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SENATE COMMITTEE ON INDIAN AFFAIRS

**Legislative Hearing**

Testimony on S. 235, *Alaska Native Tribal Health Consortium Land Transfer Act*

July 31, 2013

Good afternoon Chairwoman Cantwell, Ranking Member Barrasso, Senator Murkowski, Senator Begich and other members of the committee. My name is Andy Teuber. I am the Chairman and President of the Alaska Native Tribal Health Consortium (ANTHC). Thank you for the opportunity to testify in support of S. 235—the Alaska Native Tribal Health Consortium Land Transfer Act.

ANTHC is a statewide tribal health organization that serves all 229 federally-recognized tribes and over 143,000 Alaska Natives and American Indians in Alaska. We are the largest, most comprehensive tribal health organization in the United States. Through a Self-Governance Compact, ANTHC provides health services that were previously provided by the Indian Health Service.

ANTHC jointly operates the Alaska Native Medical Center (ANMC) with Southcentral Foundation. Located in Anchorage, this 150-bed hospital is the statewide tertiary care center for over 143,000 Alaska Natives and American Indians who live in Alaska. Annually, we provide over:

- 287,000 outpatient visits;
- 54,000 emergency department visits;
- 8,000 inpatient admissions;
- 1,500 infant deliveries; and
- 10,000 surgical procedures.

We believe ANMC is one of the finest facilities in the Indian health system. As a Level II Trauma Center, ANMC is the highest certified trauma hospital in Alaska. This recognition certifies our ability to provide quality care to people who suffer traumatic injuries 24 hours a day, 365 days a year. Today, Alaska Natives are healthier and living longer as a result of the care provided at ANMC and by the Alaska Tribal Health System.

However, there is much more work to be done. One of our main challenges is meeting the increased demand for health services of an ever-increasing population of Alaska Natives. The population we serve has increased by over 34 percent since ANMC first opened, increasing from about 105,000 in 1997 to over 143,000 today. To meet current and future needs ANTHC has developed a comprehensive campus facilities master plan. We have identified an immediate need for increased patient housing to increase capacity at ANMC.

As ANMC serves as the referral hospital for tertiary cases for the entire Alaska Tribal Health System, many of the patients we serve are from villages many hundreds of miles outside of Anchorage (see Exhibit A, attached). For these individuals, the biggest challenge in accessing specialty services at ANMC is the lack of housing and an affordable place to stay while in Anchorage. ANTHC has undertaken extraordinary efforts to accommodate traveling patients as best we can with limited resources. However, the cost of providing housing to patients and medically necessary escorts under the current system has risen dramatically and will be unsustainable in the future.

In 1999 the cost of providing housing for patients and escorts was \$600,000. This cost has increased 8-fold, to \$4.8 million, in FY 2012. Because we receive only minimal reimbursements for providing patient housing, we expect an estimated net loss of \$4.5 million for in FY 2012 for providing patient housing. This cost is borne solely by ANTHC from ANMC operating funds. Our current capacity for patient residential housing is 52 rooms at our Qujana House, managed by ANMC, and 110 hotel rooms that ANMC contracts for at considerable expense.

In order to improve patient care and contain costs for providing housing to patients (and their escorts) who receive care at ANMC, we need to construct a 170-room residential and outpatient guest room facility. Estimated construction cost of the Patient Housing Facility is \$40 million currently. After completion, the housing facility will save ANTHC an estimated \$2 million per year.

The Patient Housing Facility will be built on the closest open land to ANMC, which is located directly across the road, north of ANMC. The housing facility will be connected to ANMC via a sky bridge, maximizing patient care and minimizing transportation expenses.

On June 21, 2013 the Indian Health Service provided a quitclaim deed to ANTHC for the 2.79 acre parcel where the Patient Housing Facility will be built (see Exhibit B, attached). The housing facility will be built using non-federal funds. Currently there are no buildings on the 2.79 acre parcel ANTHC is seeking to obtain warranty deed title to, through S. 235, and the land is being used for parking. To address parking issues that may arise from displacement, ANTHC is also in the design phase of constructing a parking garage on the 2.79 acre parcel.

While the quitclaim deed allows ANTHC to begin construction of the Patient Housing Facility, it is still necessary that ANTHC hold an unencumbered title to the land on which the Patient Housing Facility will be located on. Having an unencumbered title will allow ANTHC to use the Patient Housing Facility as collateral to obtain the financing necessary to achieve our long-term expansion needs. This can only be accomplished through federal legislation, therefore the need for S. 235.

We respectfully request favorable consideration of S. 235, which, if passed, would greatly improve the accessibility of much needed health services for Alaska Natives and American Indians throughout Alaska, whose health care status, despite years of progress, continues to lag far behind other populations in Alaska and the rest of the United States.

If enacted this important legislation would allow ANTHC to successfully continue to fulfill the federal government's trust responsibility by providing for the current and future health care needs of Alaska Natives and American Indians throughout Alaska.