5 percentage-wise basis, there are more public employees. Most  
6 public employees have dental insurance. Traditionally, the  
7 strong labor unions in Alaska also had dental insurance. So  
8 while I don't think it's true anymore -- I'll just finish this  
9 statement; I'll get there -- I know that IBEW or the  
10 electrical union used to have two dentists that were specific  
11 for that union here in Anchorage, and it used to be that the  
12 Teamsters Union actually had its own dental clinic over at  
13 Alaska Regional, and I believe they employed, like, ten or 12  
14 dentists during the heyday of the pipeline era. Now, I don't  
15 think that's true anymore, but traditionally, the unions have  
16 had dental coverage and the public employees. So that  
17 supports it.

18 The other part, for the tribal programs, is there is less  
19 efficiency in the dental model where you're doing itinerant  
20 dental visits because you're losing part of your dental time  
21 in terms of that transportation and set up of equipment. So  
22 again, Alaska is going to be a little bit different, but I  
23 don't think you can argue that, on a per capita basis, we have  
24 more than the national average of dentists. Yes, sir?

25 COMMISSIONER CAMPBELL: How do you the dual licensure?

1 Somebody who has got a license here, got one in Iowa or  
2 Wisconsin or something like, do you know where they're  
3 actually practicing or you just assume, if they have a license  
4 here, you're counting them?

5 DR. WHISTLER: What we're doing is we are only -- on this  
6 number, we're counting those dentists that listed an Alaska  
7 address on their license. So the presumption would be that  
8 they're predominantly practicing in Alaska.

9 And then I don't know -- for format here, there was a  
10 question from the audience; do we.....

11 (Pause - background discussion)

12 DR. WHISTLER: And then the last thing.....

13 (Pause - background discussion)

14 DR. WHISTLER: Okay. And then the last number that I had  
15 mentioned is the Health Resources and Services Administration  
16 typically uses a 1 to 5,000 or 1 to 4,000 in terms of high  
17 needs populations in looking at designating underserved areas  
18 and that's sort of what's looked at for getting community  
19 health center in the state.

20 And I would just share, in the course of discussing water  
21 fluoridation in Alaska, Dr. Hurlburt had mentioned the Parran  
22 report. So I pulled it up and skimmed through it real quick,  
23 and if we looked in 1954, at that time, there were 43  
24 practicing dentists in Alaska. That would have been squarely  
25 within these HRSA estimates. So in terms of the 54, we

1 definitely were way low statewide in terms of the number of  
2 dentists. We've increased access, but along with that, then  
3 it brings up the issue in terms of expenditures have also  
4 increased in terms of dental care.

5 Demographics of dentists in Alaska. We looked at 2000  
6 and 2008, and you can see the shift towards the red bars,  
7 which shows an aging dental workforce. Certainly, 25% of the  
8 dentists in 2008 were age and over, that, by that age group,  
9 we do see dentists start to retire. We see some dentists  
10 start to retire in their mid-to-late 50s. So we have the same  
11 concern in Alaska in terms of, for what we have now, we may  
12 see more retirements than we see new practitioners, and I'm  
13 working with another section in the Division of Public Health  
14 to update these numbers because I'm curious. With the  
15 downturn that we saw nationally in 2009, sort of, we may have  
16 seen some shifts on this. I doubt that it's changed. I'm  
17 sure the demographics are still shifted towards the right  
18 where there are more older dentists, but we may see more  
19 practitioners and more recent data in those younger age  
20 groups.

21 So changes that have gone on in Alaska with dental  
22 workforce. That last slide covers the first bullet here in  
23 terms of retirements that we may see. We're in the very early  
24 phases in our state of looking at trying to get more medical  
25 provider collaboration to reduce early childhood dental decay.

1 The issue there is that most general practitioner dentists are  
2 going to see children typically at age three or four. For  
3 children that get into problems with dental decay, that's too  
4 late. Typically, you want to be seeing them age one, no later  
5 than age two to catch those while it still just involves the  
6 tooth enamel. And so it's -- and medical providers are seeing  
7 those children for well child exams and immunizations, so  
8 there is an opportunity, if we enhance, sort of, the triage  
9 that our nurses and physicians can do to catch things early  
10 and refer those children to a dental practice early and avoid  
11 some of the other costs that are associated with that.

12 We have seen expansion of community health center dental  
13 programs. It used to just be the one major program here in  
14 Anchorage. In terms of urban areas, we now have them in  
15 Fairbanks, in Kenai/Soldotna, out at Talkeetna. SEARHC  
16 operates a homeless dental program there in Juneau. They're  
17 doing operations in Haines. So we've seen that kind of  
18 expansion.

19 The other big change in Alaska is the Alaska Native  
20 Medical Center is now doing a pediatric dental residency  
21 program. And so with having that here in Alaska, we've  
22 already benefitted from three new pediatric dentists that are  
23 practicing here in Alaska now as a result of that program, and  
24 it's a big impact for the Medicaid program because our  
25 pediatric dentists are definitely our high end Medicaid

1 providers for children's dental services.

2           The Tribal Dental Health Aide Program -- and Mary is  
3 going to cover that, so I'm not going to say, you know, much  
4 about that here -- the slow shift in moving from a surgical  
5 model of dental to an infectious disease model that I touched  
6 on, and then another change that's in the very early stages,  
7 legislation was passed for dental hygiene practice under  
8 collaborative agreements. So this would allow a dental  
9 hygienist that's working under an agreement with a dentist to  
10 practice in underserved locations without the dentist  
11 physically being present onsite. It offers opportunities. If  
12 we want to look at school-based programs, if we want to look  
13 at getting into assisted living facilities or long-term care  
14 facilities for screening and triage, and also topical  
15 fluorides and other things that can produce the level of  
16 disease, that's a more efficient model than if we're going to  
17 try and rely all on dentists to do that under contracts to get  
18 into those areas, but as I said right now, I think, right now,  
19 we have three new dental hygienists that are practicing under  
20 this, and they're focusing on long-term care. So this at the  
21 very early stages of this model in Alaska.

22           Looking at dental decay -- and I think, on these slides  
23 without memorizing numbers, the big thing that is different in  
24 Alaska is we do have higher rates of dental decay. Caries  
25 Experience scores is what I'm showing you. Caries Experience

1 means that we're scoring. Whether the tooth is untreated and  
2 there is a cavity there, a hole in the tooth, or the filling  
3 is in place, that's Caries Experience. So it just means there  
4 has been past or present decay when you're doing the  
5 screening.

6 This particular slide is looking at Head Start children,  
7 which, because that selects for a low income group, is going  
8 to be higher than for than for all children in that age group,  
9 but it still -- when I've seen Caries Experience scores from  
10 other states, we're typically double the level in the state in  
11 terms of looking at dental decay in the Head Start program,  
12 and higher in the American Indian/Alaska Native population.

13 This is looking at kindergartners. When you compare  
14 nationally, Alaska is higher. We're not quite as high as this  
15 slide would indicate because the national baseline is two to  
16 five-year olds, and of course, with kindergarten in Alaska,  
17 we're just look at five-year olds, but we're clearly higher  
18 than the national average. It's higher in the American Indian  
19 population. Consistently, when we've done these scores,  
20 although there are smaller numbers of children in the  
21 screenings that we've done, we've consistently seen higher  
22 rates of dental decay in Asian children and Native  
23 Hawaiian/Pacific Islanders, and typically, its level is close  
24 to the Alaska Native population.

25 I don't think I brought any slides in terms of untreated

1 dental decay, but in the untreated dental decay scores, it's  
2 actually higher than the Alaska Native population in those  
3 groups. The Alaska Native population has a mechanism in place  
4 to treat the disease once it's there, whereas these other  
5 groups are not quite as connected with the healthcare system,  
6 and they're not getting their dental decay needs met in terms  
7 of dental treatment.

8 Let's see. This is -- I'm sorry. That slide was  
9 kindergartners. This one is third grade, and it's similar  
10 patterns. In the older children, not as striking in terms of  
11 differences from the national baseline, but we see the same  
12 pattern, higher rates of Caries Experience scores in the  
13 American Indian/Alaska Native population, higher Asian, higher  
14 in Native Hawaiian/Pacific Islander.

15 So other high risk groups for dental decay, low income  
16 children. In general, income level is a risk for dental  
17 decay. It's also a risk for periodontal disease. And so the  
18 Medicaid program and Medicaid access is one of the concerns.  
19 Low income seniors is a concern, and I think that's one we're  
20 going to be facing more with, you know, Alaska increasing at  
21 three times the national rate in terms of the 65 and older  
22 population, that this is going to become more of an issue.

23 Children and youth with special healthcare needs and  
24 adults with disabilities. In our urban areas, we do a pretty  
25 good job with children and youth with special healthcare

1 needs. The pediatric dentists are the primary providers for  
2 those. Not as well, even here in Anchorage, for adults with  
3 disabilities. In talking with the pediatric dentists, we ran  
4 into several examples of pediatric dentists that were treating  
5 40-year olds in their practices because they did not have a  
6 mechanism to refer them to another practice for care. So that  
7 is another area where, you know, the Trust is interested in  
8 this, also in terms of expanding access to dental care for  
9 adults with disabilities. The situation, of course, is worse  
10 in rural Alaska because there is not direct care in those  
11 areas, and most of those children have to travel to get  
12 services.

13 This is a slide on our Medicaid dental utilization.  
14 Overall when we look at children ages one through 20 in the  
15 Medicaid program, about half get a dental visit in a given  
16 year. The treatment aspects in terms of getting dental  
17 treatment are lower, so it's really sort of the treatment  
18 services we want to bring up. With our rates of dental  
19 disease, and especially early childhood caries, we need marked  
20 improvement in terms of those one and two-year olds getting  
21 dental care. In terms of what we hear from the tribal  
22 programs in terms of the number of children that were taken to  
23 the hospital OR for general anesthesia and treating their  
24 dental needs, we should really probably be more in the 50% to  
25 60% level, even in these one and two-year olds, at access to

1 dental services.

2 This is looking at trends in terms of dental access, and  
3 if you look, the up tick that was seen in '99 is the result of  
4 expanding in terms of the Denali KidCare Program and more  
5 children getting dental services in that area. Since that  
6 time, it's been relatively flat in terms of any dental  
7 service, preventive service, or treatment services. You'll  
8 notice, in 2010 and 2011, there is an up tick in terms of  
9 doing that. That actually is a reporting artifact in terms of  
10 how they capture the information.

11 In 2010, the Federal Medicaid Agency went from collecting  
12 dental visits on any children enrolled in the program to only  
13 collecting this information for children that were  
14 continuously enrolled for, at least, 90 days. That actually -  
15 - the way they're doing it now is a dental measure because, if  
16 a child was only on the Medicaid Denali KidCare Program for a  
17 month or two, it's extremely difficult that they're going to  
18 meet a dental visit during that period. It's not uncommon to  
19 have a month to two-month wait for dental services, even with  
20 private insurance, that there is not immediate access to get  
21 them in for services.

22 So fees and reimbursement, and on this, I have limited  
23 information. In terms of what I have is what's available in  
24 the Medicaid program. There is also an American Dental  
25 Association Survey that they do on dental fees, and I have

1 some information that was provided from Retirement and  
2 Benefits on some common dental procedures, and Retirement and  
3 Benefits looked at, over a two-month period, sort of what they  
4 saw for dental claims in that area. But if you look at this,  
5 it's the -- in a PEW report card -- they did a report card in  
6 2010 scoring state programs. It was primarily around Medicaid  
7 reimbursement.

8 Alaska scored an "A" on that, and one of the Medicaid  
9 policies that assisted with our grade on that report is  
10 Alaska's Medicaid reimbursement rates are about 90% of the  
11 national median charges for dental when you look at national  
12 reimbursement and compare those with the Medicaid  
13 reimbursement in this state. But as you look at regions  
14 within the United States, the Pacific Northwest Region is a  
15 high cost area for dental fees and that region is about 15% to  
16 20% higher than the national average, and Alaska is part of  
17 the Pacific Northwest Region in that ADA survey.

18 And when you look at -- in terms of looking at the  
19 averages from Retirement and Benefits, Alaska is about 10% to  
20 15% higher, on average, than the Pacific Northwest. And then  
21 when you look at the maximum allowable for these common dental  
22 fees, it was anywhere from 45% to 75% higher than that. So  
23 what you see is Pacific Northwest is higher, on average, than  
24 the national, Alaska higher than that, but there is a wide  
25 range in terms of dental fees on top of that. So when you

1 look at Alaska in terms of this maximum allowable, we're  
2 getting where we are up there at 50% to 75% higher than the  
3 national average, by the time you look at our higher billing  
4 dentists within the state here.

5 So other healthcare costs, and this is sort of if you  
6 don't do something about dental care with young children and  
7 early childhood caries, you can have issues with speech  
8 development. If those upper front teeth are lost early -- and  
9 we use the upper front teeth a lot with the English language -  
10 - you may doing speech remediation later. But a big cost is  
11 treatment of severe Early Childhood Caries with facility  
12 expenses and general anesthesia as you take those kids to the  
13 OR to extract teeth, do stainless steel crowns or remove the  
14 pulp of teeth where the infection has gone to the pulp.

15 One of the other things around there is emergency room  
16 use. We hear this a lot in states that don't have adult  
17 Medicaid dental services. About five years ago -- and it was  
18 about the time that Alaska was actually authorizing increased  
19 adult Medicaid dental services -- the Medical Director from  
20 Providence Emergency Room came to one of our coalition  
21 meetings. He indicated, at that time, Providence was seeing  
22 three to four people a day for dental conditions in the  
23 emergency room, and the concern was that, if the tooth needed  
24 extraction, they had agreements with oral surgeons to go ahead  
25 and get the tooth extracted, which was removing the cause of

1 the disease, but in many of these cases, that wasn't the  
2 issue. It could have been a periodontal abscess. It could  
3 have been dental decay. And in those cases, they're giving  
4 the pain medications, and they're giving the antibiotics, but  
5 they're not curing the root cause of the problem. So that  
6 person goes home and they're asymptomatic for a while, until  
7 that tooth blows up again and then they may very well be back  
8 at the emergency room again, and most of those cases were  
9 uncompensated care.

