

[REDACTED]

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**From:** Rep. Ivy Spohnholz  
**Sent:** Tuesday, April 17, 2018 9:59 AM  
**To:** [REDACTED]  
**Subject:** FW: Support for House Bill 123: Disclosure of Health Care Costs

**From:** Hannah Claugus <hbclaugus@gmail.com>  
**Sent:** Monday, April 16, 2018 5:37 PM  
**To:** Rep. Ivy Spohnholz <Rep.Ivy.Spohnholz@akleg.gov>  
**Subject:** Support for House Bill 123: Disclosure of Health Care Costs

Dear Representative Ivy Spohnholz,

My name is Hannah Claugus and I'm currently a Master of Social Work student at UAA. I am writing you as a concerned student and community member in regards to House Bill 123: Disclosure of Health Care Costs. I would like to express my support for the passing of House Bill 123 and also thank you for your role in developing this legislation.

My family has been impacted by the lack of price transparency in our current health care system. Shortly after my son was born in 2016, we went through a period of being uninsured due to my husband starting a new job. After he started his new job there was a three month waiting period before he was eligible for coverage. One night, during this waiting period, my son had a high fever and was inconsolable. We didn't want to take him to the emergency room during the middle of the night because we were unsure of what it would cost and figured it would be very expensive. We waited until the morning to start calling pediatricians to find out how much a walk in visit would cost. This took about 45 minutes to call around and compare prices before deciding where to go. Thankfully, we found out he just had his first ear infection. I have other examples of how my family has been impacted by the lack of price transparency that I could explain in more detail if we correspond later.

I'm able to somewhat navigate our complicated health care system but there are many individuals that aren't able to do that. Anchorage is a very diverse city and many community members are limited English proficient. It would be even more difficult for them to call around to compare prices. In the case of a situation that required more urgent medical attention people wouldn't have time to call around. The reason I support House Bill 123 is because I think it in those cases, along with many other types of situations, it would be helpful to have a website that you could quickly and easily access to compare prices.

I fully support House Bill 123 and I hope you continue to support the passing of this bill as well. Again, I would like to express my appreciation for the service and leadership you have provided for House Bill 123. If you have any questions for me I can be contacted via email or phone. Thank you for your time.

Respectfully,

Hannah Claugus

907-854-8208

[hbclaugus@gmail.com](mailto:hbclaugus@gmail.com) or [hbclaugus@alaska.edu](mailto:hbclaugus@alaska.edu)

**Subject:**

FW: HB123

**From:** Shaun Lewis

**Sent:** Tuesday, April 17, 2018 11:23 AM

**To:** [sen.john.coghill@akleg.gov](mailto:sen.john.coghill@akleg.gov)

**Cc:** [sen.pete.kelly@akleg.gov](mailto:sen.pete.kelly@akleg.gov)

**Subject:** HB123

To the Honorable Sen. John Coghill and Sen Pete Kelly

RE: A request that you Please put forward the bill of HB123 back on the docket as to be able to have a hearing on it.

As a constituent, concerned citizen and a businessman in the health insurance industry here in the FNSB, I've been working with businesses on a daily bases for the last 20+ years. Almost all of my client are in favor of this bill. It will be good for businesses to have each of their covered employees as well as themselves having a little skin in the game. This Bill will help initiate patient to have a conversation with their Doctors, as to what services they are paying for and why they might be charging more than say XYZ doctor down the street.

I know in most business out there, including myself, WE THE PEOPLE have to show bids on competitive pricing but also be able to explain why and what one is getting for their dollar. Competition is good. And this will give the consumer something to use as a way to be invested in the process.

In looking at this bill it is quite a simple process working with the physicians to only list their top 25 procedures not all of them.

To the Physicians concern about this bill. I am well aware that this bill, is not a silver bullet that is magically going to suddenly drive down costs but, it is a good start. As you know Healthcare reform is a marathon, and a marathon is 26 miles, this is just miles HB 1, 2, 3.

I'm a committee member of the Greater Fairbanks Chamber of Commerce, focused on the health care concerns of the rising costs and what we can do about them. This was a very popular issue that got a lot of support from a wide variety of people. I believe you should have received a letter that was sent in to both of you from our Chamber of Commerce recently, showing our support.

I believe in short that you would be shorting your constituents if you didn't at least let the bill have a hearing, and not pull it and tuck it away because of a couple of doctors who oppose this bill. It is kind of ironic that the most expensive physicians in the state typically are in Fairbanks and they are the ones that oppose this bill. There are more insured's here that support this bill than those that would oppose it by a large margin.

So please reconsider putting it back on the docket. I would be more than happy to speak to either of you if you have any questions or concerns.

Thank you for your time and consideration

Respectfully  
Shaun Lewis

Alaska Employee Benefits  
700 3rd Ave, Suite 1  
Fairbanks, AK 99701  
Phone: 907-457-2363  
[www.alaskaemployeebenefits.net](http://www.alaskaemployeebenefits.net)  
Fax: 907-457-2364



April 9, 2018

Dear Senate Judiciary Committee:

**RE: SUPPORT FOR HB 123 - DISCLOSURE OF HEALTH CARE COSTS**

The Greater Fairbanks Chamber of Commerce and its Cost of Health Care Insurance Committee is dedicated to understanding and advocating for policy changes like the support for HB 123: Disclosure of Health Care Costs. This legislation allows the state to collect health care related price information, requires health care providers to publish a list of their procedures and costs, and makes the information available in a public database. To provide cost information to consumers will arm them with the information they need to make cost effective health care decisions and encourage competition that would reduce the cost of health care in Alaska.

Support for HB 123 is based on three considerations: market transparency, information availability, and appropriate role of government.

**Market Transparency** – A predetermined price and the communication of that price is essential for a functional market. Part of the reason that Alaska's health care market is so dysfunctional is that prices for medical goods and services are often not communicated prior to treatment. Therefore there is no agreement or understanding of price, leaving consumers in the dark and unable to make informed decisions.

There are challenges to developing a transparent market. There are differentiations in price structures and services offered by different providers and facilities which make true comparisons difficult. In some cases consumers may even opt for higher priced services, believing they are higher quality. However, when consumers have the information they need to make informed market decisions they will seek the highest quality at the lowest price, which ultimately establishes a more competitive market and lower prices for health services.

**Information Availability** – HB 123 is reasonable and limited in scope, which requires medical providers to publish procedures and prices for the top 25 most common procedures they perform, and for medical facilities to publish procedures and prices for the top 50 most common procedures they perform.

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McDonald's of Fairbanks  
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Spirit of Alaska Federal Credit Union  
TDL Staffing  
Tower Hill Mines-Livengood Gold Project  
University of Alaska Fairbanks  
Verizon Wireless  
Yukon Title Company



**Role of Government** - The health care market is distorted and the legislature must act to help balance the market. Ideally, consumers would have the information they need to compare procedures and prices to make informed decisions, and providers and facilities would be accustomed to provide the cost information needed for a transparent and functional market. However, this health care related cost information remains elusive to the public, which reinforces a vicious cycle of purchasing services and procedures without a quality or cost reference point. We are hard-pressed to name any product or service for which we would procure without before knowing the quality or cost of such a good or service.

The Greater Fairbanks Chamber of Commerce represents over 700 business members throughout Interior Alaska. We work to advocate for the best business environment, promote economic strength and growth for Interior Alaska, and to develop the resources and networks enterprising people use to share knowledge.

Sincerely,

A handwritten signature in black ink that reads "Marisa Sharrah". The signature is fluid and cursive, with the first name "Marisa" being more prominent than the last name "Sharrah".

Marisa Sharrah  
President & CEO  
Greater Fairbanks Chamber of Commerce

A handwritten signature in black ink that reads "Tiffany Van Horn". The signature is fluid and cursive, with the first name "Tiffany" being more prominent than the last name "Van Horn".

Tiffany Van Horn  
Board Chair  
Greater Fairbanks Chamber of Commerce

**From:** AMY LUJAN <alasbo@gci.net>  
**Sent:** Tuesday, April 03, 2018 2:10 PM  
**To:** Rep. Ivy Spohnholz  
**Cc:** Bernice Nisbett  
**Subject:** Support for HB123

Rep. Spohnholz,

I would like to add the support of my association to the record for this bill. As many legislators know well, the cost of health care in Alaska has placed a heavy burden on school district budgets in recent years. Trying to deal with "flat" funding while costs are rising eats away at resources that could be better spent on improving instruction to students.

HB123 is a step in the right direction, toward making health care patients more informed consumers. We are hopefully that fully informed, rational choices in the health care market will lower costs for both the patients themselves (often school district employees) and for the health plans we all pay into. This approach has shown promise in Anchorage and in other states.

Thank you for your careful consideration of this bill.

