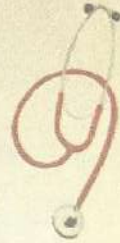


*Jim,  
A great story of your  
dedication and vision.  
Thank you.  
Tony Kowalski*



ALASKA'S HEALTH  
INSURANCE CRISIS

“  
**It's just too  
difficult to get  
the public  
to swallow  
that whole  
heap at once.**

”  
- Former Juneau  
legislator **Jim  
Duncan** describing  
efforts at creating a  
comprehensive  
health insurance  
plan for Alaskans

Jim Duncan was once part of a legislative task force charged with fixing Alaska's health care problems. Today, nearly 10 years after his committee's ideas were killed by the Legislature, he's working on smaller, less wildy ways to help uninsured Alaskans.

BERNINA O'SULLIVAN  
The Anchorage Press



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# A Smaller Vision

*Sweeping health-care reforms went nowhere, but Alaska is now finding success with scaled-down projects*

By ANN POTEMPA  
Anchorage Daily News

**J**im Duncan had big ideas 10 years ago. He joined a legislative task force analyzing health care shortfalls in Alaska. The committee's job: Fix the problems.

After more than a year of work, the panel knew Alaska's health care system was in crisis. In a state where medical costs were rising at nearly three times the rate of inflation, 75,000 Alaskans were uninsured.

The group suggested sweeping solutions, Duncan said. Make health care more available for children and pregnant moms. Stem rising costs. Overhaul how insurance is distributed. Instead of employers providing benefits, create a "single-payer system" where everyone is covered and premiums are handled through public money — a new tax or maybe a portion of the Permanent Fund Dividend.

Along the way, doctors and consumer groups weighed in. In the Legislature, a compromise bill moved to the floor.

And then, the entire piece of legislation failed.

Key legislators rejected the sin-

gle-payer approach. Some weren't even convinced Alaska faced a health care crisis. Nationally, Clinton's health care reform collapsed.

"It kind of let the air out of the balloon," said Duncan, then Juneau's Democratic senator.

A decade later, Alaska's crisis continues. "We still have thousands and thousands of uninsured Alaskans — Alaskans who still can't get basic health care coverage," Duncan said.

Still, the failed bill led to something. Duncan decided to give up the system-overhaul approach in favor of tackling the problem in bite-size pieces.

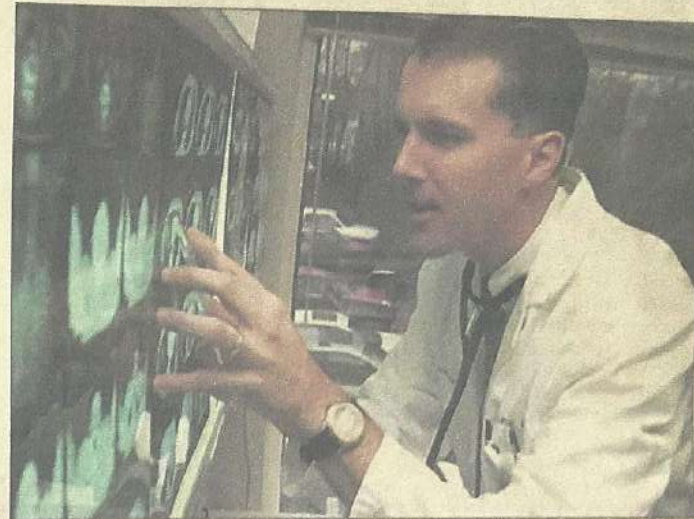
"I saw it as laying the groundwork for some very important steps to be taken in the future," he said.

## A CHANGE IN PHILOSOPHY

Today, sitting at the helm of the Department of Administration, Duncan has much smaller ideas.

For one thing, he's got hindsight. "It's just too difficult to get the public to swallow that whole heap at once," Duncan said.

Others are using this approach, too. Last winter, Rep. Sharon Cissna hosted lunch-time meetings in her Anchorage office. She welcomed



DEBBIE CHASE-JEWINGS / Asheville (N.C.) Citizen-Times

Dr. Charles Cummings of Asheville, N.C., is one of the participating physicians in Project Access, a program that provides free care to low-income, uninsured patients. Some Alaskans say Asheville's program could work here.

anyone to share concern over rising health care costs or the inability to afford insurance. When the January legislative session started in Juneau, she and others promoted small-scale bills that tackled only one aspect of the state's health care problems.

But change isn't only in the hands of legislators. Back in Anchorage, health care professionals are engaged. The Anchorage Access to Health Care Coalition asked doctors to consider a program designed in North Carolina and now being replicated throughout the nation. Doc-

tors, including specialists, voluntarily donate care to a certain number of low-income, uninsured patients.

Since Duncan's original task force dissolved, Alaska's success in health care reform has come in bits and pieces. The state approved a Medicaid expansion program in 1999 that provides health care to children and pregnant women from low-income families, called Denali KidCare. In the past year, the program was there for 12,000 children and 2,900 women.

See Page D-4, VISION

A GUIDE  
TO THE

May 7: Who's not insured?  
self-employed workers in

May 14: The small-business struggle.  
A small employer struggles to offer health

MAY 21: Who pays for medical care  
for the uninsured? A look into how much  
local hospitals and clinics spend on

TODAY: Solutions. Ten years of work  
has produced few solutions in Alaska.  
One idea is community-wide donated  
care practiced in one North Carolina

# VISION: Scaled-down projects have better chance

Continued from D-1

That means low-income children have coverage, but what about workers without insurance?

