



April 8, 2016

**Rep. Kurt Olson, Chair**  
**House Labor & Commerce Committee**

**Sen. Mia Costello, Chair**  
**Senate Labor & Commerce Committee**

**Re: SB 206/HB 374**

Dear Rep. Olson and Sen. Costello,

This letter is to express ASHNHA's support for SB 206 and HB 374, the bills establishing a reinsurance mechanism to help stabilize premiums in Alaska's individual insurance market.

ASHNHA members have significant concerns about the long-term viability of Alaska's individual insurance market. Alaska's individual market is small and the claims experience of those purchasing policies in that market has been worse than anticipated. As a result, premiums have skyrocketed and the market is in danger of failing.

We must maintain access to health insurance for people who do not have other options like employer-based coverage. In addition, a healthy individual insurance market is a key to an economy that fosters entrepreneurship, since the lack of a stable individual insurance market is a deterrent to those who would leave their employers to start a business.

While we support this legislation, we remain concerned about the cost-shifting that will occur between the individual market and the broader insured market. This legislation solves a short-term problem, but more work must be done in the long-term to ensure affordable policies are available for those who need them. We support looking at reform options through the 1332 program that could result in a more sustainable market over time.

Thank you for the opportunity to provide feedback.

Sincerely,

A handwritten signature in black ink, appearing to read "Becky Hultberg".  
Becky Hultberg  
President/CEO