

## Representative Ivy Spohnholz

House Labor & Commerce Committee Chair House Health & Social Services Committee Vice Chair House Energy Committee Vice Chair

Serving House District 16: College Gate, Russian Jack, Nunaka Valley, & Reflection Lake

## SPONSOR STATEMENT

## House Bill 229

"An act establishing the Alaska Health Care Transformation Corporation; relating to an all-payer claims database; and providing for an effective date"

HB 229 would establish the Alaska Healthcare Transformation Corporation (AHTC), an independent, legal authority to manage an All Payer Claims Database (APCD). Health care costs around the United States are increasing at an alarming rate. Alaskan health care costs are increasing at an even higher rate compared to other states. Alaska's health care costs 38% more than the rest of the United States. How can costs be contained while improving health care quality and outcomes across the state? The Alaska Healthcare Transformation Project, a group made up of payers, providers, policymakers, and patient advocates, has been meeting since 2017 to work together on this issue. One of their recommendations was to establish an APCD.

An APCD is an aggregation of health care data. The health care data is a collection of claims data from a comprehensive range of sources such as private health insurers, state employee health benefits programs, prescription drug plans, dental insurers, Medicaid, and more. The value of an APCD is that it allows for analysis and informed decision-making for health care consumers and policy makers. It is also a powerful tool for understanding the health care market. Additionally, analysis of geographic, demographic and other areas of potential disparity can help inform policy assessments and improvements.

Understanding the underlying cost drivers and market pressures of the cost of health care is important to developing policies and solutions. An Alaska Health Care Transformation Corporation tasked with establishing an APCD will provide a foundation for ongoing analysis, development, implementation and support for health care policy. There are 20 states that have an APCD. If passed, this legislation will provide the means to develop health care policies that can improve access and affordability for all Alaskans.

HB 229 Sponsor Statement v.M 02/20/2020

For additional information please contact Christine Marasigan, (907) 465-2696 in the Office of Representative Spohnholz.