

March 31st, 2021

The Honorable Mike Dunleavy Governor 3rd Floor, State Capitol Juneau, Alaska 99801

Dear Governor Dunleavy:

The Alaska Chapter of the American College of Emergency Physicians, representing emergency physicians practicing across Alaska, is in strong support of SB 93 "An Act relating to the establishment of an all-payer health claims database" and would like to thank you for introducing the legislation.

Alaskans face unique barriers in their pursuance of medical care— geographical distance, scarcity of specialty services, and, unfortunately, cost of care. It is not an unusual circumstance to have an emergency department patient refuse, or partially accept, recommended care out of fear of financial hardship. As ED physicians we are trained to rapidly rule out life and limb threatening injuries. Under these circumstances, patient and physician alike would pursue life saving therapy at nearly any cost, but, what about less emergent circumstances? There are undoubtedly patients that could be routed away from the expensive environment of the emergency department and into clinics of lower acuity. The use of an all payer claims database (APCD) can help the health care system better understand when and where this can occur and also lowers costs by collecting data from both public and private payers to inform health care policies, physician practices, public health interventions, and consumer choices.

Health care hesitancy among Alaskans is not unfounded, as we have the highest health care spending per capita in the nation. In order to get a handle on health care spending we must first be able to identify where things are going well and where costs are wasted. The establishment of an APCD has been shown to be a crucial initial step in controlling health care costs; as such, similar programs have been successfully implemented in 24 states. Currently, there are national data sets, which can be used to inform policy decisions, but one does not need to work in Alaskan health care for long to see that national data will not provide us the answers we need given the unique barriers in our State.

Now is an especially important time for Alaska to create an APCD as recent health provisions laid out in the Federal Consolidated Appropriations Act create grant programs specifically aimed at helping states implement APCDs. While there will be some contribution required from the state, Alaska Healthcare Transformation Project estimated in their APCD feasibility study that the annual cost of an APCD would be "less than 0.0125% of the state's more than \$3.2 billion

healthcare budget". Failure to move forward at this time will result in a loss of \$2.5 million federal dollars over 3 years that is unlikely to come up again.

The proper design and implementation of an APCD will provide all Alaskans with improved access to health care data and inform decisions at every level of life, let's move forward with this project and elevate the health of Alaskans.

Sincerely,

Helen Adard

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