



March 1, 2024

Director Lori Wing-Heier  
Alaska Division of Insurance

Re: Public Notice: Request for Written Input on the Future of Health Care Costs and Reimbursement in Alaska

Thank you for the opportunity to provide comments and suggestions for the future of healthcare costs and reimbursement in Alaska.

The Alaska Chamber (Chamber) was founded in 1953 and is Alaska's most diverse statewide business advocacy organization. Our mission is to promote a healthy business environment in Alaska. The Chamber has more than 700 members and represents businesses of all sizes and industries from across the state, directly representing 58,000 Alaskan workers and \$4.6 billion in wages.

Since 2017, the Chamber had a longstanding policy position to support the repeal of the 80<sup>th</sup> Percentile Rule (the rule) and spent significant time educating and mobilizing our members and the broader public on the importance of repealing the rule. When the opportunity to weigh in through the public process presented itself, we testified in-person and submitted a formal letter of support for the repeal. After months of public process, we were pleased to see the rule repealed, effective January 1, 2024.

Given the repeal has only been in place for slightly over two months, the Chamber strongly encourages the Division of Insurance (DOI) to keep the repeal in place and allow the market respond. A knee-jerk reaction would only cause more instability in an already unstable environment.

Regulatory supervision is important. It isn't unreasonable for DOI to set some rules concerning payment for non-emergency out-of-network services. However, we urge DOI to keep base rates for providers at a level that won't negate the State's and Chamber's efforts towards reducing the high healthcare costs in Alaska.

The Chamber supports innovations that improve the cost and quality of care for our members and their employees. We would be pleased to engage in conversations around encouraging value-based care arrangements.

Medicare and Medicaid alike do not pay for the cost of care. The degree to which commercial insurance is relied upon to fill the gap is considerable. This increases upward pricing pressure for health insurance that our members and their employees rely upon.

Thank you for considering the Alaska Chamber's comments on this very important issue.

Sincerely,

A handwritten signature in black ink that reads 'Kati Capozzi'.

Kati Capozzi  
President and CEO



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