

SB 121

Comparison: Then and Now

Few Providers Under Contract 2004-2013	Majority Under Contract 2014-Present <small>(80th percentile was BATNA - Best Alternative to a Negotiated Agreement)</small>
Regulation determined payments for out-of-net network services	Contract terms determine payments
Without contracts providers could raise rates as needed/desired <ul style="list-style-type: none"> • As rates rose, 80th rose • This was major criticism of regulation 	No ability to raise rates, contract rates flat throughout the period <ul style="list-style-type: none"> • 80th no longer applied • Criticism became moot
Practices were financially stable.	Practices struggle financially <ul style="list-style-type: none"> • Costs for support personnel up 47% (AHHA) • Significant increases in Medicare/Medicaid population • Decreased Medicaid reimbursements • Providers' take-home pay drops to amongst lowest in the nation (MGMA 2024 Comp Survey)
Many new practices opened meeting healthcare needs of Alaskans.	Practices closing or limiting Medicare/Medicaid appointments With 80th repealed, insurers demanding significant rate reductions