

STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Stephen A. McAlpine, Chairman  
Rebecca L. Pauli  
Robert M. Pickett  
Norman Rokeberg  
Janis W. Wilson

In the Matter of the Request Filed by the )  
MUNICIPALITY OF ANCHORAGE d/b/a ) U-16-094  
MUNICIPAL LIGHT & POWER DEP'T for )  
Approval to Establish Depreciation Rates )

In the Matter of the Tariff Revision Designated )  
as TA357-121 Filed by the MUNICIPALITY ) U-17-008  
OF ANCHORAGE d/b/a MUNICIPAL LIGHT )  
& POWER DEPARTMENT )

**PRE-FILED TESTIMONY OF ROALD HELGESEN ON BEHALF OF THE  
ALASKA NATIVE TRIBAL HEALTH CONSORTIUM**

**INTRODUCTION**

1. Q. Please state your name, present position, and address.

A. My name is Roald Helgesen, and I am the Chief Executive Officer ("CEO")  
and Administrator for the Alaska Native Tribal Health Consortium ("ANTHC").

My work address is 4000 Ambassador Drive, Anchorage, Alaska 99508.

2. Q. Please describe your professional qualifications.

A. I earned a Master of Science degree in Health Care Administration from  
Trinity University in San Antonio, Texas, along with the department's award for

1 excellence in graduate education. I am a member of the American College of  
2 Healthcare Executives and the Healthcare Financial Management Association. I  
3 also serve on the Alaska Tribal Health Directors' committee of the Alaska Native  
4 Health Board, the executive committee of the Alaska State Hospital and Nursing  
5 Home Association, and the steering committees for Recover Alaska and Healthy  
6 Alaskans 2020. My resume is included as Exhibit RH-1.

7 3. Q. What are your responsibilities as CEO and Administrator for ANTHC?

8 A. I oversee the health services ANTHC provides statewide for Alaska Native  
9 people, including the tertiary and specialty care hospital at the Alaska Native  
10 Medical Center ("ANMC"). I also am responsible for environmental health and  
11 engineering, community health, and business support services that serve Alaska  
12 Native and American Indian people living in Alaska, including oversight of the  
13 ANTHC annual budget.

14 4. Q. How long have you served as CEO and Administrator?

15 A. I have been ANTHC's CEO and Administrator for five years. Before that I  
16 held several positions of progressive responsibility in the Alaska Tribal Health  
17 System, most recently as President and Chief Executive Officer of Southeast  
18 Alaska Regional Health Consortium in Juneau and Chief Executive Officer of the  
19 Dirne Community Health Center in Coeur d'Alene, Idaho.

1 5. Q. Please tell us about ANTHC and its customers.

2 A. ANTHC is a tribal organization and an Alaska not-for-profit corporation  
3 that provides health services to approximately 158,000 Alaska Natives and  
4 American Indians from across the State of Alaska. Many of these services were  
5 formerly provided by the federal Indian Health Service. ANTHC operates, with  
6 Southcentral Foundation, the ANMC in Anchorage on a 47-acre campus. ANMC  
7 is a federally owned, 167-bed hospital that offers specialty, tertiary, and primary  
8 medical care. In addition to co-managing ANMC, ANTHC also works with tribal  
9 health organizations across Alaska to create healthier communities through  
10 training, health education, disease and injury prevention, and rural water and  
11 sewer projects.

12 6. Q. Please describe ANTHC's facilities.

13 A. In addition to co-managing ANMC's hospital, ANTHC maintains two other  
14 federally owned facilities. One is the Qujana House, which comprises 54 semi-  
15 private rooms for patients whose treatment requires an extended stay in  
16 Anchorage. The second is the Centers for Disease Control Arctic Investigations  
17 Program Building ("CDC AIP"). ANTHC also owns and operates seven additional  
18 office/administrative buildings on the campus, including a six-story, 200-bed  
19 patient housing facility that opened in the fall of 2016, the Inuit Building, the  
20 Diplomacy Building, the Consortium Office Building, and the Healthy

1 Communities Building. All of these facilities are located in the service area of the  
2 Municipality of Anchorage d/b/a Municipal Light & Power ("ML&P").

3 7. Q. Please summarize the purpose of your testimony in this docket.

4 A. The purpose of my testimony is to describe ANTHC's concern with  
5 ML&P's rate filings, which continue to increase considerably the cost of electrical  
6 service for ANTHC.

7 **ANTHC'S EXISTING SERVICE WITH ML&P**

8 8. Q. What service does ANTHC currently purchase from ML&P, and what was  
9 your estimated cost for that service in 2016?

