



February 10, 2025

The Honorable Forrest Dunbar
Chair, Senate Health & Social Services Committee
The Alaska State Legislature
State Capitol Room 125
Juneau AK, 99801

The Honorable Cathy Giessel
Vice Chair, Senate Health & Social Services Committee
The Alaska State Legislature
State Capitol Room 121
Juneau AK, 99801

RE: ATA ACTION SUPPORT OF SB 83

Dear Chair Dunbar, Vice Chair Giessel and members of the Health & Social Services Committee

On behalf of ATA Action, I am writing to you to express our support for Senate Bill 83 regarding insurance coverage of telehealth care.

ATA Action, the American Telemedicine Association's affiliated trade association focused on advocacy, advances policy to ensure all individuals have permanent access to telehealth services across the care continuum. ATA Action supports the enactment of state and federal telehealth policies to secure telehealth access for all Americans, including those in rural and underserved communities. ATA Action recognizes that telehealth and virtual care have the potential to truly transform the health care delivery system – by improving patient outcomes, enhancing safety and effectiveness of care, addressing health disparities, and reducing costs – if only allowed to flourish.

SB 83 is a crucial step forward for Alaska's telehealth policy, requiring health care insurers to reimburse health care providers for services provided through telehealth on the same basis as comparable health care services provided in person. ATA Action applauds the Legislature's efforts to expand Alaskan patients' access to affordable, high-quality care by ensuring insurance coverage of telehealth care. This legislation will make it easier for Alaska residents to access quality health care easily and effectively without having to worry about the potential financial burdens associated with receiving that care.

As far as the rate of reimbursement for telehealth services is concerned, ATA Action maintains that state policymakers should set rational guidelines that are both fair to the provider of such

ATA ACTION

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Telehealth Policy to Transform Healthcare

services and reflect the cost savings offered to the health care system by the effective use of telehealth technologies.

Thank you for your support for telehealth. We encourage you and your colleagues to support this legislation. Please let us know if there is anything that we can do to assist you in your efforts to adopt practical telehealth policy in Alaska. If you have any questions or would like to engage in additional discussion regarding the telehealth industry's perspective, please contact me at kzebley@ataaction.org.

Kind regards,

A handwritten signature in black ink, appearing to read "Kyle Zebley".

Kyle Zebley
Executive Director
ATA Action

ATA ACTION

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Info@ataaction.org



February 18, 2025

The Honorable Forrest Dunbar

The Honorable Matt Claman

Alaska State Senate
Alaska State Capitol
Juneau, Alaska 99801

Subject: Support for Telemedicine Payment Parity Legislation – SB 83

Dear Chair Dunbar and Senator Claman,

On behalf of the ALS Association, I am writing to express our strong support for SB 83, legislation that ensures payment parity for telemedicine services in Alaska. As an organization dedicated to improving the lives of those affected by Amyotrophic Lateral Sclerosis (ALS), we believe this legislation is essential to increasing access to care, improving health outcomes, and reducing the financial burden on individuals and families impacted by ALS across the state.

ALS is a progressive and debilitating disease that demands continuous, specialized care. Unfortunately, many patients with ALS live in remote or underserved areas, where access to specialized medical care can be limited or prohibitively expensive. For these individuals, telemedicine has become a lifeline, allowing them to consult with specialists and healthcare providers without the need for lengthy travel or the risks associated with in-person visits, particularly as their condition progresses.

However, despite the critical role that telemedicine plays in ensuring timely and accessible care for ALS patients, many face significant barriers to receiving telehealth services. These barriers are often related to reimbursement rates that do not adequately cover the costs of telemedicine visits, which can create financial challenges for both healthcare providers and patients. By ensuring payment parity between in-person and telemedicine services, we can help make telehealth a more viable option for patients with ALS, who already face immense physical, emotional, and financial challenges.

The ALS Association strongly believes that telemedicine payment parity will:

1. **Increase access to specialized care** – Telemedicine allows patients to receive expert care without the geographic and financial constraints imposed by in-person visits, which is especially important in a state like Alaska, where many residents live in rural or isolated areas.
2. **Enhance continuity of care** – For individuals with ALS, continuity of care is critical. Telemedicine enables regular follow-ups, consultations, and support without the disruptions of travel and other logistical hurdles.
3. **Reduce healthcare disparities** – Telemedicine payment parity will ensure that patients from all regions of Alaska, regardless of their location, have equal access to necessary services, helping to reduce healthcare disparities in our state.
4. **Support caregivers and families** – For ALS patients, who often experience physical limitations as the disease progresses, telemedicine provides a less physically demanding option for care. This also eases the burden on caregivers, many of whom are already stretched thin.

