

CLERK'S OFFICE
AMENDED AND APPROVED
Date: 4-14-09

Submitted by: ASSEMBLY MEMBERS GRAY-JACKSON
Gutierrez and Drummond
Prepared by: Assembly Counsel's Office
For reading: April 14, 2009

ANCHORAGE, ALASKA
AR NO. 2009-95

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY SUPPORTING
ACTION BY THE ALASKA TWENTY-SIXTH LEGISLATURE TO ADDRESS THE
SHORTAGE OF PHYSICIANS IN ALASKA WILLING TO TREAT SENIOR CITIZENS
COVERED BY MEDICARE.**

WHEREAS, Medicare is the federally-funded health insurance program available to all seniors at age 65, presently covering over 50,000 Alaskans; and

WHEREAS, many of Alaska's health care providers, and disproportionately those within Anchorage, are refusing to treat new Medicare patients, or are opting out of Medicare altogether by requiring Medicare-eligible patients to accept private-pay contracts, in which the patient promises not to bill Medicare; and

WHEREAS, according to a March 2009 study by the Institute of Social and Economic Research, University of Alaska Anchorage, only 13 of the 75 primary care doctors surveyed in Anchorage accept new Medicare patients – only five of which are in private practice, the rest being in publicly supported health care centers or limited service urgent-care clinics; and

WHEREAS, since 2005, it has been demonstrated in research that half of all U.S. individual bankruptcies are caused by medical expenses, and 75.7 percent of these individuals had health insurance; and

WHEREAS, the number of Medicare patients at the Anchorage Neighborhood Health Center has more than doubled since 2001, straining the services of its physicians who accept walk-in Medicare patients; and

WHEREAS, many company-sponsored insurance programs, including government participants in the Public Employees Retirement System (*PERS*), rely on cost-sharing from Medicare after an eligible participant turns 65; and

WHEREAS, physician payment under Medicare rates can equal up to one-third less than physician rates paid under private-pay and private sector health insurance programs, creating a double financial burden to Medicare-eligible seniors, especially those on lower fixed incomes: Higher medical costs per service and no acceptable medical insurance; and

WHEREAS, it is becoming nearly impossible for many of Alaska's seniors to find a primary care physician who accepts Medicare coverage when their current physician retires; and

1 **WHEREAS, Alaska because of its geographical isolation and size, faces**
2 **severe shortages of medical care providers and high delivery costs; and**
3

4 ~~WHEREAS, the attached "Doctors for Seniors Act" has been pre-filed as House~~
5 ~~Bill No. 178 in the 26th Legislature — First Session, to address the critical shortage of~~
6 ~~physicians willing to accept Medicare insurance by providing annual state incentive~~
7 ~~payments to physicians who provide qualified services to Medicare patients; and~~
8

9 WHEREAS, this is a burgeoning healthcare issue because the number of
10 Alaska's senior citizens over the age of sixty-five is expected to double within the next
11 fifteen years;
12

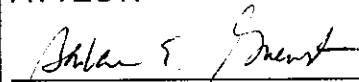
13 **NOW, THEREFORE BE IT RESOLVED, that the Anchorage Assembly**
14 **strongly supports action by the Twenty-Sixth Alaska Legislature to address this**
15 **shortage of physicians in Alaska willing to treat senior citizens covered by**
16 **Medicare.**
17

18 **And let it be further resolved, that the Assembly urges the legislature to**
19 **petition the federal government to recognize and resolve conflicts between the**
20 **structure of the current Medicare program and Alaska's unique needs.**
21

22 PASSED AND APPROVED by the Anchorage Assembly this 14th day of
23 April, 2009.
24

25 
26 Chair

27 ATTEST:

28 
29 _____
30 Municipal Clerk

HOUSE BILL NO. 178

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES GARA, Holmes, Kawasaki, Harris

Introduced: 3/12/09

Referred: Health and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act providing for state incentive payments to physicians who provide qualified**
2 **services to Medicare recipients and services to patients for which there is no charge to**
3 **the patient; having the short title of the 'Doctors for Seniors Act'; and providing for an**
4 **effective date."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 SHORT TITLE. This Act may be known as the Doctors for Seniors Act.