Amy Lujan  
Executive Director  
Alaska Association of School Business Officials (ALASBO)  
3145 Pioneer Avenue  
Juneau, AK 99801  
907-723-7415  
[www.alasbo.org](http://www.alasbo.org)

**From:** Dale Fosselman <fossels@me.com>  
**Sent:** Friday, March 16, 2018 2:17 PM  
**To:** Senate Health and Social Services  
**Subject:** Support for HB123

## Members of the Senate Health and Social Services Committee

I am writing to urge passage of HB 123. The primary driver of Alaska's egregious cost of healthcare is the underlying cost of care. Today, it is nearly impossible to be an informed consumer because, at the most fundamental level, providers and facilities do not readily provide cost estimates to their current patients. Prospective patients comparing costs face even greater challenges.

Recently I researched costs for the ACA Silver Plan on the Kaiser Family Foundation website to find an apples to apples comparison of costs and benefits. The annual cost is \$15,499 in Seattle and \$34,027 in Wasilla. According to the website, my out of pocket maximum is \$14,700 so we are by no means looking at a lucrative plan on the benefits side of the equation. The \$18,528 annual cost differential has real consequences for Alaska businesses and families.

Alaska firms are at cost disadvantage to competitors in the Lower 48 and the high cost of health insurance is an all too real impediment to hiring new employees.

For families, the impact can also be disruptive. I have several retired or semi-retired friends who have established residency in the Lower 48 simply because of the differential in the cost of healthcare. This outmigration has a multiplier effect on the Alaska economy as their spending moves south with them.

Passage of HB 123 will help address the issue of unsustainable healthcare costs in Alaska, but it is only a first step. It is an important step, however, and I urge the Committee to pass HB 123

Thank you

Dale Fosselman

Wasilla

[REDACTED]

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**From:** Ann Flister <[REDACTED]>  
**Sent:** Friday, March 16, 2018 1:42 PM  
**To:** [REDACTED]  
**Subject:** HB 123 Comments

Dear Ms. Nisbett:

I fully support the passage of HB 123 relating to disclosure of health care services and price information. As a senior human resources professional with more than 25 years of experience in the Alaska market, I am alarmed at the rate of growth in healthcare benefits costs to Alaska businesses and its negative impact on our local economy. I am at a loss to think of any other professional service that expects its consumers to purchase services without a reasonable understanding of the cost of those services prior to purchasing them.

When I need an appliance or car repaired, or when I need professional consulting services for my business, I am able to readily obtain either fixed price or time and materials cost information to help me make an informed purchasing decision. Healthcare should be no different. Many of the employees in my company don't even attempt to obtain price information for major health services because they lack the time. Those ambitious enough to undertake the task of determining the total costs involved with a surgical procedure report spending hours, if not days, to accomplish this and are still often left with an incomplete picture of both the total cost to their employer's health plan and their own out-of-pocket expenditures. I believe this bill strikes a good balance between consumer protection and not overly burdening healthcare providers with unreasonable expectations for disclosure of their pricing and insurance network participation.

I urge the legislature to pass this bill for the benefit of all Alaskans.

Ann Flister

Senior Professional in Human Resources

Anchorage, Alaska

907-240-8113

aflister@gci.net





THE STATE  
*of* **ALASKA**  
GOVERNOR BILL WALKER

Department of  
Health and Social Services

ALASKA COMMISSION ON AGING

P.O. Box 110693  
Juneau, Alaska 99811-0693  
Main: 907.465.3250  
Fax: 907.465.1398

March 15, 2018

Senator David Wilson  
Senate Health and Social Services Committee  
Alaska State Capitol, Room 115  
Juneau, AK 99801-1182

**Subject: Support for CSHB 123, Disclosure of Health Care Costs and Price Information**

Dear Chair Wilson:

The Alaska Commission on Aging ("the Commission") is pleased to offer support for CSHB 123, a bill authored by Representative Spohnholz that would require health care practitioners and facilities to publicly disclose medical care price information. The Commission supports price transparency as a means to promote increased consumer awareness and greater efficiency in Alaska's health care delivery system.

The Alaska Commission on Aging is a Governor-appointed board within the Department of Health and Social Services that is responsible for planning services for seniors, educating Alaskans about senior issues, and making recommendations directly to elected officials regarding policy and budget items that affect Alaska's seniors.

The aging of Alaska's population presents unique challenges for our state's health care delivery system. Such factors include the increasing numbers of people living with chronic disease and health conditions, their need for health care services to treat those conditions, workforce shortages, and the price of health care. According to the Alaska Medicare Information Office, there were 86,130 Alaskans on Medicare in 2017 with the majority of them being age 65 and older. People who are eligible for Medicare include individuals age 65 and older who have contributed to Medicare through employment; younger people with permanent disabilities who receive Social Security Disability Income payments for at least 24 months; and persons with End Stage Renal Disease. Alaska's population of people age 65 and older number 82,686 citizens in 2017 representing approximately 11.2% of the state's total population (Alaska Department of Labor, January 2018). Older Alaskans are particularly vulnerable to increases in medical costs as many live on fixed incomes. From the perspective of an older person, having access to health care price information allows patients to make informed decisions regarding their health care *before* they receive services and encourages meaningful conversations with their health care providers.

The *need to improve transparency of medical health care pricing* was a priority issue identified by seniors and other public members participating in the Medicaid Redesign community forums conducted by the Commission at senior centers in 2015. These participants identified medical price disclosure as a key factor that could lead to improved quality and more affordable health care. We believe that CSHB 123 addresses this concern head-on in a manner that is compliance manageable for health care providers.

In particular, we appreciate the addition of the *Good Faith Estimate* requirement under Article 4, Sec. 18.23.400 (g)(1) in the CS (version G) that allows the patient the right to request a cost estimate from their provider for a non-emergency health care procedure, before services are provided, that includes a reasonable breakdown of the anticipated charges sent within ten business days from receiving the request. Similar to consumers shopping for a home or other major expenditure, patients having medical price information are in a better position to make cost-benefit decisions about their health care and plan their personal budgets accordingly.

The Commission agrees in concept with the proposed legislation but is concerned about an important aspect of its implementation that affects older Alaskans. Although CSHB 123 requires health care price disclosures for undiscounted health care costs, as well as payment rates for Medicaid, there is no mention of requirements for disclosing Medicare medical costs either in the annual listing of health care costs publicly posted by health care practitioners and health care facilities or in the Good Faith Estimate given to patients by their providers. Seniors, more than any other age group, are consumers of health care. The majority of them are insured by Medicare. Even in situations where a person holds dual eligibility for Medicare and Medicaid, Medicare is the primary insurer. Without having knowledge of the Medicare costs for services provided by the Good Faith Estimate, we are concerned that Medicare beneficiaries will not fully benefit from this legislation. To address this need to know, we respectfully recommend disclosing Medicare costs for health care services in the Good Faith Estimate for Medicare patients. In this way, health care cost information can be made more transparent and of benefit to patients.

The Commission supports CSHB 123 and views this legislation as a positive step forward in promoting greater consumer awareness about health care costs to improve the efficiency of Alaska's health care delivery system. We appreciate your thoughtful consideration of this legislation and our proposed recommendations.

Sincerely,



David A. Blacketer  
Chair, Alaska Commission on Aging

Sincerely,



Denise Daniello  
ACoA Executive Director

Cc: Senator Natasha von Imhof, Vice Chair  
Senator Cathy Giessel  
Senator Peter Micciche  
Senator Tom Begich  
Representative Ivy Spohnholz

Senator David Wilson, Chair  
Senator Natasha von Imhof, Vice Chair  
Senator Cathy Giessel  
Senator Peter Micciche  
Senator Tom Begich

March 15, 2018

Honorable Senators:

Healthcare consumers are increasingly seeking information about the costs of healthcare procedures. Timely, transparent disclosure of healthcare costs is essential to protecting the interests of consumers and allowing markets to function efficiently. Healthcare is currently the only industry in which consumers receive a service without being able to understand the price in advance or in a predictable manner.

Many residents in our Alaskan communities have experienced difficulties in obtaining information about the costs of healthcare services in a timely and consistent fashion. These difficulties foment a culture of mistrust and create uncertainty, billing disputes, and an increased tendency to seek medical services outside of Alaska – none of which are in the best interest of our homegrown practitioners or the health of our state as a whole.

The Municipality of Anchorage has taken a proactive approach to mitigate these issues by adopting a municipal ordinance. The City of Ketchikan is currently considering a similar ordinance and is in the process of gathering public comment. These local actions prove that, across the state, there is a very real appetite to write pricing transparency standards into law.

