



ASEA/AFSCME Local 52 Health Benefits Trust

111 West Cataldo Avenue, Suite #220
Spokane, WA 99201
(509) 328-0300 (866) 553-8206

April 27, 2021

Honorable Click Bishop
Co-Chair, Senate Finance Committee
State Capitol Room 516
Juneau, AK 99801
Senator.Click.Bishop@akleg.gov

Honorable Bert Stedman
Co-Chair, Senate Finance Committee
State Capitol Room 518
Juneau, AK 99801
Senator.Bert.Stedman@akleg.gov

Re: Opposition to SB 93

Dear Co-Chair Bishop and Co-Chair Stedman, and Members of the Senate Finance Committee:

The ASEA/AFSCME Local 52 Health Benefits Trust (the Trust) Board of Trustees offers comment on SB 93, as amended relating to the creation of a State of Alaska All-Payer Claims Database (APCD).

The Board of Trustees is cognizant of the many challenges that health plans in the State of Alaska face in ensuring that their limited resources are spent providing quality health benefits for their participants. Voluntary participation in the data sharing element of SB 93 would require additional data aggregation, programming and production expenses that the Trust would absorb from its limited resources. The Trust is currently absorbing the costs for complying with the many changes and special enrollments rules imposed by the federal COVID relief legislation, as well as the newly required federal transparency requirements within the current bargained cycle. The Trust is not prepared to expend the additional funds required to participate in the APCD, particularly where there is no demonstrable cost savings resulting from the program. In separate comments delivered by Fred Brown on behalf of the Pacific Health Coalition, he has outlined the lack of a positive return on investment or a change in consumer behavior from APCD programs implemented in Colorado.

The State already has a significant volume of claims data with their own employee health plan, retiree plan, and Medicaid data that has not helped the State to inform or prescribe effective health care public policy. Although Federal money is available to begin the APCD, we believe the State has provided inadequate estimates of how it would fund the implementation and continued operation of the APCD over and above the federal funds it will receive. Even if the Trust was allotted a portion of the federal seed money, it is unlikely to cover the cost of providing data going forward. The scope of this project is nebulous, which itself is a concern, and we note that as the scope expands, so does the cost for the APCD and for the health plans contributing data.

Data security is also a pressing concern. Allowing a third-party access to HIPAA protected claims data would put the Trust at risk of violating its obligation of security and privacy to its participants, as even with de-identified claims, certain rare conditions and novel treatments are still considered protected health information under HIPAA despite redacting identifying factors from such data.

For these reasons ASEA/AFSCME Local 52 Health Benefits Trust opposes SB 93.

A handwritten signature in black ink, appearing to read "Shawn Staker", is written over a horizontal line.

Shawn Staker, Chair

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