



PO Box 72376, Fairbanks
AK 99707-2376

www.ndsystems.org

Ph: 907-374-0852
Fax: 907-374-0854

March 18, 2025

Senator Cathy Giessel
120 4th Street
Alaska Capitol Room 121
Juneau, AK 99801

Dear Senator Giessel,

Thank you for introducing SB 121 *"An Act relating to settlement of health insurance claims; relating to allowable charges for health care services or supplies; and providing for an effective date."*

As an Advanced Practice Registered Nurse specialized in Psychiatric Mental Health operating a small business clinic system serving a population 57% covered by Medicaid and Medicare in three communities, Anchorage, Fairbanks and Kenai, I respectfully request expansion of the language of the bill to include Mental / Behavioral Health services.

With such a expansion I would strongly support the passage of this bill as it would ensure reimbursement rates for health care services are equally applied when billed under the same Current Procedural Terminology code by health care providers who are practicing under the scope of their license and authorization by their respective professional state board.

To echo the APRN Alliance passage of SB121 allows for **Ensuring consistency of reimbursement and equal pay for equal work is critical to assuring that APRN's can continue to provide care in Alaska.**

Psychiatric Mental Health Nurse Practitioners are qualified to diagnose and treat patients with undifferentiated symptoms. A desire to expand into integrated care

Fairbanks

Kenai

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with primary care would be more accessible if the reimbursement playing field was level.

We thank you again for introducing this bill. We stand in support of uniform reimbursement standards and equal application of those standards.

Respectfully submitted,

Sharon Geraghty, APRN, PMHNP
CIO Nurses Diversidfied Systems Inc. (ND Systems Inc.)
907-209-7385 (Cell phone)

Fairbanks

Kenai
Telehealth Available

Anchorage





Subject: Support for SB 121 – Ensuring Fair Reimbursement for Healthcare Providers

Dear Senator Dunbar,

I am writing to express my strong support for SB 121, which establishes a minimum allowable reimbursement rate to restore balance in provider-insurer negotiations. Since 2019, payment rates have remained flat while insurance premiums have steadily increased, and patient deductibles have reached unprecedented levels. This growing disparity threatens the financial sustainability of healthcare providers and, ultimately, patient access to quality care.

Alaska Pediatric Specialties serves all pediatric patients, regardless of insurance payer. We are in-network with all major insurance companies and work with all parties to shelter our patients from financial hardships due to receiving medical care in Alaska. Without a fair and enforceable minimum reimbursement standard, providers struggle to maintain a manageable margin for growth, leading to workforce challenges, service reductions, and diminished access for patients to essential care. SB 121 is necessary to prevent insurers from setting unsustainably low reimbursement rates, ensuring that providers receive fair compensation for the critical services they deliver.

By supporting SB 121, you will help level the playing field in negotiations, promote provider sustainability, and protect patient access to care. I urge you to stand with healthcare professionals and support this legislation to ensure a stable and fair healthcare system. Thank you for your time and consideration. I appreciate your leadership on this important issue and look forward to your support of SB 121.

Thank you for your time and consideration in this critical matter.

Kristi Davis, MBA, FACMPE
Chief Operating Officer
Alaska Pediatric Specialties, LLC

March 18, 2025

Members of the Senate Health and Social Service Committee:
Senate.Health.And.Social.Services@akleg.gov

Alaska State Capital
Juneau, Alaska 99801

Dear Committee members

Thank you for hearing SB 121: ***“An Act relating to settlement of health insurance claims; relating to allowable charges for health care services or supplies; and providing for an effective date.”***

APRNs are vital members of the health care system in Alaska, particularly in the practice of primary care. APRNs are licensed to practice independently in rural and remote communities across the state as well as in urban centers. Many of us have our own practices or work in group practices with physician colleagues and/or physician assistants.

As a licensed Advance Practice Registered Nurse, I work as an integrated psychiatric nurse practitioner at the Benteh Nuutah Valley Native Primary Care Center with Southcentral Foundation (SCF). In May of 2023, I flew from Utah to Alaska to interview with SCF. After three months of contract negotiations, I accepted the offer and moved with my family to Palmer, Alaska. I quickly learned that in the last five years, there have been over four nurse practitioners in my specific role. It is difficult for providers in my role to continue more than the minimum required time of their signed contracts. Over the past few years, I have cultivated various relationships within my consult liaison position, and currently support over 20 primary care providers in the management of various psychiatric conditions, including addiction. I have seen many providers leave both SCF and the state due to lack of administrative support, low paying salaries, and high cost of living. In comparison to Utah, I have noticed very few APRNs in Alaska are able to open and sustain a private practice or employment within various types of healthcare organizations.