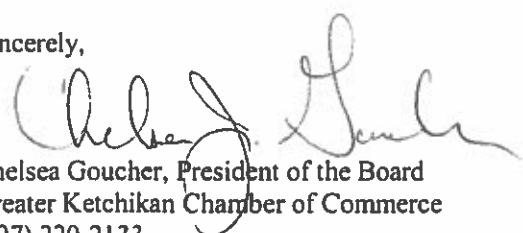
These comments are respectfully submitted on behalf of the Board of Directors of the Greater Ketchikan Chamber of Commerce. Representing over 200 member businesses in southern southeast Alaska, we advocate for a sound business climate and work to promote a superb quality of life for our local residents. Supporting a statewide law that would alleviate many of the problems associated with opaque pricing practices in the healthcare industry is something that fits our mission perfectly.

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We believe that House Bill 123, version G's requirements are reasonable and can be easily met by any reputable practitioner. While we will continue to advocate for improved healthcare transparency here in Ketchikan via municipal ordinance, we fully support this bill and understand that it would preempt local municipal code. We believe this bill in particular strikes a sound balance of protecting consumers while not placing an undue administrative burden on providers; in fact, we believe it's passage will bolster their competitive position. House Bill 123 will support community livability and resident satisfaction, helping to make Alaska a more attractive place to live, work, and do business.

Alaska deserves a standard set of requirements which are the same for all providers. The best way to achieve that would be for the Alaska State Legislature to take action to adopt House Bill 123, version G. Please consider seriously passing this piece of legislation through committee at the earliest time possible and, ultimately, passing it into law. Thank you.

Sincerely,



Chelsea Goucher, President of the Board  
Greater Ketchikan Chamber of Commerce  
(907) 220-2133



March 14, 2018

Transparency

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

SolstenXP Inc. supports HB 123 and urges its passage. SolstenXP Inc. and its affiliate companies employ over one hundred employees in Alaska. Many of these people have families, all of which are consumers of healthcare services.

Rising healthcare costs in Alaska make it difficult to provide competitive compensation and benefits compared with out of state organizations. The local healthcare cost escalation is not sustainable. The ability to identify cost drivers starts with the price of the product.

Medical expenses should be known by the consumer, up front, before purchase, like any other product or service.

SolstenXP Inc. urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Sincerely,

Thomas S. Redmond II  
Director of Human Resources  
SolstenXP Inc.

Cc: Senator David Wilson, Chair  
Senate Health and Social Services  
State Capital Building, Room 115  
Juneau, AK 99801

**Subject:**

FW: Support for HB 123 - Unclass

On Mar 8, 2018, at 9:42 AM, Jenkins, Jerry <[JJenkins@acmhs.com](mailto:JJenkins@acmhs.com)> wrote:

Good Thursday Representative Spohnholz.

First, I hope you are having a speedy recovery.

Second, I am writing to voice my support for HB 123. I have learned over the past decade to ask questions as I personally seek health care whether for primary care, dental, vision and specialty care. As a consumer of health care, I need to know what my approximate share is going to be and how am I going to pay it. Fortunately, my providers have been willing and eventually able to give me the financial information necessary to make an informed decision.

Third, as the CEO of a healthcare organization from January 2003-January 2018, we had a fee schedule for as services as well as a sliding fee schedule for individuals without insurance. This was done so everyone had access to fees and hopefully had no surprises regarding bills for service.

These are just a couple of my reasons for supporting HB 123. Let me know if I can do anything else to support it or if you have questions for me.

I am including Senator Giessel as I am in her district plus her professional experience as a healthcare provider and discussing financial matters with consumers/patients.

Warmest regards,

j2

Jerry A. Jenkins, M.Ed., MAC  
Chair, National Certification Commission for Addiction Professionals (NCC AP)  
President, Board of Directors, Alaska eHealth Network (AeHN)  
Immediate Past President, Alaska Behavioral Health Association (ABHA)  
Consultant  
Anchorage Community Mental Health Services  
Fairbanks Community Mental Health Services  
4020 Folker Street  
Anchorage, AK 99508

907-281-5310- Office

[jjenkins@acmhs.com](mailto:jjenkins@acmhs.com)

Our Vision is "wellness for everyone."

Our Mission is to promote recovery and wellness by providing consumer-driven behavioral healthcare services.

*The information being transmitted is intended only for the person or entity to which it is addressed. This information may contain confidential, proprietary and/or privileged material. Any review, replication or dissemination or other use of any kind is prohibited. The partaking of any action in reliance upon this information by persons or entities other than the intended recipient is an illegal violation of the regulatory guidance in the health insurance portability and accountability act (HIPAA). If you received this in error, please contact the sender at 907-563-1000 and delete the material from all computers.*

I am hoping to be able to testify at the HB 123 hearing on Friday, but in case I cannot I wanted to offer written testimony.

As a consumer and as an employer it is long overdue that price transparency become available in the medical sector. There are really no other services that any of us would engage in without some idea as to the cost of those services – from an hourly rate of a legal representative or accountant to a full estimate for work on our automobiles.

I would also encourage the requirement to disclose the insurance carriers a provider and/or facility and/or services are under contract with as an in-network preferred provider/facility/service.

I had a personal experience with this phenomenon when I asked the wrong question “Do you take “X” insurance”. Well, of course they did as I was covered under a co-pay policy for the physician that covered both in and out of network providers. What I did not understand was that by not having all the facts, not only was the provider not in-network but the facility services were not in-network. So the other services and/or tests would be billed outside of my network agreements, at much higher rates than an in-network facility and with the additional 20% out of pocket over the in-network facility.

For this visit I had brought test results from an in-network provider, so it did not even occur to me that the facility would order in-house tests if they were not in-network. Well they did, I got the bill and was floored. I contacted the in-network provider and was given the procedure cost difference, it was significant. I then contacted the new provider and when I asked how they could charge so much more – the over-priced facility answer was “because we can!” That was not the response I expected.

This demonstrates that the lack of transparency not only leaves the consumer feeling completely helpless, there is no incentive for providers or facilities to consider basic customer service niceties or concessions. In other business sectors that first phone call, or certainly the two letters that followed, would likely have brought forth some form of concession and the staff in the accounting department would have been trained to better handle such a situation. But all that was offered was no response at all.

ECI

**Mary Knopf**, ASID, IIDA, LEED AP BD+C, ALEP  
PRINCIPAL | INTERIOR DESIGNER

3909 Arctic Boulevard, Suite 103  
Anchorage, Alaska 99503  
907.565.5014 d | 907.561.5543 o | 907-240-8964 c  
[www.ecialaska.com](http://www.ecialaska.com)



## ALASKA PROFESSIONAL FIRE FIGHTERS ASSOCIATION

PO Box 111222 ANCHORAGE, AK 99511

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[www.alaskapffa.org](http://www.alaskapffa.org)



March 23, 2017

Representative Ivy Spohnholz  
State Capital room 421  
Juneau, AK 99801

Representative Spohnholz:

I am writing you today in support of HB 123 the medical pricing disclosure bill. HB 123 is a good first step in tackling the high prices Alaskans pay for health care. It will start to allow those seeking medical treatment to begin to act like rational consumers because of the increased pricing information it will make available. As an elected union official I have worked on healthcare for over a decade now. I understand the strain it places on individuals and the strain the high cost places on employers who provide coverage. As a large employer going through difficult financial times the State of Alaska has a real vested interest in bringing the cost of health care down in our state.

If I told you we were going to eat out at a different kind restaurant and order a simple hamburger, you might be interested in trying something new. But then you learn there are no prices on the menu. You order anyways because you must eat in order to maintain your energy to lead a productive life. The meal is good and you are overall satisfied with what you ate and the service. Then something unusual happens, you receive several bills for the meal. The hostess, busser, cook, server, facility and the dishwashers all issue separate bills. On top of that some of the bills are several times higher than what you are used to paying. By the time you pay all of them you have paid six times what a hamburger costs in other locations. Had you been armed with the pricing information of this particular restaurant you would have acted as a rational consumer and made an alternative choice. If enough consumers made rational choices the practice of charging six times what a hamburger costs in other areas would have to stop or their business would fail.

The above scenario is similar to how health care works in Alaska. We lack the information to make rational choices and the problem is compounded by our geographic isolation. Many fire fighters and their families in Alaska are covered by a health trust out of Washington State. We pay 30% more for similar coverage and last year we spent a nearly a million dollars more than we put into the trust. None of this is related to higher usage. If we don't correct this we will see another round massive premium increases or be dropped by the trust altogether.

Since we have been in the trust we have had our eyes opened to the price differences across many states. It is not uncommon for a procedure in Alaska to cost significantly more than Washington State. We are talking ACL repair, shoulder surgery, breast cancer treatment costing 3 or 4 times what the same treatment costs in Washington State. It should be noted that we are not saying Washington State is the cheapest, it is just the information we have available by comparing claims.

I don't need to explain to you that all Alaskans share in the burden of high priced health care. I commend you in taking on this very important issue. I believe this legislation is the first step of many that need to be taken to help lower the cost of health care and empower individuals to act as rational consumers. I look forward to helping see medical pricing transparency become the norm in the State of Alaska.

