

Alaska Native Medical Center Challenges for the next decade

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ALASKA NATIVE
MEDICAL CENTER



The Alaska Native Tribal Health Consortium and Southcentral Foundation jointly own and manage the Alaska Native Medical Center under the terms of Public Law 105-83. These parent organizations have established a Joint Operating Board to ensure unified operation of health services provided by the Medical Center.

Increasing Volumes

- We anticipate a 64% increase in demand for services over a ten year period from 2005 to 2015
- It is highly unlikely that funding will keep pace with this increase in demand
- Facility expansion will be necessary and costly
- The hospital is almost ten years old and much of the equipment needs to be replaced
- Critical need for improved information systems which will also be very costly (an electronic health record will be \$8M-\$15M over a 3 year period)



Staffing

- Recruitment is very challenging, especially
 - Orthopedic surgeons
 - Internal Medicine
 - Otolaryngology
 - Experienced nurses for critical care, operating room and emergency services
 - Medical technologists
- Wages are increasing sharply for medical specialties



Internal Processes

- Process Improvements are needed in many areas
 - Patient registration redesign
 - Better internal coordination of care
 - Coordination for complex patients
 - Reduce length of stay for inpatients
 - 2005 = 6.19
 - 2006 = 5.49
 - 2007 = 5.21 (1st Quarter)
 - Estimated net savings for each 0.1 day is \$350,000
 - National average is approximately 4.9 days, 3.8 days in an ideal system



Statewide Processes

- Opportunities for improved coordination of care could result in:
 - Better coordination of patient care
 - Reduced length of stay
 - Better patient satisfaction
 - Improved staff satisfaction
 - Better use of scarce resources



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Need for clarity on benefits and approvals

- We have a good general idea about the core services that are covered for our patients
 - We lack documentation of the specific benefits
 - We lack a defined authorization process for services such as durable medical equipment
 - We believe that implementation of an effective authorization process could result in millions of dollars in savings.
- Complex social risk factors add complexity and cost



Summary

- Escalating Demand
- Escalating Costs
- Challenging Recruitment
- Undefined Benefits



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