Action:

**MATANUSKA-SUSITNA BOROUGH**

**RESOLUTION SERIAL NO. 24-\_\_\_**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ENCOURAGING THE MAT-SU HEALTH FOUNDATION TO RETURN TO ITS FORMER POLICY OF ALLOWING MEMBERS TO VOTE IN THE ELECTION OF BOARD MEMBERS, AND ENCOURAGING THE MAT-SU HEALTH FOUNDATION TO ADVOCATE FOR LOWER PRICING TO BENEFIT THE RESIDENTS OF THE MATANUSKA-SUSITNA BOROUGH WHO REQUIRE HOSPITAL SERVICES.

WHEREAS, the MatSu Health Foundation (“MSHF”) is a local non-profit organization which is very active in the community; and

WHEREAS, MSHF allows citizens of the Matanuska-Susitna Borough who are over the age 18 to be members of the MSHF; and

WHEREAS, according to the MSHF website, https://www.healthymatsu.org/membership, the benefits for members are threefold: 1) invitation to the annual membership meeting; 2) a members-only newsletter; and 3) invitations to periodic special events, including opportunities to network with other members, MSHF staff and MSHF board of directors; and

WHEREAS, under the bylaws of the MSHF, there is no opportunity for the members of the MSHF to vote for the Board of Directors; and

WHEREAS, under the bylaws of the MSHF, only the Board of Directors gets to vote on the Board of Directors; and

WHEREAS, under the bylaws of the MSHF, only the Board of Directors can amend the bylaws; and

WHEREAS, under the bylaws of the MSHF, only the Board of Directors can remove a Board member; and

WHEREAS, under the bylaws of the MSHF, if there was misconduct, incompetence, or fraud by a Director, the membership would be powerless to act; and

WHEREAS, MSHF says it has put over $100 million dollars into the Matanuska-Susitna Community since 2008; and

WHEREAS, the source of these extremely large amount of funds is the profits from the MatSu Regional Hospital; and

WHEREAS, the residents of the Matanuska-Susitna Borough who pay hospital bills create these funds; and

WHEREAS, and this acts as a form of taxation without representation because citizens of the Matanuska-Susitna Borough cannot vote for MSHF board members; and

WHEREAS, the MatSu Regional Hospital is a for-profit monopoly hospital; and

WHEREAS, the prices at MatSu Regional are some of the highest in the State of Alaska, which in turn has some of the highest hospital prices in the US, which in turn has some of the highest hospital prices globally; and

WHEREAS, the MSHF has a 35% stake in the MatSu Regional Hospital and current arrangements siphon off tens of millions of dollars, or hundreds of millions of dollars since its inception, to the MSHF with the idea to “put it into the community”; and

WHEREAS, according to the 2022 Annual Report, the 35% share resulted in MSHF receiving $45,020,000 which equates to $123,342 *per day* for every day of the year; and

WHEREAS, for MSHF to receive this share means that the MatSu Regional Hospital earned $128,628,571 in profit; and

WHEREAS, the Matanuska-Susitna Borough’s areawide property tax levy of 9.942 mils in FY 2022 raised $102,485,241 in revenue; and

WHEREAS, the profits taken exceeded areawide property taxes by over $26,000,000; and

WHEREAS, MSHF should be advocating for lower hospital costs in the first place; and

WHEREAS, according to the MSHF Annual Reports, the MSHF has received just over $330,000,000 in the past 15 years as a result of their ownership interest in the hospital with approximately $226,000,000 has been in the last 7 years alone; and

WHEREAS, the 2012 annual report for the MSHF, assets were listed as $112,329,000; and

WHEREAS, a decade later, the 2022 annual report assets were listed as $341,621,000; and

WHEREAS, the asset growth by the MSHF has tripled in 10 years while the costs of hospital treatment for the residents of the Matanuska-Susitna Borough has skyrocketed; and

WHEREAS, this allows the MSHF to spend millions in executive compensation, and the Board is not answerable to its membership; and

WHEREAS, an overwhelming majority of people would prefer to pay less in the first instance rather than have some portion of their hospital billings to be siphoned through a foundation where the Board of Directors controls itself, and the foundation decides where the money will be spent; and

WHEREAS, the MSHF can be an agent for change for access to hospital services at MatSu Reginal Hospital; and

WHEREAS, high hospital costs are a barrier to healthcare; and

WHEREAS, it appears that MatSu Regional Hospital has profited over a billion dollars ($1,000,000,000) since 2008 which is a real barrier to health care that could be significantly lowered; and

WHEREAS, other hospitals in Anchorage offer the same services for lower costs; and

WHEREAS, if hospital costs at MatSu Regional Hospital continue to remain high, the Matanuska-Susitna Borough may need to encourage residents to travel to Anchorage for less expensive healthcare.

WHEREAS, additional rationale and information related to this Resolution are contained in IM 24-\_\_\_.

NOW, THEREFORE, BE IT RESOLVED, the Matanuska-Susitna Borough Assembly encourages the Mat-Su Health Foundation to return to its former policy of allowing members to vote in the election of board members.

BE IT FURTHER RESOLVED, that the Mat-Su Health Foundation should advocate for change and advocate for significantly lower costs at the MatSu Regional Hospital.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2024.

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EDNA DeVRIES, Borough Mayor

ATTEST:

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LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)