10 A. ANTHC purchases grid electrical power for the three federally owned  
11 facilities it operates and maintains – ANMC, Quiana House, and CDC AIP – as  
12 well as the seven ANTHC-owned buildings on the ANMC campus. To service the  
13 federally owned facilities in 2016, ANTHC paid ML&P \$1,988,869 for electricity.  
14 Additionally, to service the seven ANTHC-owned buildings on the campus,  
15 ANTHC paid ML&P \$668,053 for electricity in 2016. So the total 2016 power bill  
16 for ANTHC was approximately \$2,656,922.

17 9. Q. How much has ANTHC paid ML&P for electricity in 2017?

18 A. So far in 2017, ANTHC has paid ML&P \$1,543,336. ANTHC anticipates  
19 that the recently approved interim rates will increase ANTHC's payments for  
20 electricity by more than \$900,000 in 2017 alone.

1 10. Q. Does this amount cause concern for ANTHC?

2 A. Yes, it causes me concern. ANTHC is a large commercial customer of  
3 ML&P. Paying more than \$3.5 million dollars for electricity would be a  
4 significant burden on ANTHC's annual budget. This increase in expense will  
5 serve to further drive up the cost of providing health care. With increasing  
6 uncertainty in state and federal health care budgets, I am concerned that  
7 dramatically increasing electricity costs may impair our service capabilities.

8 11. Q. Can ANTHC purchase power from any entity other than ML&P?

9 A. No. ANTHC cannot purchase electric power from entities other than  
10 ML&P under the current service boundary and tariff restrictions. However, as a  
11 result of the investigation conducted in Docket No. U-15-097, ANTHC is now  
12 permitted to self-generate electric power and heat through gas-powered, on-site  
13 microturbines, a process called cogeneration. As discussed in testimony in that  
14 docket, ANTHC has long been interested in cogeneration, primarily because of  
15 projected cost savings in our power bills.

16 12. Q. Is ANTHC currently implementing cogeneration?

17 A. No, not currently. However, each cost increase of grid electric power by  
18 ML&P makes the economics of cogeneration more attractive.

**ANTHC'S PARTICIPATION IN THESE DOCKETS**

13. Q. Why is ANTHC participating in these dockets?

A. ANTHC is participating for several reasons. First, ANTHC requests that the Commission carefully review ML&P's proposal and ensure that (a) the decision to construct Plant 2A and the costs incurred to construct Plant 2A were prudent, and (b) that any increase in rates is just and reasonable. Second, ANTHC requests that the Commission ensure the methodologies employed by ML&P, such as the one it created to allocate line loss between service classes as part of its Cost of Power Adjustment, are based on sound data and are not arbitrary.

14. Q. Does this conclude your testimony?

A. Yes, it does.

# **EXHIBIT RH-1**





## ROALD HELGESEN, MHA

4000 Ambassador Dr. | Anchorage, AK 99508 | 907-729-1900 | rhelgesen@anthc.org

Experienced, results-oriented health care executive with proven ability to manage and grow financial resources, maintain quality of services and increase their scope, and develop and implement programs that meet needs of targeted populations. Excels in developing community relations that build support for programs and ensure their responsiveness. Thorough understanding of all aspects of health care, including: inpatient and ambulatory care facilities; smaller clinics and programs; specialty

and tertiary facilities; mental health and substance abuse; telehealth, electronic health record, and support services; and meaningful wellness campaigns and services. Expert in achieving and maintaining accreditation and ensuring compliance with applicable laws and regulations. Exceptional communication skills. Brings related expertise and key strengths as follows:

- Performance Improvement
- Accreditation
- Process Improvement
- Compliance
- Quality Improvement
- Crisis Management
- Organizational Accountability
- Strategic Direction/ Guidance
- Contract Administration
- Conflict Resolution
- Community Outreach
- Employee Development
- Medical Staff Relations
- Ethics & Integrity
- Diplomatic Communication
- Health Governance

### PROFESSIONAL EXPERIENCE

#### **Alaska Native Tribal Health Consortium, Anchorage, AK, 2011 to Present**

Chief Executive Officer & Hospital Administrator, 2013 to Present

Chief Executive Officer, 2011 to 2013

The Alaska Native Tribal Health Consortium is a non-profit tribal health organization. The Consortium is the largest, most comprehensive tribal health organization in the United States, and Alaska's second-largest health employer with more than 2,300 employees offering an array of health services to people around the nation's largest state. The Consortium has four operating divisions: Alaska Native Medical Center (ANMC), Community Health Services, Environmental Health & Engineering, and Business Support. Its largest division, ANMC, is a 150-bed hospital and provides specialty and tertiary care hospital to the indigenous people of Alaska, spanning distances equivalent to two thirds of the United States. ANTHC has an annual budget of \$535M. [www.ANTHC.org](http://www.ANTHC.org)

#### *Responsibilities and Accomplishments*

- Responsible for general management and control of day-to-day operations of the Alaska Native Tribal Health Consortium.
- Oversees Alaska Native Medical Center Operations and other related statewide healthcare programs.
- Advises the Board of Directors of ANTHC's resources, activities, potential threats, opportunities and recommended actions.
- Improved access to health services for specialty and surgical care by dramatically reducing wait times; Reduced average specialty clinic wait times from 12 days to 2 days within one year, with one clinic's wait time being reduced from more than 63 days to less than 6 days.



