

# ALASKA STATE LEGISLATURE



*Interim:*  
600 East Railroad Avenue  
Wasilla, Alaska 99654  
(907) 376-3370  
(907) 376-3157 Fax

*Session:*  
State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-6600  
(907) 465-3805 Fax

## **SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE** SENATOR LYDA GREEN, CHAIR

### **Sponsor Statement for SCR 7** **Relating to a Health Care Review Task Force**

State funded health care, including the Medicaid program, is the fastest growing portion of the state budget. After education, health care represents the largest state operating expenditure. Approximately \$10 million dollars per week is spent on Medicaid in Alaska. The spending for Medicaid is growing at a double digit rate while state revenues are level or declining over time. Health care is provided through a complex system of public and private providers and paid for through a system of federal funding, state funding, private insurers, employer operated group plans, private non-profit agencies and individuals.

It is essential that members of the Legislature, the Administration and the public understand the factors that are driving the growth in these programs. SCR 7 sets up a task force consisting of members of the public, the executive branch, and the legislature. The Task Force will be empowered to appoint ad-hoc members and subcommittees consisting of representatives of health care providers, third-party payors, health care recipients and experts in the field of health care. The Task Force will be authorized to hire staff, contract with experts and pay for necessary travel. The costs of the Task Force are expected to be shared between the state and the federal government through the Medicaid administrative costs.

The Task Force along with its ad-hoc members and staff will review Alaska's health care system, including state and federal statutes and regulations, and practices of health care providers to determine where costs can be contained or reduced. The task force will in particular make recommendations for changes in state and federal statutes and regulations that will help to contain or reduce health care costs. The Task Force will provide a report to the Legislature in January 2002 that details recommendations for health care cost containment and reduction both in the short and long term.

SENATOR LOREN LEMAN, VICE-CHAIR  
SENATOR JERRY WARD, SENATOR GARY WILKEN, SENATOR BETTYE DAVIS