

# Health Care Reform in Alaska

Rep. Ivy Spohnholz

Commonwealth North Fiscal Policy Forum

Friday, July 27, 2018

# Rep. Ivy Spohnholz - About me

- ▶ Chair, House Health & Social Services Committee
- ▶ Previous experience
  - ▶ The Salvation Army Alaska
  - ▶ University of Alaska Anchorage
    - ▶ College of Health - Nursing, WWAMI Medical School, Allied Health Program
  - ▶ Executive Masters of Public Administration, University of Washington

# Health Care - Bi-Partisanship in Action

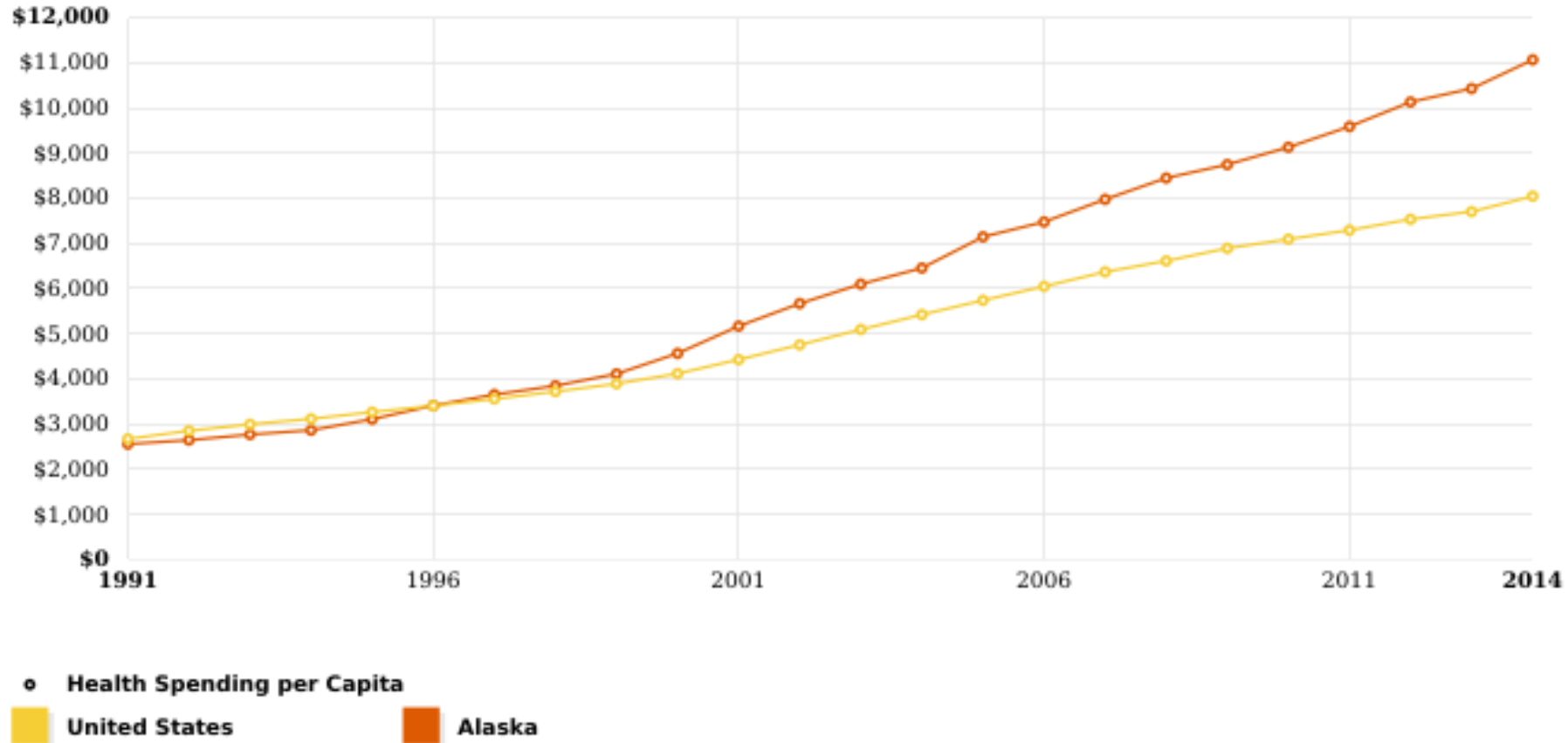
30<sup>th</sup> Legislature passed several pieces of health care legislation that were widely bipartisan in their support.

- ▶ Expanding access to care
- ▶ Price Transparency
- ▶ Fighting addiction and mental illness



# Cost of Health in Alaska

Health Care Expenditures per Capita by State of Residence: 1991 - 2014



SOURCE: Kaiser Family Foundation's State Health Facts.

# Cost of Health Care in Alaska

## Cost of Health Care Per Capita

- ▶ USA \$8,045
  - ▶ Alaska \$11,064 +38%
- 
- ▶ Source Kaiser Family Foundation  
<https://www.kff.org/other/state-indicator/health-spending-per-capita/>

# Expanding access to care

- ▶ **HB 43 - Right to Try (Rep. Jason Grenn)**  
Allows terminally ill patients the right to try experimental medications after they have exhausted other measures.
- ▶ **HB 103 - Optometry (Rep. Ivy Spohnholz)**  
Ensures that the Board of Optometry has the full authority to regulate the scope of practice of Optometrists the same as other prescribing health care practitioners including dentists, medicine and nursing.
- ▶ **169 - Medicaid for Behavioral Health Coverage (Sen. Giessel)**
- ▶ **SB 105 - Licensed Marital & Family Therapists to approved Providers for Medicaid. (Senator David Wilson)**