Thomas A Wescott  
President Alaska Professional Fire Fighters



March 20, 2017

We are writing on behalf of the Alaska Nurses Association in strong support of HB 123: "An Act relating to disclosure of health care services and price information." This bill will empower Alaskans to make informed decisions about their healthcare options in our state.

Supporting efforts for healthcare cost transparency is a long-standing priority of the Alaska Nurses Association. We believe that patients should have reliable, accurate information about healthcare procedures and services so that they can make informed decisions about their healthcare. House Bill 123 would give patients more control over their healthcare spending and help to drive down Alaska's high healthcare costs.

Price transparency is a cost-lowering tool. Without access to healthcare pricing information, patients have little ability to make an informed consumer choice. When armed with pricing information, patients have the ability to make those choices, and long-term, the ability to influence the cost of healthcare services.

In a recent report, the U.S. Government Accountability Office asked dozens of healthcare providers about their price for a knee replacement. The estimates given ranged from \$33,000 to \$101,000. Without HB 123, patients will face a difficult choosing the most cost-effective, high-quality option for their healthcare.

HB 123 will require healthcare providers to publish healthcare price information in public spaces and on their websites and to submit that pricing information to the Department of Health and Social Services. Individual providers would be required to disclose the total undiscounted costs of their 25 most common services, while larger facilities would be required to disclose the same information for the their 50 most common services.

While much more remains to be done to lower healthcare costs for Alaskans, HB 123 is a necessary step in the right direction. Alaskans deserve to be informed decision-makers in their healthcare.

The Alaska Nurses Association certainly appreciates your support on behalf of women and families in our state.

Sincerely,

Arlene Briscoe, RN-BC  
Legislative Chair  
Alaska Nurses Association

Jane Erickson, RN, CCRN  
President, Board of Directors  
Alaska Nurses Association

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**The Alaska Nurses Association strongly endorses HB 123, empowering patients to take financial control of their healthcare and choose high-quality, cost-effective care.**

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[REDACTED]

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**From:** Ashley Snodgrass [REDACTED]  
**Sent:** Friday, March 10, 2017 3:20 PM  
**To:** Bernice Nisbett  
**Subject:** I Support Transparency - HB 123

Hello Bernice,

I'm writing to voice my support for the legislation regarding transparency Representative Spohnholz is proposing – HB 123. I support this legislation because this will allow patients to be educated consumers of healthcare, by knowing costs before committing to a service. In no other industry would a customer purchase a good or service without knowing the cost they must pay. This information barrier serves to hurt consumers by veiling and mystifying the costs of services the service doctors provide.

I appreciate Representative Spohnholz for introducing this legislation and supporting this change that needs to be made.

Thank you,

Ashley Snodgrass

[REDACTED]

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**From:** Teena Applegate [REDACTED]  
**Sent:** Thursday, March 09, 2017 4:46 PM  
**To:** Bernice Nisbett  
**Subject:** Support: Transparency Legislation

Hi Bernice:

I just wanted to provide my support of the Transparency Legislation. I see it as a necessary step needed in order to contain costs for Alaskans. If not contain at least allow Alaskans to be aware of what their costs of their healthcare will be. It seems a reasonable ask for any Alaskan.

Best Regards,

**Teena**

**Teena Applegate** | Employee Benefits Consultant | [tapplegate@northrimbenefits.com](mailto:tapplegate@northrimbenefits.com)

**Northrim Benefits Group, LLC** | 3111 C Street STE 500 | Anchorage AK 99503 | P: 907-263-1401 | C: 907-317-7577 | F: 907-279-6818 | [www.northrimbenefits.com](http://www.northrimbenefits.com) | Like us on [Facebook](#)

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[REDACTED]

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**From:** Joshua Weinstein [REDACTED]  
**Sent:** Thursday, March 09, 2017 1:33 PM  
**To:** Bernice Nisbett  
**Subject:** HB 123 - Support

Hi Bernice,

I'm an employee benefits consultant overseeing a firm that works with hundreds of Alaskan employers. We advise those employers on the health benefits programs they provide to their valuable employees. The lack of transparency in healthcare pricing, particularly in our state, is a driver for the rising costs of those services. I support Representative Spohnholz's bill, HB 123, as a mechanism that creates transparency regarding the pricing of healthcare services delivered in our state. From this clarity, a more competitive marketplace can be born and evolve.

Thank you for the opportunity to share my thoughts.

Joshua Weinstein, DIA  
President/Employee Benefits Consultant

Certified PPACA and Self-Funding Professional  
Northrim Benefits Group, LLC  
3111 C Street, Suite 500  
Anchorage, AK 99503  
907-263-1401 Phone  
907-279-6818 Fax  
907-830-2658 Cell  
[jweinstein@northrimbenefits.com](mailto:jweinstein@northrimbenefits.com)

[www.northrimbenefits.com](http://www.northrimbenefits.com)

[Schedule an appointment with me. \(Click here.\)](#)

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[REDACTED]

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**From:** Albert Fogle [REDACTED]  
**Sent:** Thursday, March 09, 2017 11:35 AM  
**To:** Bernice Nisbett  
**Subject:** HB 123

Hello Bernice,

I want to contact you to let you know that as an Employee Benefits Consultant who represents thousands of employees and residents of Alaska, I am in support of HB 123 and for that matter any legislation that brings more power to the consumer in a marketplace.

Alaska has a healthcare cost crisis and it's getting worse because the providers and facilities have control of the pricing of medical services and does not share that information with the consumer until after a service and/or procedure is completed. Then weeks pass and when a medical bill finally arrives in the mail, there is no way to "put the toothpaste back in the container", we have already completed the service/procedure and have to pay for the service without know a price for a service.

HB 123 will help residents of Alaska start to understand more about the cost of the medical goods and services they're purchasing, or that their insurance company will be purchasing for them and will be able to good consumers and good stewards of their and the insurance company's money.

Working in the Private Sector, we typically don't seek government interference or regulation, but in this case it's important the legislator and governor step in to help create a more effective market. I have all too often in my 7+ years in the health insurance industry and as a consumer of healthcare, I have seen the providers and facilities refuse to produce a cost estimate for services and unwillingness to work with the consumer to help find the prices for services.

Please use this testimony to help make your cause for medical transparency in the marketplace to protect the CONSUMER!

Please let me know if you have any questions or concerns,



21.

[Schedule a meeting with me, just click this link!!](#)

Albert Fogle | Employee Benefits Consultant | Northrim Benefits Group

Certified PPACA Professional

3111 C Street, Suite 500 Anchorage, Alaska 99503

907-263-1401 phone | 907-279-6818 fax | [afogle@northrimbenefits.com](mailto:afogle@northrimbenefits.com)

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March 9, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

Bean's Cafe supports HB 123 and urges its passage. Bean's Cafe is an employer with 35 employees in Alaska.

The current cost of healthcare in Alaska is making it difficult for our employees to afford their portion of healthcare coverage. We are second chance employer and many of our staff come from homelessness or the correctional system. These are truly some of the most vulnerable people who are trying every day to make a living. Combined with high housing costs in Anchorage many are forced to make difficult decisions about health care coverage.

In addition, the increased cost as an employer may significantly impact our operations. As the economy tightens in Alaska we, like many other non-profits, are seeing declines in donations and increased need for services. To put it in perspective, our portion of employer provided health coverage increased \$45.49 per month. We were able to keep it at this level by increasing percentage paid by employees and raising our deductible from \$500 to \$2000.

If each of our employees signed up for coverage through our plan, our increased cost in 2017 for medical insurance would be \$19,105.80. *For this same amount of money we could provide weekend food for 166 hungry children for an entire school year.*

Our support for HB 123 is based on three considerations – market transparency, information availability and appropriate role of government.

**Market Transparency** - When buyers and sellers interact to exchange goods and services, a determined price and *the communication* of that price is essential for a functional market. Part of the reason Alaska's health care market is so dysfunctional is that prices for medical goods and services are not communicated during the process leading to an agreement, leaving buyers unable to substitute or seek a lower price. This situation is not because consumers of medical goods and services have failed to request, even demand, this information.

We are aware there are challenges to developing a transparent market. There are differentiations in price structures and services offered which make true comparisons

difficult. In some cases consumers may even opt for higher priced services, believing they are higher quality. However, generally we believe that when consumers have the information they need to make informed market decisions they will seek the best, lowest price, ultimately establishing a more competitive market. Over time, we believe this will lead to lower prices for services for Alaskans.

**Information Availability** - HB 123 is quite limited in scope. It requires medical providers to make known the prices for only the top 25 most common procedures they perform, and medical facilities only the 50 most common services they provide. This information is readily available, in some cases already disclosed in reports, and with facilities it is established on their chargemaster. The bill does not compel anyone to produce or generate anything that is not already known and used internally.