10 So building networks, I think there was very early  
11 discussions -- I don't think anything has been in place, but  
12 here in Anchorage, possibly the Anchorage Neighborhood Health  
13 Center might develop contractual relationships with the  
14 hospitals, so there was a referral mechanism to get other  
15 dental needs met, which would reduce some of our hospital  
16 costs in terms of doing that.

17 Medicaid transportation. And I think the Medicaid  
18 program is starting to look at this more, but many children in  
19 rural Alaska are transported for dental conditions and so  
20 those travel costs are associated with dental.

21 And then nationally, there has been a lot of highlighting  
22 in terms of complications with other chronic disease, in terms  
23 of birth outcomes, cardiovascular disease, and diabetes, and  
24 all this is mostly around periodontal disease. The strongest  
25 link is actually a reciprocal relationship between diabetes

1 and periodontal disease in that individuals with diabetes are  
2 more likely to get periodontal disease, uncontrolled  
3 periodontal disease, and it's hard to manage the blood sugar  
4 levels in the patient.

5 So in terms of cost management or looking at things, I  
6 think one of the things that's lacking in private insurance  
7 and also in the Medicaid program is we really don't have a  
8 mechanism to look at the past case history of a client. What  
9 we know is what was done by the dentist, but we don't know the  
10 condition of the patient that presented to the dentist. So  
11 the reality is, you know, we don't know existing restorations.  
12 If you're really trying to manage things, as restorations are  
13 replaced, we only know what the system paid for and if we paid  
14 for it last time. We don't know, you know, how many times  
15 we're doing restorations on the same tooth because they  
16 failed.

17 Diagnosis codes have not been used in dentistry. That's  
18 scheduled to be implemented soon, but that lacks in terms of  
19 using some of the administrative data. As an example, when a  
20 tooth is extracted, we don't necessarily know if that tooth  
21 was extracted because of trauma, if it was extracted because  
22 of periodontal disease, if it was extracted because of dental  
23 decay, if it was extracted because it's for an orthodontic  
24 service. Now, the orthodontics we might guess because of the  
25 age of the child, but that's just one example. I think the

1 administrative data relying on that for health policy would be  
2 better as we implement these diagnosis codes.

3 For the Lower 48, in terms of managed care, it's been  
4 very hit-and-miss at integrating dentistry into managed care.  
5 As I said, there is not the leverage with dental practitioners  
6 to really put them on a per patient, per month basis and make  
7 that work, so many dentists have just opted out of going into  
8 managed care. Many of the states that started with managed  
9 care on dentistry have moved to a carve out and gone back to  
10 other mechanisms of funding for dental practices.

11 There has been a development of dental plans. DentaQuest  
12 is now a big national group that's taking over some of the  
13 state Medicaid programs for managing dental expenses, and  
14 they're moving more back to a little bit of a managed care  
15 environment, but for the most part, dentistry has not been as  
16 impacted by managed care as physicians and hospitals.

17 And establishing a usual and customary reasonable fee.  
18 And I would just mention, in terms of Retirement and Benefits  
19 pointing me to a Plan Administrator that worked on dental --  
20 and I don't think this is unusual -- there really is not as  
21 much pressure on managing the cost increases in dentistry.  
22 What the person told me is that, for most of the routine  
23 dental services, they're going to go by what the dentists  
24 charge in establishing what the UCR rate is going to be. If  
25 they start to tighten down on that, what they hear is a lot of

1 patient complaints as they get those, you know, above UCR or  
2 higher out-of-pocket expenses for state employees. So it  
3 really is, you know, like a crown and bridge are more  
4 expensive things. There is more oversight and control on  
5 that, but routine restorations and those kind of fees, it's  
6 sort of just going with what the market does and increasing  
7 those rates accordingly year-to-year.

8 And then Medicaid reimbursement. In Alaska, we ended up  
9 -- for 1997 through 2007, we had not increased dental  
10 reimbursement for most of the common dental procedures, and we  
11 were seeing that that was impacting dental participation in  
12 the program. The Legislature authorized increases in 2008 and  
13 2009, and we were able to get most of the reimbursement backed  
14 up to the 70% to 80% range of the average dental charge in the  
15 Medicaid program at that time, and then in regulatory changes,  
16 it's now where the Department indexes the dental fees to  
17 Anchorage CPI each year, you know, to the extent funds are  
18 available to try and track what's going on in the market in  
19 the Medicaid program.

20 COMMISSIONER PUCKETT: Maybe you just said it and missed  
21 it. When do they expect to have those diagnosis codes for  
22 dental procedures, if you know?

23 DR. WHISTLER: I have not a firm date. I think that  
24 they're in the process of implementing them on the dental  
25 claim form, but the other part is that there will be a field

1 on there, but I don't necessarily know that there are mandates  
2 that are going along with that field -- is going to be  
3 utilized.

4 And the other question that I brought up nationally  
5 that's not as clear to me in terms of what they're looking at  
6 is I see some -- there is useful information both with, if we  
7 can use -- they're looking at ICD codes, ICD-10 in terms of  
8 the codes that would be on there, both for dental diagnosis,  
9 but there would also be some usefulness for things like a  
10 diagnosis of diabetes on the dental claim form. So for  
11 instance, from a healthcare perspective, we would like  
12 individuals with diabetes to, at least, be in once a year and  
13 maybe more to manage what's going on with that periodontal  
14 disease. You'd have a link on the form then that you could  
15 actually set up your system where we would automatically allow  
16 more frequent visits for persons with a specific medical  
17 condition, why there is a dental reason of why they could get  
18 more often, but I think we're still several years off before  
19 we're going to see exactly how this is all going to work.

20 So in terms of ways to reduce dental expenditures, number  
21 one most cost-effective approach is community water  
22 fluoridation. I put a slide up of enamel fluorosis. In terms  
23 of the public health side of dentistry and what's going on  
24 with water fluoridation and changes, this is the real kind of  
25 balancing act is that water fluoridation reduces dental decay.

1 At the same time, water fluoridation increases the risk for  
2 this white flecks in tooth enamel. And so with that, it used  
3 to be we gave fluoride supplements to infants growing up in  
4 areas without water fluoridation from the time they were born  
5 with drops and stuff. That changed to where, now, we don't do  
6 that until six months of age, and if fluoride is even elevated  
7 a little bit, we delay that longer because these permanent  
8 front teeth are developing about the time of birth, and  
9 they're fully mineralized at age two. So if it's a low risk  
10 child, a child in a family that not at much risk of dental  
11 decay, then we want to shift towards the side of not causing  
12 this white flecking in tooth enamel. There are similar  
13 guidelines out around toothpaste, that, if you're child is  
14 very low risk for dental decay, maybe you should delay using  
15 fluoridated toothpaste until after age two.

16 Now on the other side of the coin, that doesn't mean that  
17 child at high risk don't need fluoridated toothpaste. In the  
18 high risk group, we want that fluoridate toothpaste right  
19 away. We want to control the amount, but the risk is much  
20 higher for the dental decay aspect. And so this is being used  
21 by fluoridation -- it's one of the arguments that being used  
22 by water fluoridation, and they're portraying this cosmetic  
23 effect in tooth enamel as a sign of toxicity in children, that  
24 water fluoridation isn't safe for children, and it's one of a  
25 long list of arguments, but this is the only real argument, or

1 you know, that's going on within public health dentistry.

2 So looking in terms of costs, even with the use of  
3 fluoridated toothpaste now, which most people use fluoridated  
4 toothpaste, water fluoridation is shown in studies to reduce  
5 dental decay in children by about 29%. It's shown to reduce  
6 dental decay in adults by about 27%. And the big issue for  
7 Alaska, of course, is that many of our communities have been  
8 moving the other direction in Alaska. So Juneau went off  
9 fluoridation in 2007. Fairbanks went off fluoridation in  
10 2011, and the most recent community was Palmer in November of  
11 2011 that discontinued fluoridation. So we're moving the  
12 wrong direction on that in a state that already has a higher  
13 rate of dental disease. So that's of concern.

14 Fluoride supplements. Fluoride supplements are now a  
15 risk-based approach for that same reason in that, when you  
16 swallow a pill or you take a drop of fluoride, your blood  
17 level of fluoride spikes, you're at increased risk for  
18 development of that enamel fluorosis picture that I said. So  
19 again, the balancing act, low risk child, we're not going to  
20 do fluoride supplements anymore. High risk child, absolutely,  
21 we want to do them. The biggest problem is compliance.  
22 They're daily. And so in terms of doing that, if you can try  
23 and get your kids to brush their teeth everyday when they're  
24 young, you know, it's that compliance aspect that really  
25 limits the usefulness of that and then topical fluorides, and

1 the movement with young children has really been towards  
2 fluoride varnish, which was a product that was developed as a  
3 liner for a cavity preparation before you put in the filling  
4 to reduce hot and cold sensitivity, but it has fluoride in it,  
5 and it stays in the mouth for a long time. You paint it on  
6 the teeth. There is an elevated fluoride level of three to  
7 five days that you're benefitting and the tooth is  
8 remineralizing during that period, if you can change around  
9 the diet at the same time. So Mary is going to talk about  
10 other aspects in terms of infectious disease, but this is one  
11 of the approaches for doing that. There are other therapeutic  
12 agents that you can use to reduce the bacterial activity that  
13 causes tooth decay. I'm not going to touch on those a whole  
14 lot. I just listed a few.

15 School-based dental sealant programs, this is -- besides  
16 water fluoridation, this is the other evidence-based approach  
17 to reduce dental decay in the literature, and the model is  
18 going into schools that have high percentages of low income  
19 children, and as the first permanent molars erupt -- so  
20 typically, you're doing second graders -- putting resin  
21 fillings in the grooves of those teeth to preempt decay.  
22 First permanent molars of the tooth, that's most likely to  
23 decay. It's also the most likely tooth that, other than your  
24 third molars, those are extracted, you know, in terms of doing  
25 that. It's the most likely tooth that you're going to lose

1 due to dental decay. So many states have school-based sealant  
2 programs. We have just started this with funding through CDC  
3 and HRSA. We've done, now, four years at an elementary school  
4 here in Anchorage as a pilot program to see what would be  
5 involved in doing this. With funds that we received from HRSA  
6 this year, we've expanded it to another school here in  
7 Anchorage, a school out in the MatSu Valley, and one of the  
8 schools up in Fairbanks. Total, I'd have to look at.

9 We have about approximately 20 schools in Alaska that  
10 would meet this criteria and have, at least, 50 children, and  
11 the 50 children part is important because there are a lot of  
12 logistics involved in doing this, and as with other things in  
13 Alaska, this requires active parental consent. So our  
14 experience, so far has been, in terms of that requirement, to  
15 get the form back from the parent that allows us to do these  
16 services, we only get about 40% to 50% of those consent forms  
17 back. So if we go into a school that's got 50 second graders,  
18 typically, we're only going to see 20 to 30 of them in this  
19 program for all the logistics. So we're really not looking at  
20 doing this in schools that are, you know, 25, 20 kids because  
21 it's just -- all the logistics aren't involved with how many  
22 kids we're going to see in that aspect.

23 In terms of nutrition, there has been a lot of discussion  
24 around soda and sugar sweetened beverages. There is a study  
25 that was done by CDC, Arctic Investigations here in Alaska, in

1 2008 out in rural Alaska that showed both the reduction in  
2 dental decay with water fluoridation, but it also showed  
3 increased dental decay with reported soda use, and they didn't  
4 look at all sugar sweetened beverages. They looked  
5 specifically at soda, but I would say that, in my time working  
6 for the state, what I hear from dentists practicing with  
7 tribal programs I mostly hear soda is that you're hearing  
8 about the kids that are drinking five-six sodas a day. I hear  
9 the public health nurses that have talked about getting bumped  
10 from cargo planes because they're jammed full of cases of soda  
11 that are going out to rural Alaska.

12 Dr. McLaughlin, our State Epidemiologist, did a river  
13 trip along the Interior of Alaska, and he said, when he went  
14 to village stores, that was the thing that stood out most is  
15 how much soda was in all these stores for going out there. So  
16 I think the evidence is there that this is one of the things  
17 that's associated with dental decay in Alaska.

18 And then in terms of the practice model, if we're trying  
19 to lower costs, things that increase efficiency. So in terms  
20 of more movement towards group practice where there could be -  
21 - you know, in urban areas where you could share  
22 administrative expenses, share facility expenses, that would  
23 help lower the costs of dental treatment and offer an  
24 opportunity for lower fees in terms of doing it.

25 Expanded function dental assistants, and this is

1 something that's being used in the tribal program, but it  
2 really requires both training of the dental assistant and  
3 training of the dentist on how to use that kind of dental  
4 assistant. It's been used in the military before. It's been  
5 used within the Indian Health Service before, but the idea is  
6 you can train someone. You know, so the dentists can come in  
7 and give the local anesthesia. That person can get the person  
8 all ready. The dentist comes in and does the preparation.  
9 That person fills the restoration and then the dentist can  
10 come in and check it off. You can do this in a high volume  
11 sort of aspect. So individual practice, that might be a tough  
12 fit with a solo practitioner, but clearly where you have  
13 multiple practitioners, this is a way that you can see more  
14 patients at a lower cost.

15 And then maximizing use of our existing providers, dental  
16 hygienists are certainly trained more than what they're  
17 allowed to do in most situations. So in terms of -- there is  
18 a model in California in terms of the virtual home, and what  
19 they're talking about is each provider type practicing to the  
20 full extent of their license, that it doesn't need to be the  
21 dentist doing everything. The dentist may be coordinating  
22 everything, but to make more use of these axillaries.

23 And then alternative dental providers that Mary is going  
24 to cover.

25 So other things in terms of encouraging our community

1 health center programs for practice beyond the facility, this  
2 is a national effort, but trying to get the community health  
3 center programs out into the schools, out into assisted  
4 living. Where some of those populations aren't coming to the  
5 health centers for treatment, this is a way you can expand  
6 services.