9 *** Sec. 2.** AS 47.05 is amended by adding a new section to read:

10 **Sec. 47.05.052. State incentive payments to physicians.** (a) To the extent
11 funding is available, the department shall make annual payments in an amount
12 specified in (c) of this section to a physician licensed in the state under AS 08.64 who
13 provides qualified services as described in (b) of this section.

14 (b) To qualify for payment under this section, a physician must provide

1 qualified services as described in this subsection in at least 200 office or outpatient
 2 visits with patients who are enrolled in the Medicare program under 42 U.S.C. 1395 or
 3 with patients at no charge to the patient or any third party or governmental entity. At
 4 each visit, the physician must provide

5 (1) a new patient with evaluation and care management services that
 6 include a history, examination, and medical decision-making through face-to-face
 7 contact with the patient or the patient's family that is consistent with current
 8 procedural terminology billing codes for those services; or

9 (2) an established patient with evaluation and care management
 10 services that include a history, examination, and medical decision-making, or at least
 11 two of those components, with or without face-to-face contact with the patient or the
 12 patient's family that is consistent with current procedural terminology billing codes for
 13 those services.

14 (c) The annual payment under (a) of this section is

15 (1) \$6,000 for not fewer than 200 and not more than 399 qualified
 16 visits;

17 (2) \$14,000 for not fewer than 400 and not more than 499 qualified
 18 visits;

19 (3) \$20,000 for not fewer than 500 and not more than 599 qualified
 20 visits;

21 (4) \$24,000 for not fewer than 600 and not more than 699 qualified
 22 visits;

23 (5) \$28,000 for not fewer than 700 qualified visits.

24 (d) A physician seeking a payment under this section shall apply on a form
 25 approved by the department and provide proof of eligibility for the payment, as the
 26 department requires.

27 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
 28 read:

29 **CROSS-REFERENCE TO BILLING CODES.** The current procedural terminology
 30 (CPT) billing codes referenced in AS 47.05.052(b)(1) and (2), added by sec. 2 of this Act, are
 31 codes 99201 - 99205 and codes 99211 - 99215, as the codes existed on February 1, 2009 and

1 as adopted by the United States Department of Health and Human Services, Centers for
2 Medicare and Medicaid Services, under 42 C.F.R. 414.40(a).

3 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 **FEDERAL APPROVAL, CONTINGENT EFFECT, AND NOTIFICATION.** (a) The
6 Department of Health and Social Services shall apply to the federal government for an
7 applicable waiver, pilot project, or medically underserved population or area designation to
8 give effect to the incentives for services provided to a Medicare recipient under AS 47.05.052,
9 enacted by sec. 2 of this Act.

10 (b) The incentives for services provided to a Medicare recipient under AS 47.05.052,
11 enacted by sec. 2 of this Act, take effect only if the federal government approves a waiver, a
12 pilot project, or a medically underserved population or area designation that authorizes the
13 incentives for services provided to a Medicare recipient in AS 47.05.052.

14 (c) If the federal government approves a waiver, a pilot project, or a medically
15 underserved population or area designation that accommodates the incentives for services
16 provided to a Medicare recipient in AS 47.05.052, the commissioner of health and social
17 services shall immediately notify the revisor of statutes in writing.

18 * **Sec. 5.** If, under sec. 4 of this Act, the incentives for services provided to a Medicare
19 recipient in AS 47.05.052, enacted by sec. 2 of this Act, take effect, they take effect on the
20 date that the revisor of statutes receives notification from the commissioner of health and
21 social services of federal approval of a waiver, a pilot project, or a medically underserved
22 population or area designation that authorizes the incentives for services provided to a
23 Medicare recipient in AS 47.05.052.

24 * **Sec. 6.** Section 4 of this Act takes effect immediately under AS 01.10.070(c).

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Dept:** Assembly**Review
Depts:** Assembly**Date
Prepared:** 4/5/09 4:31 PM**Director
Name:** Harriet Drummond**Assembly
Meeting
Date:** 4/14/09

| Workflow Name | Action Date | Action | User | Security Group | Content ID |
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| AllOtherARWorkflow | 4/5/09 4:35 PM | Checkin | Elvi Gray- Jackson | Public | 007594 |