

March 18, 2025

Senator Jesse Bjorkman, Chair  
Senate Labor & Commerce Committee  
State Capitol Room 105  
Juneau AK, 99801  
[Senate.Labor.And.Commerce@akleg.gov](mailto:Senate.Labor.And.Commerce@akleg.gov)

**RE: AHHA Supports Senate Bill 133 – Prior Authorization**

Dear Chair Bjorkman and Committee Members,

For over 70 years, the Alaska Hospital & Healthcare Association (AHHA) has served as a non-profit trade association representing Alaska's hospitals, nursing homes, and a growing number of healthcare partners across the continuum of care. AHHA members play an invaluable role, both as community providers and essential employers, in cities, towns, and villages across Alaska.

**AHHA strongly supports SB 133, and we thank Senator Bjorkman for introducing this important piece of legislation.**

Prior authorization is a review process commonly used by insurers that essentially requires healthcare providers to obtain express authorization to provide a specific treatment or procedure for their patients. While prior authorization can be useful for reviewing the appropriateness of medical care, it can also cause significant delays in necessary, urgent patient treatment.

We hear story after story about time-consuming appeals, endless paperwork, lack of consistency and transparency, and needless interruptions to treatment when patients are at their most vulnerable. This has contributed to a contentious relationship between providers and insurers in Alaska and across the country.

AHHA spent the interim working to align insurers, providers, and regulators around shared priorities. To start, we partnered with our member hospitals to identify practical, workable solutions to the prior authorization challenges. We then engaged with the Division of Insurance to assess feasibility and impact from a regulatory perspective. From there, discussions with insurers revealed common ground, making it clear that we could agree to concrete reforms to improve the prior authorization process.

SB 133 is the result of this collaborative effort. The bill has the strong backing of Alaska's hospitals through AHHA, physicians via the Alaska State Medical Association, and the state's major health insurers. The bill prioritizes system automation and injects a new level of transparency for prior authorization, including policies, peer review and appeals, enforcement, and accountability.



SB 133 also includes the following reforms that will have an immediate and positive impact on patients:

- Faster turnaround times for prior authorization decisions – from five working days to 72 hours
- Long-term approval for treatment plans concerning chronic conditions
- Automatic approval for key therapies for Stage Four Advanced Metastatic Cancer
- A clear process for requesting exceptions to step therapy requirements

Finally, AHHA is proud of the work that went into SB 133 and is grateful to Senator Bjorkman for bringing this legislation forward. This bill exemplifies effective, stakeholder-driven reform that will create lasting improvements in patient care. We strongly support SB 133 and urge the committee to swiftly consider and pass this bill.

Thank you for considering this request and for your commitment to advancing healthcare for Alaska.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Kosin', is written over a faint, light blue watermark of the AHHA logo.

Jared C. Kosin, JD, MBA  
President & CEO