7 The Loan Repayment Direct Incentive Program, in terms of  
8 the increase in recruitment in Alaska. The California model  
9 is the one that I just mentioned.

10 Tribal program, increasing capacity. One of the things -  
11 - and I don't know that Mary is talking about it today, but I  
12 think that, as tribes -- if they can get to the extent that  
13 they have the capacity, we need to move back to more routine  
14 dental care for Alaska Native adults. With the capacity in  
15 the tribal programs, many of them have had to prioritize  
16 children, emergent-only for adults. Well, if we're dealing  
17 with the disease, the bacteria are typically passed mother  
18 care giver to child. So if we're not treating the mom and the  
19 mom's got a lot of active decay, that's an aspect that we're  
20 weak on in terms of treating early childhood caries. I think  
21 it's also a mixed message to be educating a parent about the  
22 importance of dental care, but your dental care, it's  
23 emergent-only, you know. So I think it's a mixed message, and  
24 the national studies show that adults that have access to  
25 dental care are more likely to get their kids in for dental

1 care, and we've got a turnaround in Alaska, too, that, for  
2 several generations now, the disease has been high enough that  
3 many of our adults are fearful of dentistry. So it's like, in  
4 terms of -- they've had heavy-handed dentistry with  
5 extractions and everything else. Typically, the way that  
6 works as a behavior is you avoid dental care until the next  
7 problem occurs. And so we've got to turn that around, that  
8 people are getting in for routine visits, and they aren't all  
9 painful.

10 Medicaid. One of the things -- and this was early on,  
11 but I am working with the Medicaid program. I want to see us  
12 move where our guidance in the Medicaid program now is for a  
13 dental visit at age three, earlier if medically necessary. So  
14 we will pay for it, if they're earlier. I think, for the  
15 education effort, we're at the point now, with more pediatric  
16 dentists, this needs to be changed to an age one dental visit,  
17 which is the American Academy of Pediatric Standard. It's  
18 also the American Academy of Pediatric Dental Standard.

19 And then payer management aspects, both in the Medicaid  
20 program, and I really don't know, within the state employee  
21 program, all that's done, but for instance, in the Medicaid  
22 program, with the way it's managed now, it's very much within  
23 each year. So for example, if we did a restoration on a tooth  
24 in year one, and year three, a restoration occurs on that same  
25 tooth, there is really no looking at that at all in terms of

1 what's going on.

2 Another aspect, in terms of our existing system, some  
3 teeth -- for instance, the upper molars -- have a prominent  
4 ridge that runs down the middle of the tooth. And so  
5 typically on dental, if that ridge isn't undermined, you're  
6 not going to cut into it. So instead of doing -- like if the  
7 decay is involved in between the teeth, instead of doing one  
8 large restoration, you're going to do two smaller  
9 restorations. Well, many states now are only going to  
10 reimburse that as though it was a restoration for three  
11 surfaces because the same amount of time is involved. I mean,  
12 you know, you're saving that ridge, but it's really the same  
13 restoration. And so in our Medicaid program, that's come up.  
14 Well, dentists aren't billing it correctly. They need to be  
15 billing that as a three-surface restoration, and no, really,  
16 they don't in that, really, what it is, is it's two surface  
17 restorations, but by billing it that way, our program is  
18 paying a higher rate for two surface restorations than we  
19 would for one three-surface restoration. So there are some  
20 things in there that are -- you know, they aren't necessarily  
21 huge savings, but when you add them all together, there is  
22 potential to reduce some of the expenditures, and it still is  
23 a fit at what's going on with dentistry, and I think most  
24 dentists would not have a lot of heartburn with some of those  
25 transitions.

1 I think I'm about to the end here. So I think that's it.  
2 So if there are any questions? Otherwise, I'm going to turn  
3 it over to Mary.

4 CHAIR HURLBURT: Probably, unless there is a burning  
5 question, I would suggest we go on to Mary now and then see at  
6 the end because we were a little late getting started. We're  
7 a little pressed on time.

8 DR. WILLIARD: If you don't mind, I'm going to stand up a  
9 little bit. I just speak better when I stand up. I've got a  
10 real soft voice anyway, and this helps me speak a little  
11 louder, and I can see you all better.

12 Thank you all for inviting me to come talk. My name is  
13 Mary Williard. I'm a dentist with the Alaska Native Tribal  
14 Health Consortium. I run the Dental Health Aide Therapist  
15 Educational Program and also am the Director of our new Oral  
16 Health Promotion Department, and I'm going to talk to you a  
17 little bit about oral health in the tribal health system of  
18 Alaska.

19 A little history. There was a doctor named -- a dentist,  
20 Weston Price, went out into Southwestern Alaska back in the  
21 1930s and took a look at the teeth out there. He looked at  
22 that area because it was the least affected by outside  
23 influences in Alaska. And so what he found when he went out  
24 there was that the teeth of the people in Southwest Alaska  
25 were some of the healthiest teeth in the world. So he found -

1 - his findings also coincided with other studies from  
2 archaeological sites that show that the cavity rate for  
3 indigenous people in Southwest Alaska in that time period is  
4 about the highest in the world.

5 Fast-forward, now, to past the 1940s when we had improved  
6 air travel out to rural Alaska and started bringing in a lot  
7 of the refined foods and carbohydrates and things. We find  
8 that, in 1984, the children in the area in Southwest Alaska  
9 had twice the amount of decay of any other area in the United  
10 States, so a huge change happening over a relatively short  
11 amount of time.

12 The studies we've seen from the IHS in 1999 and then just  
13 recently here in the mid-2000s -- we've had additional studies  
14 -- that increase in decay rate has continued to be a problem.  
15 Some of our villages are four times the national average.

16 So tribal Alaska recognized that this increase was  
17 something that we needed to deal with, not something that we  
18 were willing to allow our populations to suffer from unchecked  
19 anymore. So there is a group of really wonderful, energetic  
20 people, strong thinkers -- one of them in the room here;  
21 you'll see her picture there, but people with the Alaska  
22 Native Tribal Health Consortium and the partner, Tribal Health  
23 Programs around the state, got together and looked at the  
24 issues, looked at the high caries rate. Our pediatric  
25 operating room visits in tribal Alaska were skyrocketing, and

1 those cases are fairly expensive cases, and we do that for  
2 kids that are really quite young, between the ages of two to  
3 six years old, who can't cooperate in the chair because of  
4 their behavior, but also because they have a full mouth of  
5 decay, we put them to sleep under general anesthesia to do the  
6 treatment and that should be the worst case scenario.

7 Unfortunately, we see this happening way too often, and we  
8 believe our children deserve a chance to not have to go  
9 through that.

10 Our vacancies also help contribute to this disease crisis  
11 that we're having in rural Alaska where we had -- typically,  
12 25% of our dental positions were vacant in the tribal system  
13 and 30% turnover rates on a yearly basis. So when you have  
14 that many vacancies and that much of a turnover happening,  
15 your dental workforce is very young, inexperienced, and often  
16 in the process of training to get better and get ready to be -  
17 - when I came out of dental school, I did a residency and  
18 learned how to do a lot of this stuff, but most of the  
19 dentists we get up here come right out of dental school and  
20 have a lot of catching up to do, to be able to do the kinds of  
21 services that we need in our tribal programs. So it's an  
22 inefficient way to be practicing, utilizing high turnover  
23 rates and young dentists.

24 We also have about 120,000 -- thank you; you guys can  
25 hear me better. Hopefully, that's good.

1           COMMISSIONER ERICKSON: The people on the phone can't  
2 hear, unless you're speaking into the mic.

3           DR. WILLIARD: Great. Thank you. So we have about  
4 120,000 Alaska Native people out in Alaska, and about 85,000  
5 of those are in rural Alaska, about 200 villages, and many of  
6 those are not connected by road.

7           We had some studies done. Brad mentioned a study that  
8 was done by the CDC. Here is some information that our ANTHC  
9 Department of Environmental Health and Engineering had  
10 gathered because a couple of villages had asked about getting  
11 water fluoridation going in their communities. So they took a  
12 look at what that water fluoridation could do for the  
13 communities.

14           In the first community here, we have 17 of 21 four to  
15 six-year olds in that community had undergone operating room  
16 dentistry. The average cost for that was over \$7,000. So  
17 they looked at what they knew about water fluoridation in the  
18 communities and felt that, if they were to implement water  
19 fluoridation, they could prevent, at least, ten of those a  
20 year and that's over \$70,000 savings.

21           I also would like to say that those are villages that  
22 didn't have dental health aides in them yet either, and we  
23 believe that, if we were able to bring that expanded workforce  
24 into those communities as well, we could see many of those  
25 children being able to be treated earlier and at home so that

1 the care would be much less expensive. Worst case scenario  
2 for treating a child in the village instead of sending them  
3 off to the operating room, if we had to treat 16 of their 20  
4 teeth, would be probably about \$2,000. So we really believe  
5 that bringing in water fluoridation, when appropriate, and  
6 expanding our workforce is going to be a good way to save  
7 costs for dental care in rural Alaska.

8 This is just another village, a larger village, but still  
9 a lot of kids going to the operating room. Big savings to be  
10 had, if we can address that issue.

11 So we do have some needs out there in tribal Alaska and  
12 in Native health corporations, and some of those needs are --  
13 it's not that we weren't doing prevention services before.  
14 It's that our prevention services weren't actually as  
15 effective as we needed them to be. So we need to be more  
16 effective with our prevention efforts.

17 We need to be culturally competent, having patients feel  
18 like this is a welcoming place to go and get your dental care.  
19 We believe having people from the communities educated to  
20 provide that service is one of the ways that we can provide  
21 more culturally competent care.

22 We also want to provide basic restorative services. One  
23 of the things that people often say is, well, if you just  
24 prevent it, then you won't need the restoration services,  
25 which is really nice ideology. However, the reality is we

1 have a lot of existing disease already that needs to have  
2 treatment. In order to get patients to come in and see you,  
3 you need to meet them where they're at this point. So if we  
4 bring a provider in that can only provide education and the  
5 patient has a toothache, we're not meeting their needs. So we  
6 need to be able to address that need, and then once we have  
7 them in and have developed a relationship, we can start doing  
8 some meaningful prevention work.

9 We're also, of course, providing that care locally,  
10 cutting down on the travel expenses. If we're meeting our  
11 needs intelligently, we will lead to efficiencies is,  
12 basically, the bottom line of our what led us to make some  
13 changes in what we were doing.

14 So in the early 2000s, we introduced the Dental Health  
15 Aide Initiative, and in that initiative, we introduced four  
16 new types of dental providers in rural Alaska. We also -- we  
17 have designed these to work as part of the health system, a  
18 coordinated effort. The dental health aides are co-located in  
19 the health clinics that are out in the villages. They're  
20 supervised by a licensed dentist, and we believe, having those  
21 providers in those areas, we'll be able to provide more care  
22 for the Alaska Native people within the Alaska tribal health  
23 system, which would be -- you know, we have the 100% FMAP when  
24 our Alaska Native people are seen in our tribal system.

25 The different types of health aides that we developed

1 were the Primary Dental Health Aides. Those are our education  
2 experts. It's a two-week training module. They can go and  
3 work with patients and talk to them about oral hygiene and  
4 care at home. They can talk to them about diet and nutrition,  
5 help them navigate the system to get the care they need as  
6 well.

7 We have introduced Expanded Function Dental Assistants,  
8 as Dr. Whistler talked about, where dental assistants are  
9 taught how to place restorations and that can help  
10 efficiencies, especially in some of our larger group practices  
11 that we have around the state.

12 And then we have a Dental Health Aide Hygienist. That  
13 was because our state regulations didn't allow our hygienists  
14 to use local anesthetic when the dentist wasn't in the clinic  
15 with them, and when the hygienists were out in a village  
16 working without the dentist around, it made it hard for them  
17 to provide the care they needed to.

18 And then last, probably the most controversial aspect of  
19 our Dental Health Aide Initiative was the Dental Health Aide  
20 Therapist and that's a two-year educational program model in  
21 which we select students from out in rural Alaska, bring them  
22 in for two years of education. The first year is in Anchorage  
23 here and then the second year is out in Bethel. They are  
24 full-time students. They learn the basic dental procedures  
25 that are needed, learn how to the fillings real well and some

1 extractions because some of that's going to be needed. They  
2 also learn prevention services and then how to refer and  
3 manage patients that need care beyond their scope of practice.

4 So with this new group of dental providers in Alaska, we  
5 also shifted how we were looking at dental disease, as Dr.  
6 Whistler talked about earlier. When I was out there working -  
7 - I worked in Bethel for nine years as a dentist, and I'd go  
8 out to the villages every year religiously, and I loved going  
9 on my village trips, and I'd work from nine in the morning to  
10 11:00 at night for five days a week as hard as I could. I'd  
11 put in the best restorations I could, and I'd come back the  
12 next year, and I'd do the same thing. And about three or four  
13 years into this, I'm, like, I'm doing this on the same teeth  
14 over and over again, and this decay, I'm not doing anything to  
15 prevent it. I'm talking to people about brushing. I'm, you  
16 know, showing kids, going into the classrooms, but I'm doing  
17 it one week a year. So I really wasn't helping to change  
18 behaviors in a meaningful way by doing the prevention the way  
19 I was.

20 So we changed our philosophy about how to do this, looked  
21 at the evidence out there and found that what we need to do is  
22 develop real trusting relationships with our Native patients,  
23 and you really have to be around in the community to be able  
24 to do that in an effective way.

25 We need to encourage them to come back to the clinics

1 regularly, not just once a year when I come in from Bethel to  
2 see them, but we need them to be having an ongoing  
3 relationship, coming in and getting the services done,  
4 treatment done before cavities get so big that the only option  
5 is to take a tooth out.

6 And then also if we are able to build these relationships  
7 and trust, then hopefully, we'll be able to overcome the fear  
8 and avoidance that has been the outcome of providing episodic  
9 dental care in the villages. So basically, we wanted to look  
10 at the reality that we need to pay more attention to the  
11 people in the community than just the teeth.