Alaska's medical providers and facilities are needed in our community. We don't want to see them burdened or forced to direct their attention away from patients. Based on our expertise, we are convinced that they can easily meet the requirements of HB 123.

**Role of government** - As businesspeople, the irony of supporting government intervention in a market is not lost on us, and we are understandably hesitant to do so. However, the market is so distorted that we fear unless something changes, it will fail.

Ideally, HB 123 would be unnecessary. We would much rather see consumers of health services and facilities already have the information they need to compare prices, and after considering other information about providers and facilities, make an informed market decision. We look forward to a time when, after providers and facilities become more accustomed to providing the transparency necessary for a functional market, and consumers expect and demand such information, HB 123 would be unnecessary and could be repealed. However, in light of the health care crises gripping Alaskans, we believe it is appropriate, and necessary, for the legislature to pass HB 123 to help balance the market.

For these reasons, Bean's Cafe urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year. Please call on us for any information that may help you do so.

Sincerely,

A handwritten signature in black ink that reads "Lisa Sauder". The signature is fluid and cursive, with the first name "Lisa" and last name "Sauder" clearly distinguishable.

Lisa Sauder  
Executive Director  
Bean's Cafe, Inc.  
PO BOX 100940  
Anchorage, AK 99510  
907-350-3818

[REDACTED]

---

**From:** Tiffany Stock [REDACTED]  
**Sent:** Thursday, March 09, 2017 10:57 AM  
**To:** Bernice Nisbett  
**Subject:** Support of HB 123

Hi Bernice,

I just wanted to send an email showing that I fully support what HB 123 is trying to accomplish.

Transparency around the cost of healthcare services is imperative for creating a more informed consumer, encouraging competition amongst facilities and providers and aiding in creating lower cost healthcare.

I had a situation where my daughter needed surgery due to a broken thumb. The provider would not give me any estimate on the surgery and the facility gave me a quote of \$12,000-\$36,000 – both of these made it very scary to have a procedure done having no idea what my financial obligation would be.

Thank you for your attention.

Sincerely,

Tiffany

Tiffany Stock | Vice President, Sales & Marketing | Employee Benefits Consultant | Certified PPACA and Self-funding Professional | [tstock@northrimbenefits.com](mailto:tstock@northrimbenefits.com)

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[REDACTED]

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**From:** Rep. Ivy Spohnholz  
**Sent:** Wednesday, March 08, 2017 7:11 PM  
**To:** Bernice Nisbett  
**Subject:** FW: Support of HB 123

FYI

Thanks!

Ivy

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**From:** Marshall Pickering [REDACTED]  
**Sent:** Wednesday, March 08, 2017 2:15 PM  
**To:** Rep. Ivy Spohnholz <Rep.Ivy.Spohnholz@akleg.gov>  
**Subject:** Support of HB 123

Hello Rep. Spohnholz,

My name is Marshall Pickering and I am a member of AAHU (the association of health underwriters) and I believe you came by one of our meetings back in 2016 when we had the Legislative panel with other reps in Anchorage. I wanted to send you an email in support of HB 123. Transparency is extremely important for consumers in regards to healthcare and hope that my testimony can help get the support that it needs to help get this bill passed. I work in the health insurance industry and have seen how the lack of transparency from providers puts low income and normal citizens at risk of being over charged for services, or even recommended to get services done that might not be medically necessary. I myself have been a victim of this as well a couple years ago, so I know it firsthand.

Thank you,

Marshall Pickering



March 8, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

Matanuska Telephone Association supports HB 123 and urges its passage. MTA is an employer with 284 employees in Alaska. Many with families, all of which are, at one time or another, a consumer of healthcare services.

The rising cost of healthcare in Alaska is making it difficult to provide reasonable compensation, including benefits. The costs escalation is not sustainable. The ability to identify cost drivers starts with the price of the product.

MTA's support for HB 123 is based on three considerations – market transparency, information availability and appropriate role of government.

**Market Transparency** - When buyers and sellers interact to exchange goods and services, a determined price and *the communication* of that price is essential for a functional market. Part of the reason Alaska's health care market is so dysfunctional is that prices for medical goods and services are not communicated during the process leading to an agreement, leaving buyers unable to substitute or seek a lower price. This situation is not because consumers of medical goods and services have failed to request, even demand, this information.

We are aware there are challenges to developing a transparent market. There are differentiations in price structures and services offered which make true comparisons difficult. In some cases, consumers may even opt for higher priced services, believing they are higher quality. However, generally we believe that when consumers have the information they need to make informed market decisions they will seek the best, lowest price, ultimately establishing a more competitive market. Over time, we believe this will lead to lower prices for services for Alaskans.

**Information Availability** - HB 123 is quite limited in scope. It requires medical providers to make known the prices for only the top 25 most common procedures they perform, and medical facilities for only the 50 most common services they

provide. This information is readily available, in some cases already disclosed in reports, and with facilities it is established on their chargemaster. The bill does not compel anyone to produce or generate anything that is not already known and used internally.

Alaska's medical providers and facilities are needed in our community. We don't want to see them burdened or forced to direct their attention away from patients.

**Role of government** - As businesspeople, the irony of supporting government intervention in a market is not lost on us, and we are understandably hesitant to do so. However, the market is so distorted that we fear unless something changes, it will fail.

Ideally, HB 123 would be unnecessary. We would much rather see consumers of health services and facilities already have the information they need to compare prices, and after considering other information about providers and facilities, make an informed market decision. We look forward to a time when, after providers and facilities become more accustomed to providing the transparency necessary for a functional market, and consumers expect and demand such information, HB 123 would be unnecessary and could be repealed. However, in light of the health care crises gripping Alaskans, we believe it is appropriate, and necessary, for the legislature to pass HB 123 to help balance the market.

For these reasons, MTA urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Sincerely,

A handwritten signature in black ink that reads "Michael C. Burke". The signature is fluid and cursive, with the first name being the most prominent.

Michael C. Burke, CEO  
Matanuska Telephone Association

[REDACTED]

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**From:** Barbara Bonner [REDACTED]  
**Sent:** Wednesday, March 08, 2017 11:02 AM  
**To:** Rep. Ivy Spohnholz; Bernice Nisbett  
**Subject:** HB 123

I would like to express support for HB 123. In the same way that I can check prices at the supermarket before I buy, I would like to be able to check prices for medical procedures. I have actually had to call around trying to figure out the cheapest option for having a dental procedure done, and I know how time-consuming it can be. It would be much more convenient to be able to access some kind of chart online to be able to compare prices. In addition to the dental issue, I called around trying to check prices for a medical visit and although I had to code for the visit, the doctor's office would not give me a price because I was not a patient.

Please make medical and dental prices transparent!

[REDACTED]

---

**From:** Denali Flying Service [REDACTED]  
**Sent:** Wednesday, March 08, 2017 6:02 PM  
**To:** Bernice Nisbett  
**Subject:** HB 123

March 7, 2017

Representative Ivy Spohnholz, Chair

House Health and Social Services Committee

Alaska House of Representatives

State Capitol Building, Room 421

Juneau, Alaska 99801

Representative Spohnholz,

Denali Flying Service supports HB 123 and urges its passage. Denali Flying Service is a small business in Alaska. We are consumer of healthcare services.

The rising costs of healthcare in Alaska is making it difficult to provide reasonable compensation including benefits. The costs escalation is not sustainable. The ability to identify cost drivers, starts with the price of the product.

Denali Flying Service support for HB 123 is based on three considerations – market transparency, information availability and appropriate role of government.

**Market Transparency** - When buyers and sellers interact to exchange goods and services, a determined price and *the communication* of that price is essential for a functional market. Part of the reason Alaska's health care market is so dysfunctional is that prices for medical goods and services are not communicated during the process leading to an agreement, leaving buyers unable to substitute or seek a lower price. This situation is not because consumers of medical goods and services have failed to request, even demand, this information.

We are aware there are challenges to developing a transparent market. There are differentiations in price structures and services offered which make true comparisons difficult. In some cases consumers may even opt for higher priced services, believing they are higher quality. However, generally we believe that when consumers have the information they need to make informed market decisions they will seek the best, lowest price, ultimately establishing a more competitive market. Over time, we believe this will lead to lower prices for services for Alaskans.

**Information Availability** - HB 123 is quite limited in scope. It requires medical providers to make known the prices for only the top 25 most common procedures they perform, and medical facilities only the 50 most common services they provide. This information is readily available, in some cases already disclosed in reports, and with facilities it is established on their chargemaster. The bill does not compel anyone to produce or generate anything that is not already known and used internally.

Alaska's medical providers and facilities are needed in our community. We don't want to see them burdened or forced to direct their attention away from patients. Based on our expertise, we are convinced that they can easily meet the requirements of HB 123.

