

**TESTIMONY OF MICHAEL E. DOUGLAS,  
SENIOR VICE PRESIDENT/CHIEF LEGAL OFFICER  
SOUTHEAST ALASKA REGIONAL HEALTH CONSORTIUM  
TO THE HOUSE SUBCOMMITTEE FOR INDIGENOUS PEOPLES  
OF THE UNITED STATES  
IN SUPPORT OF  
THE SOUTHEAST ALASKA REGIONAL HEALTH CONSORTIUM  
LAND TRANSFER ACT, H.R. 442  
JUNE 20, 2021**

My name is Michael E. Douglas. I am the senior vice president and chief legal officer of the Southeast Alaska Regional Health Consortium, or SEARHC, and a member of the Haida Indian Tribe of Alaska enrolled with the Central Council Tlingit & Haida Indian Tribes of Alaska. I am honored to provide written testimony to this Committee in support of the *Southeast Alaska Regional Health Consortium Land Transfer Act*, H.R. 442.

I want to take this opportunity to thank the members of this Committee and, in particular, Representative Don Young from Alaska, for the unwavering support for Alaska Native communities and Tribal health care providers in Alaska. SEARHC greatly appreciates the Committee's time and consideration of this bill, so as to ensure Alaskan lands and health care resources are utilized in the best possible way.

SEARHC is an Alaska Native controlled non-profit tribal organization. We are authorized by resolutions from the governing bodies of 15 federally recognized Alaska Native tribes to compact with the Indian Health Service pursuant to the Indian Self-Determination and Education Assistance Act (ISDEAA) to administer a comprehensive health care delivery system for the Tlingit, Haida, Tsimshian and other Native peoples of southeast Alaska. The *Southeast Alaska Regional Health Consortium Land Transfer Act* is critical to our efforts to improve the health care we provide throughout the southeast Alaska region and, most critically, at our Mt. Edgecumbe Medical Center campus in Sitka, Alaska.

Founded in 1975, SEARHC is one of the oldest and largest Native-run health organizations in the Nation. In 1976, SEARHC first contracted with the Indian Health Service under the ISDEAA to take over management of the Community Health Aide Program. In 1982, SEARHC expanded our ISDEAA contract and assumed operations of the IHS Juneau Clinic (now the Ethel Lund Medical Center) and, in 1986, assumed operations of the Mt. Edgecumbe Hospital in Sitka (now referred to as the Mt. Edgecumbe Medical Center). Since that time, SEARHC has provided health care services to the people of our region under a Self-Governance Compact with the Indian Health Service, executed under Title V of the ISDEAA, and significantly expanded our health care programs for the benefit of our Alaska Native/American Indian beneficiaries and non-beneficiaries alike.

Today, the SEARHC service area stretches over 42,000 square miles of the southeast Alaska panhandle with no roads connecting most of the rural communities we serve. The full scope of health care services we provide includes medical, dental, mental health, physical therapy, radiology, pharmacy, laboratory, nutritional, audiology, optometry, respiratory therapy, labor and

delivery and surgical services. We also provide supplemental social services, behavioral health, substance abuse treatment services, health promotion services, emergency medical services, environmental health services and traditional Native healing. We provide these services through a network of community clinics, the Mt. Edgecumbe Medical Center located in Sitka, Alaska and the Wrangell Medical Center in Wrangell, Alaska, both of which are critical access hospitals. Providing essential services in 27 southeast Alaska communities and counting, SEARHC has proven to be a health care leader over the decades in training and workforce development, innovative services and programs, community partnerships, and professional affiliations.

The urgent health care needs across Indian Country are well known and the challenges in meeting those needs are heightened in rural areas like southeast Alaska, where our communities are isolated and both transportation and facilities costs are high. SEARHC applauds our congressional leadership for recognizing these needs by increasing the Indian Health Service budget in this past year and by directing critical funding to Tribal health providers and health systems to combat the current COVID-19 pandemic. These funding sources are vital for SEARHC and other Tribal health organizations to better meet the health care needs of our Tribal beneficiaries and the broader communities we serve. However, even these increases will not be enough to allow SEARHC to meet the full scope of health care needs of the people and communities we serve as well as address the significant repair and maintenance needs of the aging Mt. Edgecumbe Medical Center. We are confident we will meet these challenges, but to do so we will need your help.

The Mt. Edgecumbe Medical Center is a 25-bed critical access hospital. We provide acute care, critical care, obstetrics, surgery, and perioperative care, as well as outpatient primary care and emergency services here. In FY 2020, we logged 183,494 outpatient visits organization-wide, which include visits to our family and general practice, nursing clinics, behavioral health clinics, emergency department, telemedicine, radiology, rehabilitation and optometry services, nutrition, social services and specialty and surgery clinics. In 2020, 107 babies were born at Mt. Edgecumbe Medical Center. Going forward, we anticipate delivering care to approximately 18,000 Alaska Native beneficiaries throughout the region at Mt. Edgecumbe Medical Center.

Unfortunately, the historic Mt. Edgecumbe Medical Center is in poor condition and it can no longer meet the requirements of a growing, modern health care system. The facility was first constructed toward the end of World War II by the War Department and through the 1950s focused largely on tuberculosis treatment. At 75 years old, the current Mt. Edgecumbe Medical Center is the oldest facility in Alaska and one of the oldest in the Nation. The existing hospital is inadequate, inflexible and unable to support the quality and quantity of projected services over the coming years. We have consistently reported to Congress on this topic, and another year of use has only increased the demands on the facility and the need for a replacement.