12 And as part of our Dental Health Aide Program, what we've  
13 come up with as well is a program that I call the Healing the  
14 Healer program. Our students that come in from these high  
15 risk dental areas are living in -- are from also areas that  
16 are high risk for other things and have other issues, social  
17 issues. Their educational programs may be less than optimal.  
18 We may have other domestic violence/sexual assault issues that  
19 they will encounter in their lives there or the patients in  
20 their chair will have encountered. And so they need to know  
21 how to manage all of that in a holistic view of health for  
22 themselves and for their patients. And what we've really come  
23 to understand is that investing in these young people is more  
24 than just fixing teeth. It's actually providing a role model  
25 for the communities. Somebody from their own families has

1 come in, got the education, and come back home and is able to  
2 provide an economic engine for their own communities as well  
3 as a good role model for healthy behaviors.

4 And we're doing this all within a dentist lead team,  
5 which is part of an integrated medical system where we have  
6 the dental health aides and the community health aides and  
7 other village-based providers working together in the medical  
8 clinics in a hub-and-spoke model.

9 So how are doing? You know, the theory sounded great  
10 when we brought it up. That's why I jumped onboard. I  
11 thought, wow, this sounds awesome. I was real surprised when  
12 people didn't think it was a good idea. So, we're, like,  
13 well, we should take a good look at what we're doing, do some  
14 studies. We've had some studies done. They're preliminary  
15 studies with somewhat small numbers, but the numbers are very  
16 promising. They're showing that our patients are receiving  
17 more care. They're satisfied with their care. It's the same  
18 quality of care that our dentists were providing in our tribal  
19 health system. And when you look at those small numbers and  
20 compare them to the numbers internationally that have been  
21 done on dental therapy and other alternative workforce models,  
22 they coincide very well. So the strength of our numbers gets  
23 even stronger when you look in the light of international  
24 data.

25 But we did look -- recently, I had a health economist

1 come in and take a look for me at things, and she -- Mary Kate  
2 Scott was her name, and she's from Scott and Co. Consulting,  
3 and she surveyed all of the dental programs, all 11 that were  
4 utilizing dental health aide therapists at the time and got  
5 surprisingly 100% compliance on the surveys. We were thrilled  
6 that everybody was able to send us back information. And what  
7 we found was that that information was -- not only did  
8 everybody reply, but everybody had very similar information.  
9 So we felt it was -- even though we allowed them to estimate  
10 the data on the cost and things, the data felt very strong  
11 because all of their responses were similar.

12 So on average, a DHAT team, which would be the DHAT and  
13 their dental assistant, sees about 180 different patients in  
14 about 1,200 patient encounters per year. Of those encounters,  
15 700 of them are preventive services.

16 We have encouraged the dental health aides to put down  
17 their hand pieces or their hand instruments and provide  
18 community education on healthy behaviors in dental care, and  
19 what we're seeing is that that's actually being done in their  
20 practice. We're seeing, at least, one to four hours a month  
21 being put into community education services.

22 And the tribal investment on this -- tribal sponsors of  
23 the students pay \$70,000 about in tuition. Within the first  
24 eight to 12 months of that DHAT graduating and going out and  
25 working, the tribal program has recouped the cost of their

1 investment by the services they're able to bill from that  
2 dental health aide therapist. That does largely rely on the  
3 State Medicaid encounter rate to make that possible, so we're  
4 glad to have that.

5 The tribal revenue reported by the dental directors, net  
6 cost after we -- or the net revenue after we take away the  
7 salaries and the costs of the assistant and travel, benefits,  
8 supplies, and other costs was a net generated income for the  
9 tribes of between \$120,000 to \$245,000. So it's an economic  
10 advantage for the tribal programs to have these lower cost  
11 providers providing care out in the communities where the  
12 dentists are not able to get to. And in that, we had a  
13 \$40,000 avoided travel cost for each of these teams, which is  
14 great and can translate into less cost for Medicaid travel.

15 COMMISSIONER CAMPBELL: You talk about the fees  
16 generated. Now, what kind of a fee schedule are they using, a  
17 full dentist as if the dentist was billing or some lesser fee?

18 DR. WILLIARD: Yes. They receive the same -- Alaska  
19 Medicaid has agreed to pay for dental therapist or dental  
20 health aide services at the same rate that a dentist would  
21 bill for, and when you look at that, as Dr. Whistler was  
22 saying, Medicaid pays about 70% of what a dentist would  
23 normally charge of what the cost would be. So to decrease the  
24 amount that you would pay for the dental health aide therapist  
25 doesn't really help make that a very economic model because of

1 the way that we pay Medicaid.

2 And then so also, our community engine that we're seeing  
3 happen through the community health aide -- the Dental Health  
4 Aide Program is, at that time, we had 19 DHATs. They generate  
5 somewhere around 76 jobs within the state, including their  
6 assistants, the training program, management, and staff. Over  
7 half of those jobs are in rural Alaska with a related \$9  
8 million economic activity to those jobs.

9 They improved access. There are over 40,000 people now  
10 that have that direct access to a dental provider that didn't  
11 have it before through these providers, through the dental  
12 health aide therapists specifically.

13 We have 58 new providers in the state for dental, and  
14 they're living and working where dentists weren't before.  
15 That's improving our quality of care for patients, allowing us  
16 to do more effective prevention work.

17 We've had four students -- four classes graduate in our  
18 two-year post-high school program here. We have two more in  
19 the pipeline, one graduating in June. And then we're  
20 recruiting for our seventh class.

21 Our dental therapists are part of a national  
22 organization, the American Academy of Dental Therapy, which  
23 they started, which includes therapists from Minnesota. This  
24 model is spreading. Minnesota is the first state, outside of  
25 -- well, the first state that has changed their Practice Act

1 to allow dental therapy. It was a grass roots campaign, and  
2 there was a fight, like we've had, with organized dentistry  
3 about it. And so there was a lot of compromise that happened.  
4 They have two different models in their state, Dental  
5 Therapist, either Bachelor's or Master's degree, and then they  
6 have Advanced Dental Therapy, which requires a hygiene degree  
7 prior to it, and it's a Master's level.

8       Nationally, over 20 states are looking at this very  
9 seriously, getting ready to put in legislation to expand their  
10 workforce to include dental therapists. This is going to be a  
11 continued struggle. I imagine we'll have about 50 different  
12 types of dental therapists in the U.S. once all the dust  
13 settles, and it will take a few years for us to figure out how  
14 we really want to practice with this, and what we'll see is  
15 what see with the PAs in the medical profession where, pretty  
16 much now nationally, we know what a PA does. They do pretty  
17 much similar things throughout the states, and it's very well  
18 accepted.

19       Let's see here. The federal actions that are going to be  
20 affecting us and our ability to continue to provide care. The  
21 sequestration, of course, you know about. These you guys know  
22 better than I do, so I'm not going to spend a lot of time  
23 talking to you all about that.

24       We are concerned about the sustainability of our  
25 programs. We think they're great programs. We think they

1 should be funded and funded well. However, Indian Health  
2 Service is funding at about 50% to 60%, the level they need.

3 Some of the issues we have, besides just the dental  
4 workforce, is the Alaska sanitation, which is, again,  
5 underfunded. A quarter of our Native homes don't have  
6 adequate sanitation facilities. The downward trend is in  
7 funding those. Having drinkable water would allow us to help  
8 fight the bottle against the sugar sweetened beverages. And  
9 also if we had adequate water and sanitation, we would be able  
10 to provide community water fluoridation as well.

11 So cost containment that we see and areas that we've  
12 tried to address and are still continuing to try are  
13 delivering care close to home, cutting out the travel costs,  
14 alternative workforce models that can get out there and  
15 provide the care in new and different ways and different  
16 settings, effective prevention instead of just more prevention  
17 that doesn't work. We're going to do community water  
18 improvements, including, hopefully, fluoride and decreased  
19 sugar sweetened beverages, and recruitment and retention of  
20 dental providers for less turnover and more skilled and  
21 experienced practitioners, and then decreasing our OR visits.

22 So finally, that's my contact information. If you have  
23 more questions, happy to talk to you. Look us up on Facebook,  
24 ANTHCsmile, and thank you very much.

25 CHAIR HURLBURT: Thank you, Mary and Brad, very much. I

1 think we'll have some time for a discussion, and we'll start  
2 with Bob, but let me maybe offer an observation and not a  
3 question. And you've pointed out to me, Mary, that the dental  
4 technicians actually receive closer monitoring of the quality  
5 of their work than dentists do because of the every two-year  
6 requirement for hands-on supervision and looking and seeing  
7 what they're doing and that you've clearly demonstrated this  
8 as an appropriate model delivering high quality care.

9 In the medical model and with our American penchant to  
10 professionalize, we've seen physician assistants generally  
11 with a background of being a medic in the military, but  
12 starting out with one-year programs and two-year programs and  
13 now four-year programs, and nurse practitioners starting out  
14 as nurses and receiving a Master's level of training, and now  
15 the requirement by the Nurse Practitioners Association that,  
16 in 2019, they will require a doctor's degree. It's going to -  
17 - and where, again, it's clearly been demonstrated that, for  
18 many issues, most patients have a more satisfactory encounter  
19 with a PA or a nurse practitioner than they do with a doc,  
20 partly because they're more interested than the docs, working  
21 to the highest level of their training, partly because they  
22 have not been as expensive and they can spend more time  
23 dealing with it.

24 So it's a comment, but with you as being the godmother of  
25 this concept that's now spreading nationally, how do you see

1 taking that into consideration as to what may be down the  
2 road, where you've developed a model that meets a need, that  
3 can help contain costs, that can help improve overall quality,  
4 but then dealing with our American penchant, in the name of  
5 doing better, to always professionalize more and more and  
6 more?

7 DR. WILLIARD: Well, that's a lot of the struggle that  
8 we're having around the country right now with dental therapy,  
9 many people saying that these providers won't be respected  
10 unless they have a Bachelor's degree because that's expected  
11 in the United States these days. And what I keep bringing it  
12 back it back to is it's great to have education, and you know,  
13 we first started out where education was a luxury, and the  
14 people -- the common people couldn't access it, and what we  
15 need is education that's enough, enough to do the best job you  
16 can and the appropriate job, and if we continue to require  
17 additional years of education, we are going to become, again,  
18 a nation of elite educated people, and the common people  
19 aren't going to have access to that, you know. What I hear  
20 from my students, if this was a four-year degree, they would  
21 not be in my program. They have a hard enough time coming  
22 into Anchorage for one year. Unfortunately, we send them back  
23 out to Bethel for the second year. And often, they're the  
24 first students in their -- the first people in their families  
25 that have gone on to anything beyond high school education.

1 This is an opportunity that's achievable, attainable, and  
2 realistic in their own minds. And you know, once they get  
3 here and complete this, maybe they'll go on and do some more.  
4 That's great. That's not my goal, of course. I want them out  
5 there working as dental therapists, but you know, this is  
6 attainable. It's definitely enough education to do an  
7 excellent job as a dental therapist, and you know, I just hope  
8 people can stand up against that kind of push to overeducate  
9 that we have happening here.

10 CHAIR HURLBURT: Thank you. Bob?

11 COMMISSIONER URATA: I have one comment and a question  
12 for Brad -- or for Dr. Whistler. I have a solution for your  
13 record keeping. It's called Electronic Dental Records, and  
14 you can join the Health Information Exchange that we're  
15 dealing with right now. That's more of a joke.

16 So on a more serious note, have you been keeping records  
17 of the dental status of children in Juneau since they've  
18 removed fluoride, and if you have, can you comment on that?

19 DR. WHISTLER: Sure. Anecdotally, public health nursing  
20 in Juneau has reported that they think they're seeing more  
21 dental decay in young children. As far as sort of a study  
22 approach in Juneau, if you were looking at changes in water  
23 fluoridation, what you're looking at is wanting to know, at  
24 the tooth level, what was going on in Juneau, when they were  
25 fluoridating, and then track that over time. The only

1 information we have that's like that in Alaska has been some  
2 point-in-time studies that were done by the Indian Health  
3 Service. So we pretty much lack data, at that level, for any  
4 community.

5 So as a fallback position, what we're doing now is we're  
6 going to take a look at the Medicaid claims information to see  
7 if we can document if there are more dental procedures related  
8 to dental decay in Juneau, as it went from being fluoridated,  
9 and the part in Juneau is Juneau -- we're looking at 2009 --  
10 or let's see -- 1999 and 2000 where Juneau was optimally  
11 fluoridated. From the year 2001 to 2007 when they went off  
12 fluoridation, Juneau was never optimally fluoridated. There  
13 was resistance to fluoridation in that community that was  
14 occurring before they went off fluoridation. So there will be  
15 a transition period where, in some of those years, there were  
16 months that they weren't fluoridating or they were  
17 fluoridating below the level that was recommended. So then  
18 we'll see what happened during that transition time, and then  
19 in January 2007 where they went off, then look at that period  
20 forward and see if we can document anything. The problem with  
21 that, I can't assure that we're going to see information  
22 that's really useful there. There are studies that have been  
23 done like that on statewide populations in other states, but  
24 in Juneau, we're looking at a much smaller population than we  
25 would be on statewide populations, where this was done in

1 Louisiana and New York, and the other part is we're not even  
2 looking at the whole population in Juneau. We're only looking  
3 at children enrolled in Medicaid, and under that, we're only  
4 looking at children enrolled in Medicaid that got a dental  
5 service. So we're looking at maybe half of the children that  
6 were enrolled in Juneau in Medicaid to see if we can find  
7 something. So I can't assure that we're going to be able to  
8 do that, but we are taking a look at it.

9 COMMISSIONER URATA: You know, I think one of the  
10 concerns -- while we were campaigning to keep fluoride in  
11 Juneau, one of the things is we didn't have strong data or  
12 information to campaign with, and I think one of the things  
13 that we were concerned about is that we would see more dental  
14 caries among our children and more surgeries to remove teeth  
15 in our children and such, but it's a multi-factorial issue.

16 So are you planning to monitor the situation in  
17 Fairbanks, for example, who has stopped fluoride, you know, to  
18 see -- to try to get some sort of data on really what happens?  
19 I think that would be valuable from a public health  
20 perspective for the future of fluoridation in our state.