- Increased specialty encounters by 8.5% and surgery volume by 10.8%.
- Increased health service operations by \$73 million, more than 17%.
- Increased assets by 47% and reduced liabilities by 13%.
- Increased Tribal hire rates to 40% of workforce while reducing employee turnover to 16%, more than 6% less than the market average.
- Expanded telehealth use by 63% through store-and-forward and telemedicine visits.
- Operated the organization at no less than an \$11.6M profit since employed
- Obtained a third re-designation as a Magnet-recognized facility, the first and only such designation in Alaska.
- Recruited more than 24 hard-to-fill specialty provider positions in 2014.
- Re-accredited and praised for superb performance by the Joint Commission in 2013.
- Expanded health services including interventional radiology and interventional cardiology, resulting in improved care and improved financial position for the organization.
- Key role in planning, designing and obtaining state funding for new 202-bed housing facility to provide accommodations for patients and families traveling for health services.

#### **Southeast Alaska Regional Health Consortium, Juneau, AK, 2007-2011**

President & Chief Executive Officer

The Southeast Alaska Regional Health Consortium (SEARHC) is a non-profit tribal health consortium of 18 Native communities serving the health interests of Southeast Alaska Natives. SEARHC provides a wide variety of health services including medical, dental, optometry, physical therapy, behavioral health, health promotion and educational services for more than 50,000 patients. SEARHC operates the Mt. Edgecumbe hospital; a 27-bed acute care facility. SEARHC employs more than 1,000 people and operates an annual budget of \$118M. [www.SEARHC.org](http://www.SEARHC.org)

#### *Responsibilities and Accomplishments*

- Responsible for general management and control of day-to-day operations of the Southeast Alaska Regional Health Consortium and more than 1,000 staff members.
- Transformed \$2 million net loss budgeted at beginning of FY 2008 into audited gain at the end of fiscal year 2009 while maintaining health service delivery.
- Improved service delivery and accountability by implementing systemwide performance measurement, recognizing 9% increase in encounters in FY 2010.
- Reduced employee health expenses by negotiating renewal rates at half of national average.
- Attained accreditation on all reviews, with particular praise for laboratory, residential substance abuse treatment centers, outpatient behavioral health programs, two clinics, and community health aide training center.

## **Dirne Community Health Center, Coeur d'Alene, ID 2006-2007**

Chief Executive Officer

Dirne Community Health Centers, dba Heritage Health, offers services to the indigent population of Kootenai County. Heritage Health provides primary care including routine gynecological care, routine physicals, minor care for orthopedic injuries and lacerations, preventive care, and urgent care, as well as dental and emergency dental care. Heritage Health Dirne employs nearly 100 people and has an annual budget of \$3.5M.

[www.MyHeritageHealth.org](http://www.MyHeritageHealth.org)

### *Responsibilities and Accomplishments*

- Responsible for general management and control of day-to-day operations of the Dirne Community Health Center.
- Expanded physical capacity 150% by negotiating preferential facility leases and maximizing underutilized space.
- Increased provider productivity by increasing scheduled visits per hour, decreasing no-show rates, and developing provider incentive program.
- Improved internal operating procedures including risk management and human resource policies
- Established legislative priorities and worked toward success with community partners, statewide associations, and legislators.
- Ensured financial security and monitored organization's overall fiscal activity.
- Built strong community presence and developed relationships at local, state, and national levels.

## **EDUCATION**

- Trinity University, Master of Science, Healthcare Administration - 2002
- University of Alaska Anchorage, Bachelor of Arts, Political Science - 1993

## **HONORS AND AFFILIATIONS**

- Trinity University – Department Award for Excellence in Graduate Education
- American College of Healthcare Executives, Member
- Healthcare Financial Management Association, Member
- Alaska Tribal Health Directors, Alaska Native Health Board, Member
- Alaska State Hospital and Nursing Home Association, Executive Committee Member
- Central Council of Tlingit and Haida Indian Tribes of Alaska, Enrolled Tribal Member
- Sitka Tribe of Alaska, Enrolled Tribal Member
- Alaska Native Brotherhood, Camp 70, Member