According to the 2019 Facility Engineering Deficiency System (FEDS) report, Mt. Edgecumbe Medical Center has approximately \$59 million in facility deficiencies, including a 35-year-old air handler, elevators that do not meet minimum size requirements and an electrical demand exceeding 97% of current capacity. Similarly, the August 2018 report produced by the Indian Health Service, as directed by Senate Report 114-281 for the Department of the Interior, Environment, and Related Agencies Appropriations Bill, 2017, the estimated cost to address the inventoried code deficiencies and backlog of maintenance and repairs over the next 10 years is

nearly \$80 million. These facility deficiencies are not unique to SEARHC. Estimates place IHS facilities funding needs at well over \$8 billion, a number which continues to rise because IHS lacks sufficient funding to keep pace with the maintenance needs of these Tribal health facilities. Thus, we urge the Committee to continue to push the Indian Health Service to find solutions that will help us to provide care to our patients in appropriate facilities both now and in the future. We view H.R. 442 as an integral part of one such solution.

The need for H.R. 442 is simple. SEARHC has developed plans to construct a replacement facility for the aging Mt. Edgecumbe Medical Center and is deep in the process of finalizing our agreement with the Indian Health Service to go forward with our Indian Health Service Joint Venture Construction Program project. With this joint venture, SEARHC will rejuvenate and modernize our Mt. Edgecumbe Medical Center campus with a new, state-of-the-art health care facility that expands our services while increasing access and availability of care for the patients we serve. The parcel of land at issue in H.R. 442 is critical for the overall development of our campus plan under the joint venture project and will support the new hospital once constructed.

SEARHC has worked collaboratively with the Indian Health Service and other state and federal agencies on the transfer of the lands comprising the Mt. Edgecumbe Medical Campus for the past several years, and H.R. 442 is another important piece of the puzzle. To help move the land transfer process along, SEARHC hosted Alaska Area Office IHS staff at the Mt. Edgecumbe Medical Center campus, we met at IHS Headquarters, and we tracked weekly progress through informal check-ins with agency staff. Our dedicated staff have spent hours and hours researching and tracking down the needed documentation and clearances to facilitate transfer of the land from the Indian Health Service to SEARHC. From tribal resolutions to site assessments, each requirement has been carefully tracked and monitored. SEARHC initiated and effectively conducted hazmat surveys and historic determinations of eligibility on behalf of the IHS for the Mt. Edgecumbe Medical Center campus properties. We took the initiative to coordinate with outside agencies that may have a stake in the land transfer, including the Federal Aviation Administration, the Bureau of Indian Affairs, the Alaska Historical Society, and the National Parks Service.

H.R. 442 will facilitate the transfer of unencumbered title to the remaining parcels within the Mt. Edgecumbe Medical Center campus and, therefore, is a critical component in carrying out our proposed Joint Venture Construction Program project and our comprehensive plan for the delivery of health care across our expansive service area. H.R. 442 directs the Secretary of the Department of Health and Human Services to transfer approximately 10.87 acres of land located on the Mt. Edgecumbe Medical Center campus to SEARHC by warranty deed, which can only be accomplished through federal legislation, to facilitate replacement of the Mt. Edgecumbe Medical Center and our region's future health care expansion needs.

H.R. 442 is functionally identical to the *Southeast Alaska Regional Health Consortium Land Transfer Act of 2017* (Public Law 115-326), which authorized the warranty deed transfer of 19.07 acres of Indian Health Service properties within the Mt. Edgecumbe Medical Center campus. As of July 3, 2019, the Indian Health Service has transferred the first 11.94 acres of that property to SEARHC, which have been incorporated in our plans for the future site of a replacement hospital and long-term care facility.

SEARHC and the Indian Health Service have now completed all required environmental surveys, hazard assessments, and historical determinations on all remaining properties to be transferred under the 2017 Act and those properties to be transferred under H.R. 442. SEARHC is currently finalizing a required agreement with IHS and State Historic Preservation Office on parcels located within a National Historic Landmark known as Sitka Naval Operating Base to complete the final step in the transfer process. H.R. 442 will allow us to further consolidate ownership of the campus properties and position SEARHC to achieve success in our Joint Venture Construction Program project.

SEARHC stands on the threshold of health care innovation in Alaska as we prepare to construct state-of-the-art replacement hospital. A new replacement facility will immediately improve patient care while demonstrating to our patients that SEARHC remains committed to delivering the highest possible care for generations to come and will provide much needed employment for many throughout the region. It will help us address the perennial challenges of physician recruitment and retention by inviting professionals to come practice their specialty in a state-of-the-art facility in a beautiful setting. The enhancement of a broad array of clinical and support services will further SEARHC's extension of high-quality care to each of our remote village-based clinics as well.

Thank you for the opportunity to provide testimony to the Committee on the *Southeast Alaska Regional Health Consortium Land Transfer Act*, H.R. 442. We thank the Committee for its support for this measure and look forward to speedy approval of this bill so SEARHC can begin to move forward with replacing this critical hospital.