21 DR. WHISTLER: Just a comment. I think that one of the  
22 things that we faced in Juneau was not that there wasn't any  
23 information. There is national information on this, but there  
24 is not for the state of Alaska. And from funding agencies  
25 that do this, because we rely on federal grants, there is not

1 lots of those federal grants because it's already a  
2 demonstrated issue. So there are not federal grants out there  
3 for each state to repeat studies that have already shown that  
4 kind of reduction.

5 So in terms of looking at the kind of study where, if we  
6 went into Fairbanks and we took a random sample of children  
7 and scored their dental decay, you're looking at dentists  
8 doing, basically, dental examinations on all of those children  
9 and then doing that longitudinally each year. Those are,  
10 like, million dollar studies to do that kind of study design.  
11 And so that's why we're falling back to see if we can look at  
12 Medicaid.

13 So at the same that we're looking at the Medicaid claims  
14 data for Juneau, we're going to look at, you know, trying to  
15 get baseline for Fairbanks to see if we can monitor that over  
16 the time. Same thing with Palmer that went off. We're also  
17 going to try and see if we can demonstrate any differences.  
18 Like, for instance, in Southeast, Sitka and Petersburg have  
19 been longtime, optimally-fluoridated systems, and compare  
20 Sitka and Petersburg with Wrangell and Ketchikan that have  
21 never been fluoridated -- and they're similar demographics;  
22 they're in the same region in the state -- to see if we can  
23 demonstrate. So the power isn't really that we expect to find  
24 something new. Our problem is it's smaller numbers, so we're  
25 not sure it's going to be useful, but there still is value,

1 from a policy standpoint, to have information from your  
2 community or from your state that repeats the same thing that  
3 was found in national studies. So we're going to see if we  
4 can get anything out of the Medicaid information, but I can't  
5 assure you that we're going to.

6 CHAIR HURLBURT: And CDC, the Arctic Investigations  
7 program here, and you know, Brad and the tribal health system  
8 have all been involved in these discussions of what is the  
9 potential for looking at it. Fairbanks offers some advantage  
10 in that it was a well-operating system that, boom, shut off,  
11 and it didn't kind of trickle off the way Juneau did, but  
12 there very much is a desire to get at that, to not only help  
13 today but to help the future.

14 Anchorage was one of the early cities in the country to  
15 go fluoridated. Anchorage adopted fluoridation in 1953 and  
16 was pretty forward-looking, but now, we're the red lantern  
17 state. We're -- I don't know that we absolutely are, but  
18 we're about 55%, and nationally, we're probably just a little  
19 over 75% now of folks being advantaged by being exposed to  
20 fluoride and water systems.

21 DR. WHISTLER: And I'll just echo what Dr. Hurlburt said  
22 because it's kind of like, in Alaska, there is sort of this  
23 feeling like, well, a lot of places are doing this, and it's  
24 coming up for a lot of votes. It tends to be in communities  
25 that are about the size we have here in Alaska. They don't

1 have -- you know, they don't have health departments or sort  
2 of the infrastructure in place to really survive, if opponents  
3 kind of wage a war on water fluoridation, but nationally, most  
4 major cities now are fluoridated. And so San Diego is now  
5 fluoridated. That was the most recent one to completely  
6 fluoridate. San Jose is in process. Portland voted to  
7 fluoridate. Of course, Portland had had a lot of opponents,  
8 and this was their fourth round going for water fluoridation  
9 in Portland, Oregon, and the health board passed fluoridation,  
10 but now there is a public initiative. But Portland would now  
11 be the next largest U.S. city without fluoridation, if they  
12 don't move forward with water fluoridation. So we are over  
13 75% of the U.S. population on public water supplies that have  
14 optimally-fluoridated water at this point.

15 COMMISSIONER ERICKSON: Brad, just a quick question and  
16 then Val had a question or a comment. I was just wondering,  
17 you had mentioned being able to access the Retirement and  
18 Benefits Employee Health Plan claims data. So when you're  
19 looking at the Medicaid claims data, do you have an  
20 opportunity to make inquiry and the same question to some  
21 other -- some of the dental plan carriers to see if you can  
22 get the same sort of information from them?

23 DR. WHISTLER: Well, just to sort of restate, I have more  
24 routine access to the Medicaid claims. What we did -- there  
25 was sort of this discussion in terms of, was the fee structure

1 of what was reported by dental providers, what they were  
2 billing, was that truly what they were billing or were many  
3 providers billing the Medicaid rate, so that our fee profiles  
4 in that system were artificially low? And so we ended up  
5 with, through an agreement with talking with Retirement and  
6 Benefits, a one-time project to look at common dental  
7 procedures and see how those compared, and what we saw was the  
8 average dental fee billed to Retirement and Benefits was very  
9 similar to what it was in Medicaid, which sort of reinforced  
10 that our Medicaid reimbursement rates are in that general 70%  
11 to 80% of the mean charge for dental services in Alaska, but  
12 there's not -- it's not routine access in terms of looking.

13 And the other point that I touched on was this same  
14 thing. In the course of talking with Retirement and Benefits,  
15 it just made me curious in terms of what sort of edits and  
16 stuff they're doing in the dental claims system.

17 I'll give another example. Dental sealants are very  
18 effective on permanent first molars, but some of them come  
19 off. So it's not like you'd only want to pay for it once. On  
20 the other hand, if you were paying for a dental sealant on the  
21 same tooth every single year, you would start to question if  
22 that was cost-effective or not, and it also might point you in  
23 the direction that, if it's coming off a whole lot, maybe that  
24 provider is not doing a great procedure there, that you might  
25 want to check in on that. We don't do anything like that kind

1 of management in the Medicaid program at that level, at this  
2 time, and I also suspect that we don't do that in the State  
3 Employee Health Insurance System. So I think there are things  
4 that you could look in there in terms of, what's a reasonable  
5 amount of how many times we want to pay for the same service  
6 on the same tooth because even fillings fail, even gold crowns  
7 fail eventually, but you certainly wouldn't want to be paying  
8 for a gold crown one year, and two years later, be paying for  
9 that gold crown again on the same tooth, and I just -- I think  
10 that's sort of the direction that we need to start looking at  
11 is multi-years for similar procedures on the same tooth, or at  
12 least, at the same provider, if it's the same provider that's  
13 billing for that code again, to be looking at that, just a  
14 little bit of oversight in terms of doing it. So that was my  
15 point.

16 COMMISSIONER DAVIDSON: Dr. Williard, can you talk a  
17 little bit about the certification process for dental health  
18 aide therapists and also the recertification and what's  
19 required for a DHAT to be recertified and how that  
20 recertification differs from a practicing dentist?

21 DR. WILLIARD: Yeah (affirmative). Sure. So in our  
22 health aide system, we have certification through our  
23 Community Health Aide Certification Board and that's a  
24 federally-recognized board. And to become a dental health  
25 aide, you have to meet all the requirements in our Community

1 Health Aide Standards and that includes the education  
2 requirements. And so once you finish your education  
3 requirements, then you have to do a preceptorship, which is --  
4 you might consider it a mini-residency of a sort where you  
5 work side-by-side with your supervising provider. That allows  
6 both the dental health aide and the supervisor to get to know  
7 each other and their strengths and how they practice. And  
8 then once that's completed, then they can apply for  
9 certification.

10 Certification then requires that, in two years, you apply  
11 for a recertification, and within that time, there is a  
12 continuing education component, which matches the -- for the  
13 dental health aides, it matches the requirements that dentists  
14 have in this state for continuing education. And then beyond  
15 that, they also are required to work side-by-side under direct  
16 supervision of their dental supervisor doing every procedure  
17 within their scope of practice. So they have to work, at  
18 least, 80 hours under direct supervision in that two years  
19 with their supervising dentist.

20 So we have what's actually a continual competency  
21 evaluation happening within the Community Health Aide Program  
22 where each provider is directly observed providing care  
23 throughout their career and that's the epitome of what most  
24 places are aiming for when you're talking about provider  
25 competency and continual competency.

1           Whereas, me, as a licensed dentist here in Alaska, I  
2 applied, got my license, and every two years, I pay some  
3 money, and I go and attend a couple of continuing ed courses  
4 and learn some new things and that's good to go, and nobody  
5 ever has to look at my work again throughout my career, and I  
6 can continue to practice. Typically, the only time a dentist  
7 gets their work looked at again is if somebody has filed a  
8 complaint with the Board of Dentistry.

9           So you know, I feel very comfortable with the care that  
10 our dental therapists are providing. I have my children go  
11 see the dental therapists, and it's -- you know, they're very  
12 well supervised, very well managed as far as being a provider  
13 in a career and working to improve constantly.

14           COMMISSIONER PUCKETT: Did I hear correctly that they go  
15 -- one year, they go to a school outside of where they live?

16           DR. WILLIARD: Our program for dental health aide  
17 therapists is a two-year, post-high school educational  
18 program. So the first year is located here in Anchorage, and  
19 that year, we do a lot of the didactic work, book learning and  
20 working on mannequins as well for the fine motor. And then  
21 the second year, we send them out to Bethel, and that year,  
22 that's a much more clinical year where they're seeing patients  
23 most of the day.

24           COMMISSIONER PUCKETT: Do you have a good retention  
25 experience with students, that they enroll and then actually

1 do finish?

2 DR. WILLIARD: We have about a 64% retention rate of our  
3 students that have enrolled, which is on average with -- or  
4 actually better than universities. And then the retention  
5 rate of our dental therapists working in the communities,  
6 we've had 31 therapists that have graduated from a dental  
7 therapy program and started working, and we still have 25 of  
8 those working after nine years.

9 CHAIR HURLBURT: Any other questions or comments? Brad,  
10 yes?

11 DR. WHISTLER: Just one thing I'll mention in relation to  
12 a question that Mr. Campbell asked earlier is, the other thing  
13 traditionally in dentistry is the dental claim form lists the  
14 billing dentist and the treating dentist. So even in private  
15 practice, typically for procedures that are done by the dental  
16 hygienist, it's billed for by the dentist, and it's billed the  
17 same reimbursement rate. So that's been common in dentistry,  
18 that there really hasn't been a separation of rates, even  
19 between the dental hygienist and the dentist, traditionally,  
20 in dental practice.

21 CHAIR HURLBURT: Thank you both very much for coming.  
22 This was very helpful, and thank you for your preparation and  
23 your presentations.

24 DR. WILLIARD: Thank you.

25 CHAIR HURLBURT: We'll take a break and come back

1 together at 11:15.

2 10:59:30

3 (Off record)

4 (On record)

5 11:12:24

6 COMMISSIONER ERICKSON: We're reconvening. For those of  
7 you on the phone, we've switched our last two agenda items,  
8 and we're going to start now with the Federal Health Care  
9 Reform Update. And for Commission members, you should have,  
10 in your notebooks, our PowerPoint presentation that I've been  
11 using for a couple years now with -- just update every quarter  
12 to provide information on implementation activities since the  
13 last meeting, and you have that in your notebook behind tab  
14 five. I'm going to just, real quickly, go through the first  
15 four slides, which are bullet points on some of the  
16 significant activities of the past three months since our last  
17 meeting and then turn it over to Josh and Commissioner Streur  
18 to share a little more information with you and answer any  
19 questions that you might have.

20 So a couple points real quick. The Fiscal Cliff deal  
21 that passed on January 1st, there was one significant impact  
22 to the Affordable Care Act in terms of financing and that was  
23 the elimination of available funding for the Insurance Co-Op  
24 program. There was \$1.7 billion left in that program; 1.9 had  
25 been allocated and awarded in low interest loans to 24

1 different programs that would create these co-op programs in  
2 24 different states.

3 And in addition to that, the Community Living Assistance  
4 & Support program, the CLASS Act, that was intended to be a  
5 new national long-term care insurance program, that was  
6 eliminated and replaced with a Commission that's charged with  
7 developing a national long-term care plan by this August.

8 And then following that, the sequester that took effect  
9 just a few days ago, cutting \$85 billion in federal spending  
10 for this current federal fiscal year, there are impacts  
11 directly to a number of Affordable Care programs, including  
12 the Insurance Exchange's Prevention & Public Health Fund and  
13 the Small Business Health Insurance Tax Credit, but also  
14 significant impacts to other health programs. Just a note  
15 that Medicaid is exempt from the sequester.

16 I was just mentioning the Insurance Co-Ops. I won't go  
17 over that again, but of note related to that -- and I haven't  
18 had an opportunity -- I want to follow-up with the folks who I  
19 heard interviewed who had participated, apparently, and I  
20 heard -- I made a footnote that this bullet is about -- was  
21 from a story on APRN, on Alaska Public Radio Network, but  
22 apparently, there were a group of individuals who were working  
23 on creating a multi-state co-op that's a Consumer Operated  
24 Insurance Plan and had just, on December 31st, submitted an  
25 application for funding from that program, but that program

1 then, the following day was -- the available funding was  
2 eliminated in the Fiscal Cliff deal, so just to note a  
3 potential, specific Alaska impact. Yes, Val?

4 COMMISSIONER DAVIDSON: So Deb, I just wanted to make a  
5 clarification on slide two, health impacts. Indian Health, we  
6 were not limited to a 2% cut. We, actually, were subject to a  
7 5% across-the-board cut, just like other health programs.

8 COMMISSIONER ERICKSON: Yeah (affirmative). I wanted to  
9 check on that. I was -- so thank you for that clarification.  
10 I'll correct that.

11 COMMISSIONER DAVIDSON: Yeah (affirmative). I think, in  
12 the original justification on the Senate side, it mistakenly  
13 said 2%, and we all celebrated, and then, unfortunately, they  
14 came back and corrected and said no, 5%.

15 COMMISSIONER ERICKSON: And said oh, never mind. Thanks  
16 for that clarification. I'll correct that on the version  
17 that's posted on the website.

