



CORDOVA SCHOOL DISTRICT

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April 10, 2013

Dear Senator Dunleavy,

I am writing this letter to provide some input regarding Senate Bill 90, "An Act relating to group insurance coverage and self-insurance coverage for school district employees; and providing for an effective date."

Cordova City School District is like many other districts in the State of Alaska. Health insurance costs continue to rise, and we are finding it more and more difficult to find the funding to provide quality insurance for our employees. In Cordova, over the last ten years, costs for insurance have increased, on average, by 11% each year, and we are bracing for a 15% increase this year based on information we have received from our current carrier.

My concern with Senate Bill 90 is the mandate that all districts must be a part of the same insurance group. I believe that competition drives costs, and simply changing one "monopoly" (NEA insurance) for another provided by the state will not drive the cost of insurance down in the long run. Please let me know if you have any questions, and thank you for the opportunity to provide input.

Any relief for districts from insurance costs will be welcome. In conversations with our teachers, they concur with my sentiments -- that we want the benefits we currently have, and if another provider can ensure the benefits at a lower cost, then we truly support those efforts. We support Senate Bill 90.

Sincerely,

Theresa Keel
Superintendent of Schools
Cordova, Alaska