# Health Care Price Transparency

## SB 105 - Amended to include

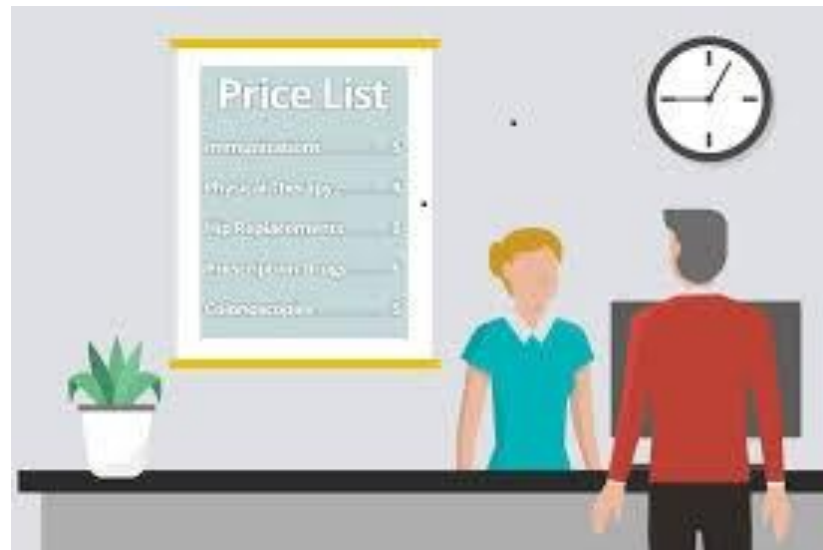
### Public price lists

- ▶ Most health care providers, clinics and hospitals will post their top 10 services in six categories: surgery, anesthesiology, pathology and labs, medicine, radiology, and evaluation & management **in a public place and on their website.**
- ▶ Sole practitioners will list their 25 most frequently provided services.
- ▶ Price list must include the Current Procedure Terminology (CPT) code and list the undiscounted price.
- ▶ *May have a disclaimer that you may pay less than this price if you have insurance so you can go to the billing office for a Good Faith Estimate.*
- ▶ Price lists will also be sent to the Department of Health and Social Services (DHSS) once a year where it will be published on a public website.

# Health Care Price Transparency SB 105 - Amended to include

Requirement for a Good Faith Estimate is now State-wide

- ▶ All health care providers, hospitals, and insurers must provide a **Good Faith Estimate (GFE)** for services upon request.
- ▶ The Good Faith Estimate must say if the provider is "in" or "out-of-network" with your insurer.





# Health Care Price Transparency cont.

## HB 240 - Pharmacy Benefit Managers (Rep. David Guttenberg)

- ▶ Empowers local pharmacies and helps lower prescription drug prices in Alaska.
- ▶ Protects Alaska consumers by eliminating the use of “gag orders” by health care companies and prescription drug manufacturers (used to prevent local pharmacists from informing customers that they can save money by paying for some prescription drugs with cash rather than using health insurance).
- ▶ Clarifies how pharmacies in Alaska can be audited by pharmacy benefit managers.
- ▶ Requires pharmacy benefit managers (PBMs) to register with the state and sets procedures they must follow when conducting audits

# Fighting Addiction

- ▶ **HB 159 - OPIOIDS;PRESCRIPTIONS;DATABASE;LICENSES - Governor's Bill (2017)**
  - ▶ Limits prescriptions of Opioids to 7 day supply (with exceptions)
  - ▶ Requires 2 hours of training in addiction every 2 years
  - ▶ Requires entry of prescription into Prescription Drug Monitoring Program within 24 hours.
  - ▶ Voluntary Nonopioid Directive Act
- ▶ **SB 208 - Sobriety Awareness Month (Senator Berta Gardner)**
  - ▶ Establishes March as Sobriety Awareness Month
- ▶ **Investment of \$12 Million in Addiction Treatment (Capital Budget)**
  - ▶ For Detox and Capital Facilities

# Caring for the Seriously Mentally Ill

- ▶ \$3.1 million for Alaska Psychiatric Institute to get API operating at full 80-bed capacity. Has been as low as 58.
- ▶ Funding for study of Expansion of Alaska Psychiatric Institute to meet Forensic Patient need (People arrested of crimes but in need of mental stabilization for trial)

# Health Care - On the horizon

- ▶ Creating an All Payer Claims Database with a public website for the public to access specific cost for health care procedure for their health care plan.
- ▶ Measures to resolve the 80<sup>th</sup> percentile issue
- ▶ Creating a Health Care Authority
  - ▶ Creating a state-owned corporation to insure public employees.
  - ▶ Could save local communities lots on health care by creating an economy of scale and strengthening the negotiating power of school districts & local governments throughout Alaska.

# Alaska Health Care Transformation Project

- ▶ Cross Sector Collaboration

Goals:

- ▶ *Healthy Alaskans:*

The percentage of Alaskan residents with a usual source of primary care will increase by 15% within five years

- ▶ *Healthy Economy:*

Reduce overall per capita healthcare growth rate to the greater of 2.25% or CPI within five years

- ▶ *Everybody's Business:*

Align all payers, public and private, towards value-based alternative payment models with streamlined administrative requirements within five years

# Alaska Health Care Transformation Project

## Five strategies

- ▶ increasing primary care utilization;
- ▶ coordinate patient care;
- ▶ changing the way healthcare is paid for in Alaska;
- ▶ increasing data analytics capacity; and,
- ▶ address social determinants of health.

# Questions?

**Rep. Ivy Spohnholz**

269-0123

[Rep.Ivy.Spohnholz@akleg.gov](mailto:Rep.Ivy.Spohnholz@akleg.gov)

[http://akhouse.org/rep\\_spohnholz/](http://akhouse.org/rep_spohnholz/)