18 Related to the High Risk Pool, the Pre-Existing  
19 Conditions Insurance Plan, there was \$5 billion appropriated  
20 for that program. It was intended to continue through the end  
21 of this calendar year to provide a bridge to January 1, 2014  
22 for folks with pre-existing conditions who could not otherwise  
23 obtain insurance, but that program has, essentially, run out  
24 of money at this point. And so the federal plan stopped  
25 accepting new enrollee applications on February 16th, and the

1 state-administered programs -- and Alaska has a state-  
2 administered program through ACHIA -- were directed by the  
3 federal government to suspend acceptance of new enrollee  
4 applications; is that not correct?

5 COMMISSIONER DAVIS: The Pre-Existing Condition Insurance  
6 Pools have -- and new applications are discontinued, but the  
7 State ACHIA plan is continuing on, unaffected.

8 COMMISSIONER ERICKSON: Well, so what I need to do is  
9 clarify it. It's the federally funded under.....

10 COMMISSIONER DAVIS: It's a federally funded PCIP that's  
11 administered by ACHIA.

12 COMMISSIONER ERICKSON: Exactly. Exactly.

13 COMMISSIONER DAVIS: That's suspended, but the State  
14 ACHIA continues on, unchanged.

15 COMMISSIONER ERICKSON: And that's what I meant to write  
16 here and what I meant to say. Do you think.....

17 COMMISSIONER DAVIS: Well, what you said I heard  
18 differently, but -- so perhaps, there is confusion.

19 COMMISSIONER ERICKSON: Right. Okay. So the state run  
20 Pre-Existing Conditions Insurance Plan created under the  
21 Affordable Care Act, which includes Alaska's state run Pre-  
22 Existing -- Affordable Care Act supported -- ACHIA has,  
23 essentially, two different plans that they're administering,  
24 two different, high risk.....

25 COMMISSIONER DAVIS: The federal and the state. That's

1 the way it's distinguished.

2 COMMISSIONER ERICKSON: One's the federal, and one's the  
3 state?

4 COMMISSIONER DAVIS: Right. The federal has been  
5 suspended.

6 COMMISSIONER ERICKSON: The state program is continuing?

7 COMMISSIONER DAVIS: Correct.

8 COMMISSIONER ERICKSON: But the state-administered, by  
9 ACHIA, federal program funded under the Affordable Care Act is  
10 discontinuing?

11 COMMISSIONER DAVIS: Yes.

12 COMMISSIONER ERICKSON: So I'll rewrite that bullet to  
13 make sure that that is really, really clear.

14 COMMISSIONER DAVIS: Thank you.

15 COMMISSIONER ERICKSON: Thank you. Related to the  
16 Insurance Exchange and the Medicaid expansion, Josh and  
17 Commissioner Streur will comment on this further here in a  
18 minute. I've just noted that, on February 15th, it was the  
19 deadline for states to file their blueprint with the federal  
20 government, if they were intending to partner with the federal  
21 government on a State-Federal Partnership Exchange. Seven  
22 states opted to do that. Right now, 17 states are planning to  
23 operate their own exchange, and 26 states, including Alaska,  
24 plan to participate in the federally-facilitated exchange.

25 And I just included a note there -- we talked about this

1 yesterday a little bit -- that our new Eligibility Information  
2 System that will be underway here shortly, the process to  
3 implement it. The first phase is intended to be compliant  
4 with the Insurance Exchange requirements by October.

5 And then I just posted here the Medicaid expansion  
6 decisions as of just a few days ago, that, so far, 26 states,  
7 plus Washington D.C., have announced that they will expand in  
8 2014. Seventeen states, including Alaska, have announced that  
9 they won't, and seven states are still weighing their options.

10 And I am not going to go over this very detailed list.  
11 I'm on slide five, for those of you who might be following  
12 along on the phone. But on slide five, I've just listed, with  
13 the date, all of the final and proposed regulations and the  
14 guidance documents that have been released since our last  
15 meeting in early December. And with that, I'm going to turn  
16 over the mics to Josh.

17 MR. APPLEBEE: Well, thank you. It's great to be here  
18 again to kind of bring you, and all the Commission, up-to-  
19 speed a little bit on -- I'm going to first talk about the  
20 Health Insurance Exchange, the Health Insurance Marketplace,  
21 as they are beginning to try to rebrand it. And I know that  
22 she had the slide up there of all the additional regulations  
23 and things that have been flowing out.

24 Our Division of Insurance has certainly been thrown into  
25 the weeds when it comes to the Insurance Exchange. I mean, a

1 lot of proposed rules, final rules, draft letters, interim  
2 final rules have kind of been coming down the pike in  
3 anticipation of being ready for enrollment in October of this  
4 year, but more importantly, to try and lay the groundwork so  
5 that companies, like Premera, can then begin to develop and  
6 file their rates for any insurance product that's going to be  
7 offered in the Exchange going into the next year.

8 And so, you know, in my past updates and in other  
9 presentations to other groups, I've always mentioned that, you  
10 know, we don't know what the Exchange is going to look like.  
11 We don't know how it's going to feel. We don't know what kind  
12 of interface it's going to have for the consumer, but I always  
13 say that there are these rules that are coming down, and you  
14 know, they're centered around enrollment, health insurance  
15 provider fees, and I have this whole list, whether it be the  
16 Small Business Health Option Program, what we call the SHOP,  
17 final notice on benefit and payment parameters, multi-state  
18 plans, letters to issuers, notice of benefit and payment  
19 parameters. These are all kind of real granular items that  
20 Jeff Davis and his group and all of the other insurance  
21 providers need to develop what they're going to provide to the  
22 State.

23 But in terms of, you know, what the interface is going to  
24 look like, and more importantly, how we're going to get the  
25 word out to Alaskans about the Exchange and things like the

1 Navigator program, what form that's going to take, what sort  
2 of approval process is going to happen with that, what -- you  
3 know, when you talk about the 800 phone number, which is going  
4 to be really important in our state, and language services and  
5 these sort of issues, we continue to press CMS and CCIIO and  
6 the people developing it that we want to be part of that  
7 conversation. We're more than willing to allow them to take  
8 our time and to tell them where our challenges are going to  
9 be, where our needs are going to be, and I wouldn't say that  
10 they haven't received those notices because we've been very  
11 clear and very up front about it. I just don't know if  
12 they're at that point of development yet. They're trying to  
13 get everything they can for the insurance companies to do the  
14 work that they need to do in the short timeframe that they  
15 have. They have their tech people developing, you know, the  
16 interface, the Federal Data Services Hub, all of that stuff  
17 that's going to be working in the background. I think they're  
18 saving the front end stuff for last, and for better or worse,  
19 that's the path that's they've taken. And as soon as they  
20 begin to engage us in those conversations, I think we'll be  
21 right there at the table to tell them, you know, about the  
22 unique needs of Alaska and what we need them to consider when  
23 they're doing that development.

24 But suffice it to say -- and I rather feel sorry for our  
25 Division Director, Bret Kolb. His updates, much like Deb's,

1 are getting longer and longer every time the federal  
2 government sends a new email. But CMS and CCIIO have  
3 scheduled -- well, have requested a meeting with the Division  
4 of Insurance, and I hope to be a part of this further  
5 discussion as things go down, and I know, in our latest  
6 update, that he's looking to set up a call with CMS in the  
7 next couple weeks. So hopefully, we can reiterate again our  
8 desire to be at the table to let them know what needs to  
9 happen when it comes to the Insurance Exchange interfacing  
10 with Alaskans and how that moves forward.

11 Well, and I guess, really in summary, everything that's  
12 happened since the last time I talked to you has been real  
13 boring, dry stuff. Necessary, important, boring, dry stuff.

14 In regards to Medicaid expansion, the Governor, in a  
15 press conference on the 28th of February -- I'm sure many of  
16 you have followed the news -- came back from Washington D.C.  
17 with several concerns about how the government is handling its  
18 business, but specifically in regards to Medicaid expansion,  
19 he, unlike the slide -- I guess I would probably -- as long as  
20 you're making changes to slides, Deb, I don't say that -- I  
21 wouldn't say that we're a "no" when it comes to Medicaid  
22 expansion, when you have states that are expanding, states  
23 that said no, some are still weighing the options. I think  
24 that we're actually still weighing our options and that the  
25 Governor was very clear that his next decision point isn't

1 going to come until December when he submits his budget for  
2 next year, and I think that was a pretty powerful statement  
3 because, if you remember the last time that the Commissioner  
4 and I were in front of you and several times since then, he  
5 has been very clear about wanting to get this decision right  
6 and not making a quick decision, one way or the other, but  
7 analyzing all aspects of it.

8 And the Governor also spoke of working with Secretary  
9 Sebelius and HHS in terms of flexibility, and I think that  
10 really gets to what other states are doing and other states'  
11 conversations with the Secretary. You know, you talk about  
12 states like Florida and Ohio. The Governor of Florida says  
13 we're going to expand Medicaid and then the Legislature needs  
14 to make the decision three years later.

15 But let me talk about Arkansas, and I don't know if many  
16 of you have followed the news that came out of Arkansas two  
17 weeks ago. The Governor of Arkansas, Governor Beebe, had a  
18 conversation with Secretary Sebelius, and they came to a  
19 verbal agreement that Arkansas will be allowed to move all of  
20 their Medicaid recipients to the Exchange, all of them. Now,  
21 he doesn't have anything in writing yet. He's still working  
22 out some of the details, and we are very excited to learn  
23 about some of these details, but if that sort of flexibility  
24 is an option, if that's the sort of ideas that CMS may be  
25 considering, then this analysis, I think, becomes much more

1 complicated, much more involved. So I think I'm more excited  
2 about the possibility of that flexibility that the Governor  
3 talked about, and you know, being able to look at what's  
4 really possible as opposed to black and white, it's this way  
5 or no way sort of thing.

6 I looked at a chart of the 15 states with the highest  
7 uninsured residents, and of course, Texas tops the list at  
8 24%, down to Wyoming at 18%. Now this is 15 states. Seven  
9 states said that they're going to expand Medicaid. That  
10 includes Arkansas, and I think that might need an asterisk  
11 because I think they have said they're going to expand if they  
12 get this option, and we'll work that out down the road.

13 Six say they are not expanding, and two are undecided.  
14 And of course, we're in the undecided column. So it really is  
15 a state-by-state decision, and I think, certainly -- and I  
16 don't want to put words in the Commissioner's mouth, but I  
17 will say that we're very focused on making the right decision  
18 for Alaska, regardless what other states do, but if the  
19 Secretary is going to allow other states to have a level of  
20 flexibility, I don't think that you'll see us just sitting on  
21 the sidelines. I think we'd want to get in those rings and  
22 fight for that level of flexibility as well.

23 So that's been the development since the last time that  
24 we've met. There is, I think, a lot of analysis still left to  
25 do. I think it's still not a very clear cut decision. I

1 think it's certainly not a no-brainer, as it's been  
2 characterized by some people. I think it's one that our  
3 Department takes very serious. I think it's one the Governor  
4 takes very serious, and as we move forward, I think we'll  
5 maintain that level of looking at it like the serious decision  
6 that it is.

7 COMMISSIONER STREUR: Josh says he doesn't want to put  
8 words in my mouth, but you know, frequently when we're both  
9 down in Juneau walking the hallowed halls, he's had to say  
10 "what the Commissioner really meant to say was" and that's why  
11 I take him along with me. Representative Keller, you're well  
12 aware of that, so anyway.

13 You know, on top of the Medicaid expansion, I think that  
14 the boss, the Governor, is really taking the right direction  
15 on this, that, you know, we've got time. Let's do it right.  
16 Let's figure out who blinks. And one of the things that we're  
17 seeing increasingly is a willingness to blink on the part of  
18 the federal government. And if Governor Beebe's process goes  
19 through, to me, it's a very innovative, minimal risk approach  
20 for the State of Alaska. It doesn't mean that I'm going to  
21 recommend it. It doesn't mean that he's going to go along  
22 with the recommendation, even if I do. It means that there is  
23 more opportunity out there because that was the first concept  
24 that I floated over two years ago back in Washington D.C. with  
25 CMS, and they wouldn't give me an answer.

1           So what I had proposed was a little different than what  
2 Governor Beebe is proposing, but the same concept was there,  
3 and I understand Wisconsin has moved forward with something  
4 very similar to what we have proposed. So that aside,  
5 Medicaid expansion, stay tuned because I truly believe we are  
6 undecided as well.

7           The thing, for me, that's a real challenge -- and Jeff  
8 may want to weigh in on this -- I do not see how the federal  
9 government is going to bring up a federally-facilitated  
10 exchange in 20-some states -- I believe 26 to 29, depending on  
11 the day of the week, in the next six months and that's  
12 technically what has to happen. A federally-facilitated  
13 exchange isn't something that you just plan in the state and  
14 say, okay, turn the switch on because you've got to implement  
15 and integrate the insurance regulations of that state, the  
16 insurance plans of that state, the different levels of plans  
17 that are going to be available. They have to -- I haven't  
18 seen the federal plan yet. Have you, Jeff? And you know, all  
19 those things have to happen in the next six months. And you  
20 know, you can say six months is a long time. You know, having  
21 worked with technology for the last 20 years, six months in  
22 the technology world is, you know, a blink of the eye, and  
23 MMIS is a good example of that.

24           So the key to the Medicaid expansion for states is the  
25 Exchange. The key to many aspects of the Affordable Care Act

1 in terms of expanding coverage is the Exchange, and we're not  
2 there, and I don't see how we're going to be there in 180 days  
3 because we were on a call this morning with the Governor's  
4 Office and the Division of Insurance, and there were almost as  
5 many questions as there were -- they weren't answers; they  
6 were concepts that were brought out because we don't have any  
7 answers yet. And you remember, you know, the standard answers  
8 that Josh and I were getting, "soon," "later this summer," and  
9 "we'll get back to you." There is one more; I forgot it. But  
10 anyway, those are starting to emerge again, so it's going to  
11 be interesting.

12 So Josh also talked about, you know, the Fed's are  
13 focusing on the Exchange at the federal level, and the states  
14 are going to be next. One thing that's become abundantly  
15 clear is that the Fed's implementation of the Exchange and  
16 multi-tasking do not go in the same hand. Just, everything  
17 seems to be a separate, distinct we'll get this done and then  
18 we'll start looking at this. We'll get this done, then we'll  
19 start looking at that.

