



OFFICE OF THE SUPERINTENDENT

February 28, 2023

The Honorable Sarah Vance  
Alaska House of Representatives

**RE: Support for HB 21**

Dear Representative Vance,

I am writing on behalf of the Matanuska-Susitna Borough School District's support for House Bill 21, an act relating to group insurance coverage and self-insurance coverage for school district employees, employees of the University of Alaska, and employees of other governmental units in the state.

The District currently spends approximately \$41 million on health insurance benefits each year in its general operating fund – roughly 15% of all expenditures. With the average cost of healthcare increasing by approximately 8% annually, MSBSD could potentially experience a \$3.3 million increase, which is the equivalent of 33 teaching positions. In an effort to preserve monies staying in the classroom for student learning and control escalating costs, the Mat-Su Borough School District appreciates and fully supports the concept of a statewide insurance plan.

The Mat-Su Borough School Board unanimously passed our Legislative Priorities and one of our Critical Priorities is to:

*Support responsible cost containment efforts for employer health care plans through efforts that promote efficient practices and increased transparency. This will include Alaska Care to allow political subdivisions to voluntarily participate, eliminating the current 8th percentile rule, and creating an all-payer claims database.*

House Bill 21 addresses our legislative priority and provides a path forward for our district to have options. On behalf of the Mat-Su Borough School District, I thank you for sponsoring HB 21 and for your overall commitment to education. Please contact me if you have any questions or would like additional information.

Respectfully,

Randy Trani, Ed.D.  
Superintendent