By supporting telemedicine payment parity, the Alaska State Senate has an opportunity to create a more inclusive, equitable healthcare system that ensures individuals with ALS are not left behind. We urge you to support this vital legislation and stand with the ALS community in expanding access to the care they need, when they need it most.

Thank you for your consideration of this important issue. We look forward to working with you to ensure that all Alaskans, regardless of where they live, have access to the best possible care.

Sincerely,

Clark Hansen
Managing Director of Advocacy – Western United States
ALS Association

From: [Baker, Nadine D](#)
To: [Sen. Matt Claman](#)
Subject: mental health parity bill
Date: Tuesday, February 25, 2025 8:15:38 AM
Attachments: [Outlook-cid_image0.png](#)

Goodmorning Senator Claman,

I am reaching out to share my support and encouragement for telehealth parity. I have seen the significant impact telehealth has had on accessibility of services across our patient population. People appreciate being able to avoid adverse weather conditions and reducing the commute from work/school to appointments. Additionally, it works well for individuals who work or live remotely in our state and individuals who are aging, medically compromised or lack transportation.

We are grateful for your efforts to advocate for the health and wellbeing of your constituents. Thank you.

N

Nadine DeMarco Baker, PhD
Clinical Psychologist/Clinical Supervisor
Providence Medical Group Alaska | Behavioral Health



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Attn: Senate Health & Social Services Committee

Subject: SB 83 Telehealth Pay Parity

Wednesday, February 26, 2025

I would like to offer some thoughts in response to previous testimony at the February 11, 2025, hearing on SB 83. First, in my experience, Professor Rebitzer's observation that our current system invites "free riders" is accurate. Most commercial payers reimburse telehealth visits at in office rates, but one, who incidentally holds the greatest proportion of commercial market share in Alaska, does not, despite claims to the contrary. Furthermore, Professor Rebitzer argued that reimbursing telehealth services at in office rates encourages innovation. Although the professor did not provide an example of innovation in the Alaskan context to satisfy Senator Hughes, that does not mean the underlying idea lacks merit. For example, I periodically travel, at my own expense, to communities across Alaska to meet in office with my clients who are primarily seen via telehealth. I do this to satisfy both state and federal requirements. In doing so, I have utilized the money that I saved on some overhead costs by primarily providing telehealth services, and reinvested it in a strategy that increases consumer provider choice in not one, but multiple communities, without requiring those individuals to take on the cost of traveling to meet with a provider outside of their community. This is innovation - and is currently only possible because I'm guaranteed parity through my payer contracts in Oregon.

But why does provider choice matter? Because in mental health it is particularly important that clients have a good personality fit with their provider. A good fit contributes to increased trust, which leads to greater consistency with medication, better health outcomes, and ultimately, for the benefit of Senator Hughes, increased workforce productivity. As Senator Claman noted during the hearing, a focus on reducing provider rates, which could effectively reduce consumer choice and access, is shortsighted, as it may save costs in the short term, but contributes to worse long term health outcomes and greater future costs.

I also ask the committee to consider that while some telehealth providers may save a few hundred dollars per month on rent, they may be losing thousands of dollars of revenue per month due to remarkably low telehealth reimbursement rates. Mental health providers have different overhead costs compared to physical health providers, and therefore often have different reimbursement rates. However, with the exception of rent, primarily telehealth providers have the same costs as primarily in office providers: the cost of their education, malpractice insurance, licensing fees, the cost of attending conferences and obtaining continuing education hours, etc.

I would also argue that mandating pay parity for telehealth services ensures equity in access for consumers. Why? Because, to borrow terms from political science, health insurance is more of a representative market than a direct market. Unless patients are paying for insurance through the Alaska Health Insurance Marketplace, they have limited choice of insurance payer, as this

decision is made for them by their employer. As a private practice provider, I can choose not to contract with a particular payer because they do not reimburse adequately for telehealth services. However, this creates disparity of access to telehealth services, and leaves consumers without recourse to encourage payers to reimburse for telehealth services as they are limited in choice of what insurance company provides their coverage.

Finally, I would like to note that while I have negotiated nearly identical reimbursement rates for in office visits with BCBS in Oregon and BCBS in Alaska, I currently pay approximately \$1650/month for BCBS Marketplace insurance for myself and my husband in Oregon, and would pay approximately \$2800/month for a comparable BCBS Marketplace plan in Alaska (assuming we pay the full monthly premium without any tax credits). I appreciate Senator Hughes concerns about the cost of health insurance for Alaskans, however she has assumed that the high cost is due to provider reimbursement for outpatient office visits. This may be an incorrect assumption.