This year, Duncan's staff wrote a bill designed to help those working for nonprofits and service groups, like child care workers, find affordable health insurance. He shipped it around to legislators. Cecilia D'Anchorage, and Rep. Peggy Wilson, R-Wrangell, signed on. It became House Bill 483.

It wasn't "the silver bullet," Duncan said. It didn't address rising health care costs, or the dilemma of small employers struggling to offer benefits to their employees.

Rep. Norman Rakeberg, R-Anchorage, took a stab at the small business problem, sponsoring House Bill 315.

Eventually, sponsors melded both bills into one that would allow the state to identify health insurance providers who could offer coverage to small businesses, nonprofits and service groups.

### BACK TO THE DOCTORS

But the legislative route is only one path. In Anchorage, others were talking about better ways to share treatment of the uninsured.

The Anchorage Access to Health Care Coalition started four years ago, linking workers from hospitals, the municipal health department and neighborhood clinics. Studying state data, the coalition learned that 26,000 Anchorage adults lack health benefits. "Their mission is to reduce that number. A project in one county clear across the country has caught their attention.

The 8-year-old Project Access in Buncombe County, N.C., works because almost all doctors agree to donate a fixed amount of care to uninsured, low-income residents every year.

The local coalition talked to a small sample of Anchorage doctors who were already donating care. Dr. Richard Neubauer, a local internist, was one of them.

"We give care and some times we don't collect any money for it," said Neubauer. "Not because we don't want to but because patients can't pay. I don't think I'm alone in that at all. I think a lot of physicians in town do."

As in Anchorage, Buncombe County doctors already were donating care to patients but not in any coordinated way. Patients saw primary care doctors but couldn't always see specialists or pay for their medications.

The county's medical society evened out the playing field. Each primary care doctor now donates care to 19 low-income, uninsured patients a year. Each specialist donates treatment to 26 patients. Or doctors volunteer to work eight nights in a free doctor's clinic. Today, more than 500 doctors,

Coalition members are writing a proposal, outlining how the Buncombe County project might look in Alaska. The process could take years.

or 85 percent of the medical society's membership, donate care, said Jeremy Russom of Project Access.

Almost 19,000, or 8 percent of Buncombe County's population, have no insurance and fall within 200 percent of the federal poverty level. With Project Access, 17,000 of them get primary care, specialty care and medications, said Russom.

Would Anchorage doctors go along with a similar organized approach?

"We sort of ran it up the flagpole, and they were interested," said Joan Fisher, coalition member and the executive director of the Anchorage Neighborhood Health Center.

In North Carolina, doctors' support led others to make concessions too. Hospitals donate laboratory work and X-rays. Pharmacists waive their dispensing and consultation fees and discount drug prices. The county commissioners shipped in \$400,000 a year, and most of that money covers medication costs for patients.

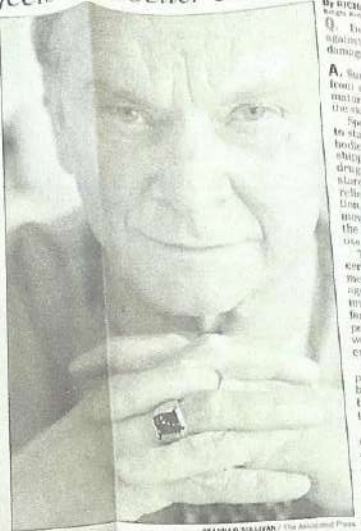
Russom said in several areas. The local chamber of commerce reported higher workplace productivity and less absenteeism. Primary care centers started seeing more patients with primary care problems, which means fewer are being seen in emergency rooms.

Last year doctors donated \$4 million in care. From the project's inception, they've contributed \$27 million in treatment. This donation has reduced the amount of charity care in hospitals, Russom said.

Some think a similar program could work here while still recognizing it isn't the "silver bullet," either. Uninsured, low-income Alaskans would get help, but higher-income residents with expensive, high-deductible insurance, or those using government insurance programs like Medicare, would see no new relief.

And there are still plenty of questions. Would grant money pay for a program like this? Who would run it? And how many local doctors would be interested in participating?

Coalition members are writing a proposal, outlining how the Buncombe County project might look in Alaska. The pro-



SEAN HULLIVAN / The Anchorage Press

The staff of Jim Duncan, head of the state Department of Administration, write a bill this year designed to help those working for nonprofits and service groups.

cess could take years.

### LOOKING FORWARD

In Juneau, high hopes for the health care legislation, HB 315, led nowhere. By session's end, it was only a memory. Cisna e-mailed the bad news statewide.

"As of midnight last night, the final effort to pass affordable health legislation failed," Cisna wrote on the last day of the session.

All along, insurance brokers had questioned whether the bill would help. But Duncan thought the legislation could have led to benefit packages small businesses didn't have before.

Faced with yet another legislative letdown, Cisna got re-sponded by slipping in for the next fight.

"Our office will not count yesterday's events as a de-

feat," she wrote in her e-mail. Her message ended with an invitation: She'll be hosting the next lunchtime meeting in her downtown Anchorage office, June 11.

"Anyone interested in working toward affordable and accessible health care is welcomed."

Register Ann Pitelka can be reached at apitelka@alaska.com or 257-4561.

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