

Public Testimony – SB90

My name is Michael Johnson. I am privileged to be the Superintendent for students in the Copper River School District. Thank you for the opportunity to testify regarding this important issue.

As rural citizens of Alaska, health insurance coverage is very important to our staff. Medical issues often involve not only the doctor bills, but also travel and lodging expenses. Having adequate medical and dental coverage allows margin for these other expenses. It is important, as an employer, that we provide quality health insurance for our colleagues.

Currently, this presents an ever increasing challenge to our budget and educational services. When I started as a teacher, the Copper River School district paid \$7071.84 per employee per year for health insurance. Together with the employees, we now pay \$20,544 per employee per year. Even with that increase, the deductible and co-pay is higher for the employee.

Our health insurance costs have gone up an average of 9% per year since 20004. For a small employer, the expected increases create chaos in the budget process. We often don't know the exact amount of the increase until mid or late April. For Alaska, it creates yearly difficulty in the public school funding debate while creating confusion for the citizens who carefully follow the school budget process.

You often hear about fuel increases and utility costs. Those have certainly been significant, but they are not near the burden health insurance has been.

SB90 and HB196 are measured and thoughtful approaches to providing assistance across the state. With the instability of the insurance market and health care policy in our country, a state insurance pool will create a welcomed buffer for our education system.

Thank You.