Mackenzie Callis, PMHNP

Aleutika Mental Health Services

503-351-5858

From: [Mike Baldwin](#)
To: [Sen. Matt Claman](#)
Cc: [Sarena Hackenmiller](#)
Subject: SB 83 Public Testimony/Letters of Support
Date: Thursday, March 13, 2025 1:22:36 PM

Senator Claman,
Please consider this a letter in support of SB83.

Alaska faces many challenges when it comes to providing healthcare, in particular behavioral health services. From high costs to parity issues, and a lack of workforce, many Alaskans do not have access to healthcare providers in their home communities. Telehealth is an obvious tool to improve access to care. Healthcare providers have reported a lack of parity of rates with in person visits - that seems to negate the advantages of increased access if they can't sustain their business. It may appear more costly in the short run, but over the long term, it reduces costs through improved health of individuals and the community. Investing now for a healthier future makes sense.

Thank you for your time and consideration.

Respectfully, Michael

Michael Baldwin
Anchorage, Alaska



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22 March 2025

Senator Matt Claman
Alaska State Capitol
Room 429
Juneau AK, 99801

RE: SB83 - Act relating to health care insurance; relating to insurance reimbursement for health care services provided through telehealth.

Dear Senator Claman:

On behalf of the Alaska Psychological Association (AK-PA), I am writing to express our **strong support** for Senate Bill 83, which addresses reimbursement parity by requiring health care insurers in Alaska to reimburse health care providers for services delivered via telehealth at the same rate as in-person services.

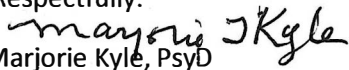
AK-PA is dedicated to advancing psychology as a science and a profession, promoting human health and welfare, and maintaining high standards of practice in the field of psychology. We believe that Senate Bill 83 is a crucial step in ensuring equitable access to mental health services for all Alaskans, particularly those in underserved and rural communities.

Telehealth has been proven to be an effective and efficient method for delivering mental health services. With most mental health providers located in Anchorage, many areas of Alaska face significant barriers to accessing care. The vast geography of our state, coupled with the high costs of travel for face-to-face appointments, exacerbates the challenges faced by individuals seeking mental health support. By mandating reimbursement parity for telehealth services, this legislation will empower mental health providers to reach those who would otherwise be unable to access care.

We commend your efforts in supporting mental health services and recognize the positive impact this bill will have on the well-being of Alaskans across the state. The Alaska Psychological Association stands ready to assist you with any questions or concerns regarding mental health services, and we appreciate your commitment to improving access to care.

Thank you and please do not hesitate to reach out if we can be of further assistance.

Respectfully:


Marjorie Kyle, PsyD

AK-PA Federal and State Advocacy Coordinator

cc: senate.finance@akleg.gov

Alaska Psychological Association, 3705 Arctic Blvd #2505, Anchorage, Alaska 99503-5774

www.ak-pa.org | executivedirector@ak-pa.org

From: [Tracy Fischbach](#)
To: [Senate Finance Committee](#)
Cc: [Sen. Matt Claman](#); [Rep. Carolyn Hall](#)
Subject: Support for SB 83 - Telehealth Pay Parity
Date: Tuesday, April 1, 2025 11:08:53 AM

My name is Tracy Fischbach, and I reside in Anchorage, AK 99517.

I am writing to express my strong support for SB 38, which advocates for telehealth pay parity. I have lived in Alaska since 1997, and during that time, I've called Bettles, Cold Bay, Kodiak, and Anchorage home. In these rural communities, where medical resources are limited, telehealth has become a critical lifeline. For example, when I lived in Cold Bay years ago, we had only a part-time nurse who was often unavailable. People feared getting sick because there was no one to turn to for care. Telehealth would have alleviated that concern, providing much-needed access to health services.

I understand that telehealth providers may not have the same overhead costs as traditional brick-and-mortar offices (although most do), but they face unique expenses, including secure software, data storage, and tech support.

It's essential that health providers are fairly compensated for the valuable support they offer through telehealth.

Please support SB83.

Tracy Fischbach

Senate Labor & Commerce - SB83 Testimony April 7, 2025

My name is James Rebitzer and I am the Peter and Deborah Wexler Professor of Economics, Management and Public Policy at the Questrom School of Business, Boston University. I am also a Research Associate at the National Bureau of Economic Research.

My research and teaching focus primarily on health economics. In addition to teaching university courses in applied microeconomics, managerial economics, and health economics, I have published numerous academic papers about the economics of the U.S. healthcare system. I also recently published a book on innovation in healthcare through Oxford University Press, titled *Why Not Better and Cheaper? Healthcare and Innovation*.