**Role of government** - As businesspeople, the irony of supporting government intervention in a market is not lost on us, and we are understandably hesitant to do so. However, the market is so distorted that we fear unless something changes, it will fail.

Ideally, HB 123 would be unnecessary. We would much rather see consumers of health services and facilities already have the information they need to compare prices, and after considering other information about providers and facilities, make an informed market decision. We look forward to a time when, after providers and facilities become more accustomed to providing the transparency necessary for a functional market, and consumers expect and demand such information, HB 123 would be unnecessary and could be repealed. However, in light of the health care crises gripping Alaskans, we believe it is appropriate, and necessary, for the legislature to pass HB 123 to help balance the market.

For these reasons, Denali Flying Service urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year. Please call on us for any information that may help you do so.

Sincerely,

Barry Stanley

Denali Flying Service

March 7, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

I support HB 123 and urges its passage. I have been in the insurance & employee benefits field for over 30 years and work with many employers in Alaska and their employees and families, all of whom are at one time or another a consumer of healthcare services.

The rising costs of healthcare in Alaska is making it difficult for individuals and families to receive and pay for care. The cost escalation is not sustainable.

Employers are making difficult decisions and increasing deductible and out of pocket amounts in the plans they offer employees and in many cases increasing the employee share of the premiums as well. Deductibles of \$2000 or more for individuals and \$4,000 or more for families have become commonplace in Alaska. In addition, families are asked to pay \$1500 or more for monthly premiums in many cases.

In order to assist employees in accessing affordable healthcare services we have been educating them on how to be a good consumer. However in order for that to happen the consumer must have the ability to access the information they need to make an informed decision. The Alaska consumer is able to research options on treatment, facilities, physicians and surgeons, and necessary testing options both in state and out of state. They are then able to discuss the options with their physician however in many cases consumers have no way to access cost information when receiving care in Alaska. Without this information the consumer is not able to make an informed decision and therefore has no idea what the financial obligation is for their treatment. Healthcare is the only type of service that functions this way.

As consumers we can shop options based on cost and quality for all other goods and services. We need to make that same information available for healthcare services.

The Municipality of Anchorage recently passed a transparency law that will help consumers here access information to shop to healthcare services. But the consumers in other areas of the state need to have the same access to information.

As cited in the Municipal Ordinance, many other states such as California, Texas, Minnesota and Ohio have passed price transparency laws that allow consumers to access cost information before consuming health services. Alaskans deserve to have access to cost information as well.

Much like the taxi industry is being changed by Uber and Airb&b is transforming the lodging industry I believe it's time for the healthcare industry to evolve and provide consumers with information they are demanding in a new and more timely way.

However with that said, Alaska's medical providers and facilities are needed in our community. We don't want to see them burdened or forced to direct their attention away from patients. The information required to be provided under HB 123 is information the hospitals and medical providers have ready access to and is limited to the most common services and procedures so it should not present a burden to them to provide.

For these reasons, I urge the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Sincerely,

Terry Allard, CEBS





March 7, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

Fosselman and Associates, CPAs, a Palmer firm with 8 employees, supports HB 123 and urges its passage.

The rising costs of healthcare in Alaska is making it difficult to provide reasonable compensation including benefits. The costs escalation is not sustainable. Our current plan is being canceled. The premium increase for a replacement plan is 21.7% higher while in-network deductibles and out of pocket maximums are also increasing.

Plans with high deductibles and high out of pocket maximums place the onus of cost control on the employee. This is an impossible task when the prices for health care are difficult, if not impossible, to obtain in advance. Obtaining cost information from multiple providers and facilities is even more problematic. The benefits of consumer driven healthcare will never be realized without price information being readily available to the healthcare consumer.

In my work as a CPA, I am seeing more couples every year who were able to retire before age 65 establish residences in other states simply to be able to afford health insurance. Our current system is, in effect, creating a growing number of healthcare exiles. If current cost trends continue I expect this phenomenon to become more prevalent over time.

For these reasons, Fosselman and Associates, CPAs urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year. Please call on us for any information that may help you do so.

Sincerely,

Catherine Fosselman

## Rep. Ivy Spohnholz

---

**From:** Michelle Ridgway [REDACTED]  
**Sent:** Monday, March 06, 2017 9:11 AM  
**To:** Rep. Ivy Spohnholz  
**Subject:** Medical Cost Disclosure Bill

Dear Representative Spohnholz (and/or Staff):

**I am THRILLED that you are putting cost transparency in the spotlight. I have thusfar only heard the KTOO radio report, and have tasked myself with reading the bill. Let me know if testimony is *needed*.**

Briefly, I have had several experiences in which I have diligently researched treatment / procedure costs for friends, associates, family members and myself before making healthcare decisions in Alaska. I was apalled by Alaskan providers' inability and lack of willingness to provide cost estimates for most procedures. Many costs are controlled by Hospital corporations, and other entities out of State, and several community providers had no idea of the costs nor how to obtain the information. Further, I was shocked to learn of the 4.5 - 7.5 multiplier for same procedures in Alaskan coastal communities vs, say, Portland or Seattle (by the SAME corporate hospital!).

If you need public testimony with factual data exposing the cost opacity and implications to Alaskan's lives and productivity caused by this "hide the cost" practice, I will adust my work schedule, saddle up and go to the hill to testify. I am from Auke Bay.

If testimony is needed, please have a staffer email me today and let me know what time, room number and whether written or verbal testimony or both are preferred.

A pdf version of the bill would be handy as well.

Experiences in obtaining (or trying to obtain) specific cost data:

Kidney blockage removal in Juneau (cost was 4.2 x the estimate provided)

Shoulder injected MRI procedure in Kodiak (cost 5.5. X cost for same procedure in Portland or Seattle, but hospital would not / could not disclose that fact - I had to get data from Providence through 10 + calls to billing rabbit warren in Portland).

Simple eye procedure cost in Anchorage - 6 X cost range depending upon which price provider thought they could get. 7 phone calls to obtain actual cost.

Michelle Ridgway, 48-year Alaska Resident  
(907) 957-2277



March 5, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

Denali Federal Credit Union (Denali), a financial cooperative owned by its 72,000 members, supports HB 123 and urges its passage. Denali has more than 325 employees currently residing in the state of Alaska. We also serve more than 700 sponsor groups and nearly 1,000 member businesses, all of which are consumers of healthcare services.

The rising cost of healthcare in Alaska is the greatest challenge we face when designing a competitive compensation and benefit program for our employees. Denali has attempted to combat unsustainable healthcare cost increases with creative alternatives that include self-funded insurance plans, out-of-state medical travel benefits, a Teledoc program, a high deductible health plan option, and others. Despite all of these efforts healthcare benefit costs continue to skyrocket for Denali. Increasing healthcare costs limit the number of staff we can hire and the range of services we can provide to our members.

The effect on our employees is also dramatic and extends beyond annual rate increases paid by employees. To reduce the monthly cost of health insurance, 37.9% of our employees have selected a high deductible plan. We offer a Health Savings Account to help mitigate deductible and co-insurance costs, but the inability to easily obtain cost information impedes their ability manage their healthcare costs. Comparing costs between providers and facilities is nearly impossible. Thus, our employees are taking on additional risk through higher deductibles, but do not have the tools readily available to manage costs effectively.

In light of the health care crises all Alaskans face, we believe it is necessary for the legislature to pass HB 123 to help our employees, members and sponsor groups manage the cost of healthcare. Denali Federal Credit Union urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Sincerely,

Dale Fosselman  
Chief Corporate Development Officer

DENALI FEDERAL CREDIT UNION

**From:** Meghan Kennedy-Brown <[REDACTED]>  
**Sent:** Sunday, March 05, 2017 3:16 PM  
**To:** Bernice Nisbett; Rep. Ivy Spohnholz  
**Subject:** HB123

I appreciate what you're doing with this bill and fully support it's passage. I believe that affordable care will be achieved through transparent pricing , not through the insurance companies.

Thank you,

Meghan

## **Rep. Ivy Spohnholz**

---

**From:** Marnie Hartill [REDACTED]  
**Sent:** Sunday, March 05, 2017 3:15 PM  
**To:** Rep. Ivy Spohnholz; Rep. Bryce Edgmon; Rep. Sam Kito; Rep. Geran Tarr; Rep. David Eastman; Rep. Jennifer Johnston; Rep. Colleen Sullivan-Leonard; Rep. Matt Claman; Rep. Dan Saddler  
**Subject:** Supporting HB 123

Dear Members of the House Health and Social Services Committee,

I am writing to you in strong support of HB 123.

I intend to testify on Thursday, but I will be between two meetings at 3pm in which I will be driving across town. In case that you might miss me, here is my written testimony:

Thank you for allowing me to testify on HB 123: concerning Health Care Transparency.

I speak to you today as an individual.