20 So I said it a couple months ago, and I'm saying it  
21 again. I'm really skeptical. You know, I'll just retire if  
22 I'm wrong, but -- so I don't have to come back. But anyway,  
23 I'm really skeptical about the Exchange going live, and stay  
24 tuned on it because it's going to come up in the next few  
25 weeks, and there is a lot to do for the Affordable Care Act to

1 go live in Alaska, and I look at all the boulders, if you  
2 will, that we have to get past. The deeper we -- the closer  
3 we get the more boulders that seem to arise. So with that, I  
4 say press on. Thank you. Questions? Emily? Oh, I guess I'm  
5 not supposed to do that.

6 COMMISSIONER ENNIS: Thank you. Would you mind just  
7 taking a moment and giving an example of a few of those  
8 boulders that have come up recently?

9 COMMISSIONER STREUR: One of them is the Exchange itself.  
10 You know, we've been promised a straw man, a model of what it  
11 was going to look like since November, and the last time I was  
12 in front of you I talked about having spoken to CGI, the prime  
13 contractor, and they weren't ready to release it yet. We  
14 still haven't seen it. That, to me, is a big one.

15 Coming up with how many players there is going to be in  
16 the insurance market in the Exchange world in Alaska. You  
17 know, is Blue Cross -- Premera Blue Cross even going to be at  
18 the table with regards to the Exchange because, if they're  
19 forced to bring bronze, silver, gold, platinum plans for, you  
20 know, this relatively small population base, I'm not an  
21 actuary, but it's not something I'd want to take on, even with  
22 the little bit of understanding I have regarding it. Those  
23 are two of the big ones.

24 COMMISSIONER MORGAN: I mean, I'm sure it wasn't -- I  
25 think the Supreme Court decision that made it optional for

1 states to make their choice kind of precluded or shocked the  
2 federal officials involved in this. They just assumed that  
3 this would be -- that we'd all hook. But it came up  
4 yesterday, and I've been thinking about it for a couple of  
5 weeks that, if you -- and I understand and have always  
6 understood, because I actually watched the Governor's press  
7 conference, that it was a, hey, I need to think about this and  
8 look at this and actually maybe see some of it enacted. You  
9 know, it's one thing to talk about this stuff this way, but to  
10 actually see it happen in Arkansas or somewhere is a whole  
11 different world.

12 But one thing that seems to be an anomaly that has come  
13 up -- and this was talked about two-and-a-half weeks ago when  
14 I was in Juneau -- is, if you don't expand, since the whole  
15 goal of this is to give people coverage, there is one group,  
16 between zero and 100% of the poverty level, that cannot access  
17 the Exchange and obtain the same subsidies and tax credits as  
18 someone that 101%, which is a little silly, if you think about  
19 it. So I would hope that, when you're discussing it with your  
20 fellow Commissioners of Health and Human Services and other  
21 leadership that way on the state level, that's -- I would  
22 think is just a regulation, since they're promulgating,  
23 evidently, thousands of them to do that because some states  
24 may, probably if there is no flexibility, not do it. I mean,  
25 it's a rational decision for each state to make, but if our

1 goal -- if all of our goal is to get everyone covered, let's  
2 not build into the regulation to absolutely make sure that  
3 that zero to 100% is faced either paying a tax or somehow  
4 coming up with the money, which we know they can't, to pay for  
5 health insurance because this guy over here is saying it's  
6 going to go up 21% to 70% under this deal. I'm trying to  
7 figure out if I'm going to be able to afford health insurance,  
8 if that's true. But is that rational, Commissioner?

9 COMMISSIONER STREUR: It is rational, and we do have to  
10 take a look at that group. When I read it, I read it entirely  
11 differently than it's being interpreted right now, but no; it  
12 -- people above my pay grade, way above my pay grade --  
13 lawyers -- have -- excuse me. I didn't mean to point you out,  
14 ma'am. People well above my pay grade have determined that  
15 that is the correct reading of it, and the folks would be  
16 exempted. If we make a decision to expand, I can't see us  
17 splitting hairs like that because, if we make a decision to  
18 expand, we're going to make a decision to expand because we  
19 believe it's better and we can afford it.

20 COMMISSIONER MORGAN: But if you do make the decision not  
21 to expand, I mean, that is possible in the realm of  
22 possibilities. I would think that the State Commissioners of  
23 Health or your position would say, hey, we've got this little  
24 anomaly. If we don't expand, let's, at least, let these guys  
25 have the same percentage of slide or credits from 100 up to

1 400, as you do -- prorated kind of stuff -- from that down to  
2 zero. I mean, that way, they're not having to deal with  
3 either buying it, which they can't. And as was pointed out  
4 yesterday, which is absolutely true, they'll just have to pay  
5 the tax, I guess, depending on how that works out.

6 So anyway, it would seem that -- I think we don't have a  
7 crystal ball, but we know there might be a few states that  
8 won't expand. So shouldn't we kind of take care of that  
9 little problem and not throw that into this process?

10 COMMISSIONER STREUR: We can do that, but I think that  
11 the Governor Beebe waiver is going to raise the awareness of  
12 that. If he's granted a waiver based on zero to 400% in the  
13 Exchange and run all those folks through the Exchange, I would  
14 think that HHS needs to take a look at that anomaly that they  
15 have in law. And I'm not promising we will look at  
16 everything, but you know, we need to analyze that. We need to  
17 identify where the need is, and you know, give people a  
18 parachute if we can, and if there is not additional cost to  
19 the State, we need to be promoting that.

20 COMMISSIONER MORGAN: When did that happen, yesterday or  
21 something, the Arkansas.....

22 COMMISSIONER STREUR: No. It was right after the NGA  
23 meeting. Governor Beebe and Governor Parnell both had  
24 meetings with the Secretary of HHS, and Governor Beebe floated  
25 it, and Governor Parnell came back with it. I immediately

1 jumped on Josh to find out all that he could, and he spent a  
2 couple of days finding out that it was a twinkle in Governor  
3 Beebe's eyes, but his folks hadn't really fleshed it out yet.

4 CHAIR HURLBURT: Val, yeah (affirmative)?

5 COMMISSIONER DAVIDSON: So I guess I had a question about  
6 the federally-facilitated exchange. I know that, under the  
7 law, the federal government is required to set up, in 31  
8 states, multi-state plans that will be available in 31 states.  
9 And unfortunately, we don't have clarity about which of those  
10 31 states those might be, but I wondered if, in your  
11 interactions with the Insurance Commissioner and the Governor,  
12 et cetera, you had heard, at all, from the Office of Personnel  
13 Management who will be administering that multi -- or who will  
14 be helping to develop the multi-state plan?

15 MR. APPLEBEE: That's an excellent question, and I have  
16 asked that question on several occasions and have not gotten  
17 the clarity -- the clear answer that we're both looking for,  
18 but if I do get one, I'll be happy to make sure that you get  
19 it.

20 COMMISSIONER DAVIDSON: And then the other question I had  
21 -- I guess first a statement that, you know, we have been very  
22 clear that, you know, we did commission our own studies, and  
23 we have been -- ANTHC commissioned our own independent  
24 analysis. Everybody has been provided a copy, so you know  
25 what it says. But as we have said repeatedly, this is a very

1 big decision that governors are being required to make.  
2 Unfortunately, the Supreme Court decided that Medicaid  
3 expansion is optional; it's not mandatory. The irony is that  
4 the Affordable Care Act solved one donut hole with Medicare  
5 Part D in terms of prescription drug payments, but  
6 inadvertently created this other donut hole with -- as Dave  
7 mentioned today -- we talked about it yesterday -- the  
8 availability of people to be able to purchase insurance  
9 through an exchange who are up to 100% of the federal poverty  
10 level, and we know that that is a really serious decision that  
11 the Governor is having to make. It has huge implications for  
12 Alaska and so we appreciate that he is taking the time to  
13 study that very carefully.

14 I guess, as we move forward in those conversations and as  
15 other states are looking at what kind of flexibility there  
16 might be, I think we would be interested in hearing what those  
17 options are. So if you hear that a state has been fleshing  
18 this particular idea and HHS has said, heck, no, we're not  
19 even going to consider that or maybe a -- you mentioned who  
20 blinks first, and maybe in the blinking process back and  
21 forth, if we can have a sense of what the range of flexibility  
22 is, I think it might help us to be able to track the issue in  
23 terms of what's beneficial for Alaska.

24 COMMISSIONER STREUR: Absolutely. We will share that  
25 because it's -- there is a lot out there, and people are

1 getting innovative, and the Feds are finally beginning to be  
2 willing to talk about it to ensure that, you know, these 17,  
3 24, whatever it is remaining states, at least, put their toe  
4 in the water, and to do that is to start looking at different  
5 ideas.

6 In the last two weeks, we've seen more movement on the  
7 part of the federal government to look at alternatives than  
8 we've seen in the last six months. That may be an  
9 exaggeration a little bit, but more than we've seen in a long  
10 time. And we look at every one of them. We jumped on this  
11 Arkansas thing, thinking that, you know, this could work  
12 because what it effectively does, it puts everybody in the  
13 Exchange, and the Feds reimburse the expanded population.  
14 Basically, Governor Beebe would be able to bill the Feds the  
15 premium that they would have. They have a contract for the  
16 Blue Cross type entity. The Feds would allow Governor Beebe  
17 to put it on his Medicaid cost reports, get reimbursed the  
18 cost of the premium through the Medicaid cost report, and the  
19 state risk is reduced, plus it allows him to expand and say,  
20 you know, if everything goes south in three, five, six years  
21 to say, okay, the Feds have pulled the money. That's how the  
22 program was funded. So there is a parachute there for the  
23 state. It's not something you want to see, but that's what a  
24 lot of the hesitation on the part of the state is, are the  
25 Feds going to be there for as long as they say they're going

1 to be there, and I'll tell you that's not a guarantee. You  
2 know that.

3 CHAIR HURLBURT: Thank you very much, Commissioner and  
4 Josh. I think you're chairing this session.

5 COMMISSIONER ERICKSON: I think so. Lisa and Bev, if you  
6 could join us, I'll transition right away into our next  
7 presentation, which is an Update on Healthy Alaskans 2020.  
8 And actually, would you guys mind coming up here to the head  
9 of the table? I get scolded by the Commission for making them  
10 play ping-pong and going back and forth, if there are slides  
11 on one of the end of the table and the speaker is on the other  
12 end of the table, and they get whiplash. And so I'm going to  
13 turn this seat over to you, just with a quick reminder.

14 Dr. Hurlburt has another meeting he needs to get to right  
15 away. Dr. Stinson had surgery to perform. And so they're  
16 having to step out right now, for the record, and I'll just  
17 facilitate for the last session of our meeting today.

18 COMMISSIONER KELLER: I hope Dr. Hurlburt isn't the  
19 patient.

20 COMMISSIONER ERICKSON: And just with a reminder, Jill  
21 Lewis and Beverly Wooley introduced the Healthy Alaskans  
22 Initiative to you all at our August meeting this past year,  
23 and we're coordinating and tracking very closely with what  
24 they're doing because we do have, in our statutory mandate for  
25 the Commission, a responsibility for identifying strategies

1 for improving the health of all Alaskans, in addition to  
2 addressing issues related to affordability and access to and  
3 quality of healthcare. And the work that these leaders are  
4 doing is essential to our work in that area. So anyway, they  
5 are here to give us an update on the Initiative.

6 MS. AQUINO: Hello. Hi, I'm Lisa. I'm really happy to  
7 be here. What's that? Oh, my bottle's in the way. Hey,  
8 sorry. Everyone on the phone, it's a bottle of water, just in  
9 case you were thinking something else.

10 I had just started working in this position when this  
11 first presentation was made by Jill and Beverly, and I heard  
12 it, but that's why I didn't make it before, but I'm really  
13 happy and excited to be here now to make it. And I guess  
14 before we get much into this, I should ask, how many of you  
15 were here for that presentation? Oh, great. So a good number  
16 of you. So I'm going to -- we're going to really quickly go  
17 through the beginning of the presentation because it's really  
18 just an overview of Healthy Alaskans 2020.

19 And so these are the things that we're going to be  
20 covering today, as I go through the slides. We'll just  
21 overview quickly and then we're going to focus on our Health  
22 Status Progress Report, which was released, as well as our two  
23 Community of Interest Surveys, which we've done, and then talk  
24 about some next steps.

25 So Healthy Alaskans 2020, it's a statewide initiative to

1 identify targets aimed at improving the health of all Alaskans  
2 and then further to coordinate work, moving forward, to reach  
3 those targets.

4 So we have an overall structure that we're working under,  
5 and this is this pyramid. And with their structure, we just  
6 really try to involve all the expertise that we have in this  
7 state and the voices of as many Alaskans as we could. So that  
8 red at the bottom, the Community of Interest, that's really  
9 the public. That's Alaskans that have an interest in health  
10 and wanted to provide some input on this process. And so  
11 we've had a couple of different surveys, public surveys on the  
12 Internet where people have been able to give us their  
13 opinions, let us know what their priorities are and that's  
14 been integrated into this process. And then this builds all  
15 the way up, using the expertise that we have in this state in  
16 terms of data and Health Subject Matter Experts, all the way  
17 up to our Steering Team, which is made up of four folks. It's  
18 the CEO of ANTHC, as well as Dr. Jay Butler from ANTHC, and  
19 then Commissioner Streur and Dr. Hurlburt from DHSS and State  
20 of Alaska Public Health.

21 And this is our process. So this slide sort of -- it's a  
22 picture to get an idea of our process, and you can see the big  
23 "We are here." So we're planning our next Advisory Team  
24 meeting as we speak. It's going to be April 1st and 2nd, and  
25 our Advisory Team is really made up experts from around the

1 state who are representing organizations and communities and  
2 that are making this recommendation of the 25 Leading Health  
3 Indicators, these focuses that we're going to have for the  
4 rest of the decade that we'll be working towards.