I am here to testify about a new piece of legislation regarding reimbursement for telehealth services. The bill requires a health insurer to reimburse for telehealth services on the same basis and at least at the same rate as comparable healthcare services provided in person.

Let me start with my conclusion: This legislation is reasonable and deserving of your support. However, the reasoning behind it may be of greater use to the committee than my conclusion.

As an economist studying management, I generally believe that a state legislature should not determine how much private insurers pay for services. Typically, legislatures lack essential information and incentives, and they respond too slowly to set appropriate reimbursement rates. It is better to leave this to negotiations between insurers and providers. However, telehealth might be the exception that proves the rule. Mandating equal payment can help address an economic issue that private parties cannot resolve independently.

Like every new treatment modality, telehealth requires providers to develop new capabilities for delivering care at a distance. Payers may be willing to compensate providers to encourage these costly investments, but will they pay enough on their own? Perhaps not. In our fragmented payment system, each provider treats patients from many different payers: Medicare, Medicaid, the State of Alaska, private insurers, and private employers. This diversity of payers creates an opportunity for free-riding.

Suppose a provider deals with 10 different payers, each paying \$50 for a telehealth visit. Suppose providers are happy to invest adequately in telehealth capacity at this price. What would happen if one payer decided to pay \$40 for a telehealth visit? Providers might still be willing to deliver telehealth care to this payer because they have already borne the cost of developing the telehealth capacity. The insurer who pays \$40 would, in effect, be “free-riding” on the other payers’ generosity. That would be annoying to the other payers. If the rest followed suit, the result would be an inadequate investment in telehealth capacity or, in the extreme case, no investment at all.

You can see where this is heading. The proposed bill can be beneficial as it makes it more difficult for a single insurer to take advantage of investments in telehealth funded by other payers.

Some who object to payment parity might argue that the marginal cost of telehealth is less than in-person health, so “parity” in payments means you are overpaying for telehealth. This reasoning makes sense until you think about it for a minute. Much of the cost of delivering telehealth is determined by what else providers could do with their time. Payment parity has the advantage of not making it more expensive for providers who deliver telehealth services.

Although I am not an Alaskan, I am impressed by the vast distances healthcare providers must travel to reach all Alaskans. The cost of underinvestment in and underprovision of telehealth is especially severe for Alaska, so the proposed legislation's value is likely to be high.

Konrad Jackson

From: SUL ROSS THORWARD <srthorward@gmail.com>
Sent: Wednesday, April 09, 2025 5:09 AM
To: Sen. Matt Claman; Senate Labor and Commerce
Cc: Pam Ventgen
Subject: Senate Bill No. 83(HSS)

I wish to speak in favor of SB 83. Especially I speak for the need of

** Sec. 2. AS 21.42.422 is amended by adding a new subsection to read:*

*9 (c) A health care insurer shall reimburse a health care provider for health care
10 services, including behavioral health services, provided through telehealth on the same
11 basis and at least at the same rate as for comparable health care services provided in
12 person.*

MY name is Sul Ross Thorward, MD, DLFAPA. I am a psychiatrist and have been practicing in the village of Yakutat for 2+ years at the Yakutat Community Health Center. Prior to that I lived and practiced for 13+ years in Sitka. There I served as the Medical Director for Behavioral Health of SEARHC. Thus I have been serving patients in southeast Alaska for 15+ years.

Since retiring from SEARHC, I see patients part time in Yakutat. I travel and am in Yakutat physically for face to face service for 4 day clinics about four times a year. The rest of the year I serve through telemedicine from my home in Columbus, Ohio. I am licensed in Alaska and Ohio as well as Texas and Washington State.

Since I am not in Yakutat full time, Telemedicine allows me to provide continuity of care to my patients throughout the year and between my in-village clinics. I also am able to provide consultation and support as needed to the primary care staff in the clinic as well

When I see my patients via telemedicine, it is a fully comparable service. My patients still come to the health center for our appointments. They check in and their vital signs are taken in the same manner as when I am in the village. The patients go to the same interview room in which I usually see them. I communicate with them by two way video through a laptop which is sitting at my usual desk. I communicate face to face with both the patient and support staff in live time just as if I was in the clinic.

All services and support for the visit are the same as if I was in the village. The interaction is the same. But there are actually additional costs to this service not less. In addition to normal clinic costs, there is the additional burden of needing a secure private location in Ohio, as well as additional HIPAA secure computer and internet service to empower our interaction and charting, and order entry.

Therefore, I see no justification for a discounted service which actually has increased cost. Please act affirmatively. Please pass and enact SB 83.

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Remember to hold hands when crossing rapids!!

Sul Ross Thorward, MD, DLFAPA
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Columbus, Ohio 43235
614 284 1259
srthorward@gmail.com