I could tell you about my personal frustrations a few years ago-- hopping from one chiropractor to another and to another until learning what the prices were: one charging the same code and price for a 15 minute massage therapy session as the other that provided a 60 minute massage therapy session. I could tell you about my referral for a mammogram that charged me \$900 without my being informed beforehand; later the whole amount was waived. I could tell you about the \$3000 MRI that I had to get, but again, I didn't know I was going to be paying for it for the next two years. I was not given the chance to shop around, but sent to one place. Later I learned that I could have gone to another imaging center that charged far less. I could tell you about my former husband who was in a car wreck and experienced knee surgery but there was a monopoly in town called OPA that over charged him what was fair and customary, made mistakes in his surgery, and then held him in a physical therapy loop that continued to take advantage of the insurance claim of the other party that struck his motorcycle.

As a public school teacher and active leader in the Anchorage Education Association, I have had many moments of advocacy for members who sought my help when seeking health care benefits through our health trust. In my experience and research, I have seen a rising cost of health care due to lack of transparency law. We also have struggled with the 80th percentile clause in the insurance regulations.

Moreover, I want to ask you to consult a resource that I developed this winter. I found that it was difficult to explain to my peers what the 80th percentile regulation was about, and what health cost transparency law would mean for Alaska.

So I developed a white paper.

You can see it too at [bit.ly/80thpercent](http://bit.ly/80thpercent)

I fought hard to get two New Business Items passed in our NEA- Alaska Delegate Assembly annual meeting this January. These two items passed and are backed by the thousands of teachers and education professionals in the state of Alaska. The two items support legislation for Health Care Transparency and advocate for removal of the 80th percentile language.

I want you to know that this Transparency Law would reduce one of the largest cost drivers of our state budget. The cost of health care drives up health premiums, which drive up local school bargaining agreements, which drive up school district deficits, which drive further into our state fiscal situation. See this article from 2014 showing a graph that illustrates this problem:  
<http://www.akbizmag.com/Alaska-Business-Monthly/December-2014/Alaskans-Like-to-Eat-Their-Cake-Up-to-a-Point/>

Last year, I was offended when Senator Cathy Giessel issued a newsletter that presented a bar graph showing the cost of public education increasing over the last several years while achievement allegedly dropped. What her bar graph failed to show was the astronomical percent of those public education costs which were Health care premiums and benefits packages in our state. If the legislature can get a hold on our medical care regulations and level the playing field, we can see fairness in health care charges for all Alaskans.

I am aware that many medical providers such as OPA are paying far more for lobbyists to reach out to you than I can match. But I thank you for your time, and hearing me out as a solitary concerned citizen.

Let me be clear, this is not a time for medical providers to be pointing fingers at insurance providers. No. We need to look closely at ALL variables in our health care system (not just insurance) and realize that the medical providers can be accountable too.

We are all accountable for our state fiscal crisis.

Sincerely,

Marnie Hartill  
1553 A Street #323  
Anchorage, AK 99501  
(907)-744-6641



### **Alaska Chapter Mission Statement**

*AAHU is a state chapter of the National Association of Health Underwriters. We provide professional development, promote high ethical standards of our members, advocate responsible legislation and proactively educate Alaskans on health and financial security needs.*

**President  
Albert Fogle**

**Immediate Past-  
President  
Jolene Bryant**

**President Elect  
Hyo Jin Woo**

**Vice President  
Tiffany Stock**

**Secretary  
Johnna Golden**

**Treasurer  
Rhonda Kitter**

**Executive Director  
Kate Gootee**

March 2, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

The Alaska Association of Health Underwriters (AAHU) supports HB 123 and urges it's passage. AAHU is an association of nearly 100 licensed health insurance agents, brokers, consultants and benefit professionals who work with private and public employers and organizations throughout Alaska.

In our work with private companies, local governments, school districts, and others, we have witnessed the effect on Alaskans when employers can't afford, or are forced to limit, health insurance for their employees and dependents because of the high cost of medical services.

Our support for HB 123 is based on three considerations – market transparency, information availability, and appropriate role of government.

**Market Transparency** - When buyers and sellers interact to exchange goods and services, a determined price and *the communication* of that price is essential for a functional market. Part of the reason Alaska's health care market is so dysfunctional is that prices for medical goods and services are often not communicated prior to treatment. Therefore there is no agreement or understanding of price, leaving buyers unable to substitute or seek a lower price. In many cases, the outcome is not because consumers of medical goods and services have failed to request, even demand, this information.

We are aware there are challenges to developing a transparent market. There are differentiations in price structures and services offered which make true comparisons difficult. In some cases consumers may even opt for higher priced services, believing they are higher quality. However, generally we believe that when consumers have the information they need to make informed market decisions they will seek the best, lowest price, ultimately establishing a more competitive market. Over time, we believe this will lead to lower prices for services for Alaskans.

**Information Availability** - HB 123 is quite limited in scope. It requires medical providers to make known the prices for only the top 25 most common procedures they perform, and medical facilities only the 50 most common services they provide. This information is readily available, in some cases already disclosed in reports. For facilities it is established on their chargemaster. The bill does not compel anyone to produce or generate anything that is not already known and used internally.

P. O. Box 244065, Anchorage, AK 99524 – (907) 644-1466





### **Alaska Chapter Mission Statement**

*AAHU is a state chapter of the National Association of Health Underwriters. We provide professional development, promote high ethical standards of our members, advocate responsible legislation and proactively educate Alaskans on health and financial security needs.*

**President  
Albert Fogle**

**Immediate Past-  
President  
Jolene Bryant**

**President Elect  
Hyo Jin Woo**

**Vice President  
Tiffany Stock**

**Secretary  
Johnna Golden**

**Treasurer  
Rhonda Kitter**

**Executive Director  
Kate Gootee**

Alaska's medical providers and facilities are our partners in providing health care for our clients. We don't want to see them burdened or forced to direct their attention away from patients. Based on our expertise, we are convinced that they can meet the requirements of HB 123.

**Role of government** - As businesspeople, the irony of supporting government intervention in a market is not lost on us, and we are understandably hesitant to do so. However, the market is so distorted that we fear unless something changes, it will fail.

Ideally, HB 123 would be unnecessary. We would much rather see consumers of health services and facilities already have the information they need to compare prices, and after considering other information about providers and facilities, make an informed market decision. We look forward to a time when, after providers and facilities become more accustomed to providing the transparency necessary for a functional market, and consumers expect and demand such information, HB 123 would be unnecessary and could be repealed. However, in light of the health care crises gripping Alaskans, we believe it is appropriate, and necessary, for the legislature to pass HB 123 to help balance the market.

For these reasons, AAHU urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year. Please call on us for any information that may help you do so.

Sincerely,

  
AAHU President



ALASKA PERMANENT  
CAPITAL MANAGEMENT®  
Registered Investment Adviser

March 1, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

Alaska Permanent Capital Management Company supports HB 123 and urges its passage. Alaska Permanent Capital Management Company is an employer with 20 employees in Alaska. Many with families, all of which are at one time or another a consumer of healthcare services.

The rising costs of healthcare in Alaska is making it difficult to provide reasonable compensation including benefits. The costs escalation is not sustainable. The ability to identify cost drivers, starts with the price of the product.

Alaska Permanent Capital Management Company's support for HB 123 is based on three considerations – market transparency, information availability and appropriate role of government.

**Market Transparency** - When buyers and sellers interact to exchange goods and services, a determined price and *the communication* of that price is essential for a functional market. Part of the reason Alaska's health care market is so dysfunctional is that prices for medical goods and services are not communicated during the process leading to an agreement, leaving buyers unable to substitute or seek a lower price. This situation is not because consumers of medical goods and services have failed to request, even demand, this information.

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907.272.7575 • 900 West 5th Avenue, Suite 601, Anchorage, AK 99501 • [www.apcm.net](http://www.apcm.net)

We are aware there are challenges to developing a transparent market. There are differentiations in price structures and services offered which make true comparisons difficult. In some cases consumers may even opt for higher priced services, believing they are higher quality. However, generally we believe that when consumers have the information they need to make informed market decisions they will seek the best, lowest price, ultimately establishing a more competitive market. Over time, we believe this will lead to lower prices for services for Alaskans.

**Information Availability** - HB 123 is quite limited in scope. It requires medical providers to make known the prices for only the top 25 most common procedures they perform, and medical facilities only the 50 most common services they provide. This information is readily available, in some cases already disclosed in reports, and with facilities it is established on their chargemaster. The bill does not compel anyone to produce or generate anything that is not already known and used internally.

Alaska's medical providers and facilities are needed in our community. We don't want to see them burdened or forced to direct their attention away from patients.

**Role of government** - As businesspeople, the irony of supporting government intervention in a market is not lost on us, and we are understandably hesitant to do so. However, the market is so distorted that we fear unless something changes, it will fail.