5 And the Advisory Team takes in input from the two bubble  
6 areas on the side, from the Community of Interest as well as  
7 from our Data Team and our Subject Matter Experts, and our  
8 Data Team has really worked so hard to pull all the existing  
9 that we have in the state. We're really at an exciting time  
10 in terms of doing this process because there is so much data  
11 available. There are so many groups that have done so many  
12 plans. So with this effort, we're really just trying to build  
13 on those and align those efforts, not start something new.  
14 And then as we move forward, we'll soon be finalizing those 25  
15 Leading Health Indicators and then we'll be identifying and  
16 disseminating proven strategies.

17 And these are some of our deliverables, and you'll see  
18 that red checkmark that's blinking there because our Statewide  
19 Health Assessment has been completed and was released in  
20 January and then the rest of them we're working towards, and I  
21 think, most notably, our ongoing partnerships to align efforts  
22 and monitor status.

23 COMMISSIONER ERICKSON: Can I interrupt for just a  
24 second?

25 MS. AQUINO: Sure.

1           COMMISSIONER ERICKSON: I just wanted to point out to the  
2 Commission members, in case you haven't read your whole  
3 notebook yet, there is a printed copy of the Health Status  
4 Assessment behind tab five.

5           MS. AQUINO: Oh, good. Thank you. That's wonderful.  
6 I'm really glad. Good. That's also available online. It's -  
7 - I hope that it's a really useful document. What it really  
8 is, is we looked at the Leading Health Indicators from Healthy  
9 Alaskans 2010, and we had a team of data experts from around  
10 the state and then they updated those. So you'll see all of  
11 the trend for those 26 Leading Health Indicators, I believe,  
12 that there were from Healthy Alaskans 2010, as well as all the  
13 data sources and some information about each of those. And  
14 then at the front of that, there is, like, a report card, just  
15 a one-pager where you can see everything really clearly, and I  
16 think that that's a useful tool. I use it and bring it to  
17 meetings. And again, that is available online at our website,  
18 which is [www.ha2020.alaska.gov](http://www.ha2020.alaska.gov).

19           But just to talk about some of what's in there, so there  
20 are 26 indicators in there, and they have targets, and we  
21 reached two of our targets. The targets that we reached were  
22 reducing cigarette smoking among adolescents and reducing the  
23 post-neonatal death rate, and it's very exciting that we met  
24 those, and you know, a tremendous job by programs throughout  
25 the state. I think this really reflects people working all

1 over the state in terms of tobacco and working on infant  
2 health. But as you can see, there are only two, but in four  
3 others, there was movement, positive movement. We didn't  
4 quite meet our target, but there was positive movement and  
5 that's also exciting, and there is great work being done.

6 And then you'll see that there are a number of them where  
7 there is little to no movement towards the target, and I would  
8 say that doesn't necessarily reflect that there isn't  
9 tremendous and great work being done in those areas. That  
10 isn't the case at all. I think, as you'll hear more from my  
11 colleague, Beverly, that this really just demonstrates that  
12 perhaps Healthy Alaskans 2010 wasn't set up for success from  
13 the start. It was an enormous and amazing effort done by a  
14 lot of people that had so much knowledge and so much passion  
15 about it, but unfortunately, it didn't have the backing of a  
16 coalition of folks statewide and then the funding to continue  
17 on and work to reaching these goals. So I think, now, I'll  
18 turn it over to my colleague and let Beverly tell you a little  
19 bit more about that.

20 MS. WOOLEY: I'll switch seats here. Thank you, Lisa.  
21 It's great to be back and able to talk with everyone. Let's  
22 see. Here we go.

23 So really what we've done is we went back and we looked  
24 when we got the results from the Healthy Alaskans 2010 and  
25 said, okay, what happened and why didn't we meet that because,

1 if we're going forward with Healthy Alaskans 2020, we don't  
2 want to repeat; we want to learn, and we want to be under a  
3 continual process of improvement. And what we really found is  
4 that, you know, some of the folks were saying, oh, you know,  
5 the State, you didn't do that, using State with a big "S." I  
6 like to say it was the state using the small "s" because what  
7 we know -- in order to achieve these goals, it is going to  
8 require partners across the state in all communities at all  
9 levels aligning behind these and moving forward. If this is  
10 something that the state could do by themselves, we would have  
11 fixed it a long time ago, but it's not. It's very difficult.

12 And one of the exciting things, as Lisa was showing you  
13 our structure that I like to be sure and point out, this is  
14 unique also and the first time that we have come together as a  
15 tribal entity with the State of Alaska to do an assessment and  
16 jointly come forward with identified Health Indicators that  
17 we're going to work on for the decade. We've been at each  
18 other's tables before, if you will, but now, we're really  
19 cosponsoring, saying, you know, we live, work, and play  
20 together. We even get our healthcare at the same places. It  
21 doesn't make sense to not really join together.

22 So one of the big differences with Healthy Alaskans 2020  
23 is we've started that from the beginning. We have -- once our  
24 Indicators have been identified in FY14, you'll see that we're  
25 going to put together an implementation plan. Lisa and I will

1 probably spend a good bit of our time on the road, going to  
2 organizations, going to communities, and really helping them  
3 to align with what we're doing so that we can see that  
4 movement as we're going forward. We'll also be doing more in  
5 the media with getting our general population to understand  
6 why this is important and the benefits that it can bring to  
7 them, as well as working with policymakers at all levels, at  
8 the Legislature, assemblies, but even within corporations and  
9 organizations. An organization, such as ANTHC, can have a  
10 smoke-free campus. That can go a long way in meeting some of  
11 these indicators. That's just an example. So those will be  
12 some of the things that we're doing.

13 We'll also have a very robust online monitoring, so that,  
14 any time, people can go on from around the state and plug into  
15 any of the final indicators and find out where we are right  
16 then, looking at the status and monitoring it, and where the  
17 data is available, we'll be able to drill those down to the  
18 regions, and looking at even the tribal regions, we've been  
19 working closely with the State. Huge change from the last  
20 time. And that information will be available, shared widely,  
21 and that will also allow us to make mid-course changes as we  
22 need to.

23 And I just wanted to take just a couple of minutes. We  
24 did talk to you about doing the initial survey, to let you  
25 know that that was a huge success. We had over 1,500 Alaskans

1 that provided input back to us. That closed at the end of  
2 October, and you can see here that the top interests -- and  
3 we, basically, were trying to get very wide interests from  
4 them. We want to make sure that we aren't doing it to  
5 Alaskans, but we're doing it with Alaskans. So we need data,  
6 but we need to know what the community is thinking and that's  
7 what these surveys are really looking at, so alcohol use and  
8 abuse, cost of healthcare, very near and dear to this group,  
9 diet, exercise, obesity, other substance abuse and violence.  
10 So it's not out of line with what many of us thought. We took  
11 this information, along with that health status, and that's  
12 what the Advisory Team used to come up with their 71 -- what  
13 we now are calling our 71 Potential Leading Indicators, which  
14 is where we are now.

15 We used that to build a second survey, and on this second  
16 survey, we're really trying to get folks to narrow down,  
17 amongst those indicators, which one is really the most  
18 important to them. And so what we were looking at is, if  
19 alcohol is important, are you more concerned about binge  
20 drinking with youth, are you more concerned about prenatal use  
21 of alcohol, is it adults we need to be looking at? So again,  
22 hearing from the community, we'll be hearing from our Subject  
23 Matter Experts again with this to say, okay, this is what we  
24 see across the nation that we're getting the most traction  
25 with. We're also looking at other existing plans within the

1 state to see what's going on with that, as we move forward.  
2 These results -- as you can see, the survey has just closed --  
3 unfortunately, they're not available yet or else we would  
4 share those with you, but those will be coming out in April.  
5 They'll be available online at our website here, and we'll be  
6 able to take those forward.

7 The good news is that we did make a stronger effort this  
8 time, particularly getting our age groups a better  
9 distribution. We didn't get as many young people with the  
10 first survey. We, again, made a mid-course correction. We  
11 did our own assessment again, and we targeted that group.  
12 That group, we got a lot more from, as well as making sure  
13 that the representation across the state has been there, and  
14 we were, again, successful.

15 The second survey, we had over 1,800 people that  
16 participated in that. So we've been extremely encouraged with  
17 the participation.

18 One of the things that, quite frankly, we were concerned  
19 with going into the survey was that perhaps Anchorage and  
20 MatSu area would swamp the survey and we wouldn't hear from  
21 our regional folks. I mean, these were some of our initial  
22 concerns. So we made a concerted effort to make sure to reach  
23 out across the state, and what you see here -- the top line  
24 gives you, overall, the population distribution for the  
25 different areas. The second line is what we found on the

1 first response and then the dark blue is what we found with  
2 the second. And we're really pleased to say that, really, we  
3 had only -- the only percent response from Anchorage/MatSu and  
4 the Interior were the only two areas that were slightly below  
5 what the percentage of population is, and I should probably be  
6 careful, but actually being from Anchorage and MatSu area,  
7 within that region, that, often times, is the elephant in the  
8 room. It didn't hurt my feelings at all that that one was a  
9 little less because I think we have so many opportunities to  
10 provide input, and we were really delighted with what we saw  
11 from across the rest of the state.

12 So again, this has been, you know, our effort to try to  
13 make sure that we're hearing from all Alaskans and that this  
14 really is more of a statewide community process.

15 And just to wrap up, our next steps, at this point, will  
16 be to finish analyzing that data from the second round that  
17 we've had. We will and have been working diligently on all  
18 71, now, of these indicators. We are putting together  
19 information for our Advisory Team that shows the trend for the  
20 last ten years, if we have that, or for as much of that ten  
21 years as possible, where that's sitting, and the public health  
22 importance regarding that, the data sources, how strong they  
23 are, so that they'll be able to use that as we go forward with  
24 the community input to help narrow down those indicators from  
25 71 to 25.

1           So that's going to happen on April 1st. We'll be working  
2 that process, and we're doing this -- I have to also say we're  
3 really trying to make the best of funding. This will only be  
4 our second face-to-face meeting with our Advisory Team. We  
5 have been using extensive use of technology through everything  
6 from, you know, web-based conferencing to polling, and it's  
7 been very, very successful. So I think that we've been able  
8 to do that successfully also.

9           And then once we, again, have those Leading Indicators,  
10 we'll follow-up, as we said earlier, with that FY14 of really  
11 getting out there and getting the alignment, both with  
12 individual organizations, communities, but we'll also be  
13 talking at the policy level to make sure there is alignment  
14 and getting that information out to the public and also to our  
15 providers. I think, last time, another group that was left  
16 out, often times, was our providers. And the real idea is to  
17 increase the health status for all Alaskans, which, in the  
18 long-term, should help to do what you're trying to do, which  
19 is to keep that healthcare cost down, so increasing quality as  
20 well as saving money.

21           So I know we're standing between you and the end of the  
22 day, so we tried to zip through this as fast as we could.  
23 Been there, done that. And wanted to make sure, if there were  
24 any questions, concerns, that we could try to respond to  
25 those. So thank you.

1 COMMISSIONER ERICKSON: Thank you, Bev and Lisa. Keith?

2 COMMISSIONER CAMPBELL: Just one. The community groups,  
3 I know several of the communities have wellness groups and  
4 things like that. Is that who you contacted in this survey  
5 data or how did you get into the local communities?

6 MS. WOOLEY: The survey data went out through a variety  
7 of methods, and it was individuals. It was people, some of  
8 them, many of them working within corporations. We can tell  
9 that by some of the email tags that are on there. It is a  
10 confidential, though not necessarily always an anonymous,  
11 survey because people do have an opportunity to provide their  
12 name, if they want to. And basically, it was through blast  
13 emails, Twitter. We were on Facebook, telling people about  
14 the survey, as well as we tried to reach out, such as through  
15 ANTHC. We made sure all of our Clinical Directors got it. We  
16 made sure that the heads of all of the different regions got  
17 it and asked them to disburse that down. The State did  
18 similar. So -- and the Advisory Team. Oh, yeah  
19 (affirmative). Our Advisory Team, which was about 30  
20 individuals from across the state, has been instrumental in  
21 getting that out within their communities.

22 COMMISSIONER ERICKSON: Other questions for Bev and Lisa?

23 MS. WOOLEY: All right. Well, and I just would also be  
24 remiss if I didn't mention how much Deb has really helped in  
25 participating and working with us. She serves on our Advisory

1 Team, and we actually made folks, when they signed up for the  
2 Advisory Team, sign an Agreement Letter, stating that they  
3 would put in the time, energy, and effort because we've called  
4 on them for hours of work and sent them homework that they  
5 have to do and respond back. And so anyone that you know  
6 that's on the Advisory Team, they really deserve a big thank  
7 you because they've really been working above and beyond for  
8 the good of all Alaskans. Thank you.

9 COMMISSIONER ERICKSON: Well, you're helping us, too, so  
10 this is good. So thanks very much for your time, for coming  
11 to update us, and we will definitely be in touch.

12 We're going to wrap up our meeting now. We were  
13 scheduled on our agenda to end at 12:15. It is 12:10 right  
14 now.

15 In terms of next steps, I summarized, earlier this  
16 morning, what we're going to do related to both the plans for  
17 next meeting and follow-up from our brainstorming sessions  
18 yesterday afternoon and this morning. I'm not going to repeat  
19 that again.

20 But one other point that I'll make, we'll work, over just  
21 the next couple of days, to update and make those  
22 modifications and clarifications on the Affordable Care Act  
23 Update and get that out to you soon. That will probably be  
24 the first thing that you see.

25 Do any of you have any questions or comments before we

1 wrap up this meeting and start getting ready for the next one?  
2 Val?

3 COMMISSIONER DAVIDSON: I just thought this was a really  
4 efficiently run meeting, so thank you.

5 COMMISSIONER ERICKSON: Thank you for that feedback. And  
6 any suggestions for improvement are always welcome, too.  
7 Well, thank you all very much for your time, and we will be in  
8 touch. Take care.

9 12:09:02

10 (Off record)

11 **END OF PROCEEDINGS**

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