Ideally, HB 123 would be unnecessary. We would much rather see consumers of health services and facilities already have the information they need to compare prices, and after considering other information about providers and facilities, make an informed market decision. We look forward to a time when, after providers and facilities become more accustomed to providing the transparency necessary for a functional market, and consumers expect and demand such information, HB 123 would be unnecessary and could be repealed. However, in light of the health care crises gripping Alaskans, we believe it is appropriate, and necessary, for the legislature to pass HB 123 to help balance the market.

For these reasons, Alaska Permanent Capital Management Company urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Sincerely,



Evan Rose  
CEO

February 28, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

I support HB 123 and urges its passage. I own and manage businesses in Alaska and would like to see the cost of healthcare and insurance in Alaska be more affordable.

The rising costs of healthcare in Alaska is making it difficult to provide reasonable compensation including benefits. The costs escalation is not sustainable. The ability to identify cost drivers, starts with the price of the product.

I support market transparency, information availability and appropriate role of government.

**Market Transparency** - When buyers and sellers interact to exchange goods and services, a determined price and *the communication* of that price is essential for a functional market. Part of the reason Alaska's health care market is so dysfunctional is that prices for medical goods and services are not communicated during the process leading to an agreement, leaving buyers unable to substitute or seek a lower price. This situation is not because consumers of medical goods and services have failed to request, even demand, this information.

We are aware there are challenges to developing a transparent market. There are differentiations in price structures and services offered which make true comparisons difficult. In some cases consumers may even opt for higher priced services, believing they are higher quality. However, generally we believe that when consumers have the information they need to make informed market decisions they will seek the best, lowest price, ultimately establishing a more competitive market. Over time, we believe this will lead to lower prices for services for Alaskans.

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Alaska's medical providers and facilities are needed in our community. We don't want to see them burdened or forced to direct their attention away from patients.

**Role of government** - As businesspeople, the irony of supporting government intervention in a market is not lost on us, and we are understandably hesitant to do so. However, the market is so distorted that we fear unless something changes, it will fail.

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For these reasons, I urge the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Sincerely,

/S/

Bhree Roumagoux

Taku Engineering, LLC  
205 East Benson Blvd, Suite 201  
Tel 907.562.147  
billmott@takuengineering.com  
takuengineering.com



FEBRUARY 28, 2017

**Representative Ivy Spohnholz, Chair**  
House Health and Social Services Committee  
Alaska House of Representative  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

Taku Engineering, LLC supports HB 123 and urges its passage. Taku Engineering is an employer with 18 employees in Alaska. Many with families, all of which are at one time or another a consumer of healthcare services.

The rising cost of healthcare in Alaska is making it difficult to provide reasonable compensation including benefits. The costs escalation is not sustainable. The ability to identify cost drivers, starts with the price of the product.

Taku Engineering's support for HB 123 is based on three considerations – market transparency, information availability and appropriate role of government.

**Market Transparency** – When buyers and sellers interact to exchange goods and services, a determined price and the *communication* of that price is essential for a functional market. Part of the reason Alaska's health care market is so dysfunctional is that prices for medical goods and services are not communicated during the process leading to an agreement, leaving buyers unable to substitute or seek a lower price. This situation is not because consumers of medical goods and services have failed to request, even demand, this information.

We are aware there are challenges to developing a transparent market. There are differentiations in price structures and services offered which make true comparisons difficult. In some cases consumers may even opt for higher priced services, believing they are higher quality. However, generally we believe that when consumers have the information they need to make informed market decisions they will seek the best, lowest price, ultimately establishing a more competitive market. Over time, we believe this will lead to lower prices for services for Alaskans.

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**Role of Government** – As businesspeople, the irony of supporting government intervention in a market is not lost on us, and we are understandably hesitant to do so. However, the market is so distorted that we fear unless something changes, it will fail.

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For these reasons, Taku Engineering, LLC urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Warm regards,

A handwritten signature in black ink, appearing to read 'Bill Mott', with a large, sweeping loop at the end.

**Bill Mott, PE**

OWNER



February 28, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

Allen & Petersen Cooking & Appliance Center supports HB 123 and urges its passage. Allen & Petersen Cooking & Appliance Center is an employer with 40 employees in Alaska. Many with families, all of which are at one time or another a consumer of healthcare services.

The rising costs of healthcare in Alaska is making it difficult to provide reasonable compensation including benefits. The costs escalation is not sustainable. The ability to identify cost drivers, starts with the price of the product.

Allen & Petersen Cooking & Appliance Center support for HB 123 is based on three considerations – market transparency, information availability and appropriate role of government.

**Market Transparency** - When buyers and sellers interact to exchange goods and services, a determined price and *the communication* of that price is essential for a functional market. Part of the reason Alaska's health care market is so dysfunctional is that prices for medical goods and services are not communicated during the process leading to an agreement, leaving buyers unable to substitute or seek a lower price. This situation is not because consumers of medical goods and services have failed to request, even demand, this information.

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Kyle D. Mirka  
Owner  
Allen & Petersen  
3002 Seward Hwy  
Anchorage, AK 99503  
OFF (907) 276-0239  
CEL (907) 230-7432  
FAX (907) 276-7689





price, ultimately establishing a more competitive market. Over time, we believe this will lead to lower prices for services for Alaskans.

**Information Availability** - HB 123 is quite limited in scope. It requires medical providers to make known the prices for only the top 25 most common procedures they perform, and medical facilities only the 50 most common services they provide. This information is readily available, in some cases already disclosed in reports, and with facilities it is established on their chargemaster. The bill does not compel anyone to produce or generate anything that is not already known and used internally.

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For these reasons, Allen & Petersen Cooking & Appliance Center urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Sincerely,

Kyle D. Mirka  
Owner  
Allen & Petersen  
3002 Seward Hwy  
Anchorage, AK 99503  
OFF (907) 276-0239  
CEL (907) 230-7432  
FAX (907) 276-7689



February 28, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

Continental Auto Group supports HB 123 and urges its passage. Continental Auto Group is an employer with 250 employees in Alaska. Many with families, all of which are at one time or another a consumer of healthcare services.

The rising cost of healthcare in Alaska is making it difficult to provide reasonable compensation including benefits. The costs escalation is not sustainable. The ability to identify cost drivers starts with the price of the product.

Continental Auto Group support for HB 123 is based on three considerations – market transparency, information availability and appropriate role of government.

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For these reasons, Continental Auto Group urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Sincerely,



Marten Martensen

Owner/Dealer

Continental Auto Group

## **Rep. Ivy Spohnholz**

---

**From:** Michael Humphrey [REDACTED]  
**Sent:** Tuesday, February 21, 2017 10:23 AM  
**To:** Rep. Ivy Spohnholz  
**Subject:** HB 123

Representative Ivy Spohnholz

Wanted to let you know that I am in full support of HB123. I agree that we need to "empowers consumers to make informed decisions about their health care options by ensuring accessible information on medical pricing."

If i can be of help, please call on me.

Mike Humphrey - Retired UA Systemwide Director of Benefits



4492 E. Fairview Loop  
Wasilla, AK 99654  
907-376-4784 Voice  
907-376-7596 Fax

February 28, 2017

Representative Ivy Spohnholz, Chair  
House Health and Social Services Committee  
Alaska House of Representatives  
State Capitol Building, Room 421  
Juneau, Alaska 99801

Representative Spohnholz,

Valley Block & Concrete supports HB 123 and urges its passage. Valley Block & Concrete is an employer with 42 employees in Alaska. Many with families, all of which are at one time or another a consumer of healthcare services.

The rising costs of healthcare in Alaska is making it difficult to provide reasonable compensation including benefits. The costs escalation is not sustainable. The ability to identify cost drivers, starts with the price of the product.

Valley Block & Concrete's support for HB 123 is based on three considerations – market transparency, information availability and appropriate role of government.

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For these reasons, Valley Block & Concrete urges the 30<sup>th</sup> Alaska Legislature to pass HB 123 this year.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Purviance". The signature is fluid and cursive, with a long horizontal stroke at the end.

Shawn Purviance  
Operations Manager  
Valley Block & Concrete

## Rep. Ivy Spohnholz

---

**From:** akhouse@belfast.servershost.net on behalf of Elizabeth Krome  
<akhouse@belfast.servershost.net>  
**Sent:** Tuesday, February 21, 2017 8:02 PM  
**To:** Rep. Ivy Spohnholz  
**Subject:** HB 123

**From:** Elizabeth Krome [REDACTED]  
**Subject:** HB 123

**Message Body:**

I so appreciate this bill and fully support it. It is important that the public be aware of the cost for medical care. Only with education of consumers can change come about. Thank you.

E. C. Krome  
3642 N. Sams Dr.  
Wasilla, AK. 99654

--

This e-mail was sent from a contact form on Representative Ivy Spohnholz ([http://akhouse.org/rep\\_gruenberg](http://akhouse.org/rep_gruenberg))