Current reimbursement rates for primary care providers, especially APRNs are not sufficient to remain in business and thus health care practices are being forced to close. With reimbursement rates significantly less than physicians, the effect on APRN practices is particularly acute resulting in fewer available providers to care for those patients with primary health care needs. This is contributing to a growing crisis in accessing primary care. **Ensuring consistency of reimbursement and equal pay for equal work is critical to assuring that APRNs can continue to provide care in Alaska.**

I thank you for hearing this bill and I stand in support of uniform reimbursement standards and equal application of those standards for all health care providers. I encourage you to pass this bill out of committee in its current form.

Respectfully submitted,

Andrea Farmer MSN, DNP, APRN, FNP-C, PMHNP-BC

March 18, 2025

Members of the Senate Health and Social Service Committee:

Senate.Health.And.Social.Services@akleg.gov

Alaska State Capital

Juneau, Alaska 99801

Dear Committee members

Thank you for hearing SB 121: ***“An Act relating to settlement of health insurance claims; relating to allowable charges for health care services or supplies; and providing for an effective date.”***

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As a licensed Advanced Practice Registered Nurse, I work as a family nurse practitioner at Avante. The cost of running an independent practice is rising. We work together to provide quality proactive healthcare to prevent our population from long term health complications and cut overall healthcare costs.

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I thank you for hearing this bill and I stand in support of uniform reimbursement standards and equal application of those standards for all health care providers. I encourage you to pass this bill out of committee in its current form.

Respectfully submitted,

Leigh Keefer, DNP, NP-C

March 19, 2025

RE: SB 121

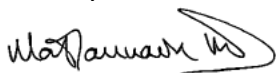
Dear Sir/Madam:

I am writing you as a 53-yr resident of Soldotna...someone who grew up here, went outside for schooling, then returned home. I have been a practicing physician, a dermatologist/Mohs Surgeon here in Soldotna since 2005 and hope to retire here one day. I love taking care of patients and families I grew up with...providing the same level of care someone would get at any major university center in the Lower 48.

My office is in danger of closing owing to shrinking reimbursement. While inflation has occurred every year and the cost of supplies like sutures, liquid nitrogen, gauze...and expenditures such as health insurance has grown exponentially (27% increase in health insurance rates, 2025-2026)...our reimbursement is CUT each year. Currently we are speaking with Northrim for a line of credit as we are finding ourselves short for monthly payroll. I am a physician...and there is this myth that doctors are wealthy. In reality...high-school educated Slope workers, even UPS drivers...are more financially stable than those of us in private practice. Were I to work for a hospital, where I could charge 50 times more for doing the same thing I do currently in my office (facility fees, etc)...I would be thriving. In the interest of providing exceptional care without enriching administrative folks who do nothing in terms of patient care (CPGH CEO)...I choose to continue in my small private practice. This is far more cost-effective in terms of healthcare. When someone comes in that has no money...I can choose to simply take care of them...rather than the bureaucratic mess they'd find themselves in in a large hospital-type setting. As noted, I don't charge a "facility fee," and my base rates are infinitely lower as well.

Insurance companies fight tooth and nail to deny care, or pay as little as possible...we deal with this EVERY DAY. When they say the 80th percentile rule enriches doctors...they are again fighting to squeeze every dime out of the health care system they can. This is how Michael Neidorff of Centene made \$24,956,77 in 2020...and David Cordani of Cigna made \$19,929,493. Can you imagine making that in ONE YEAR??? Meanwhile we are having to take a LOC to make payroll.

While they are wondering what their next yacht is going to be...I'm hoping I can pay my staff and remain open. SB 121...establishing the 75% percentile as the minimum allowable...is but a drop in the bucket...but it's the LEAST you could do to help those of us that actually provide health care...not the insurance CEO's and administrators who do NOTHING to actually care for patients. Sincerely,





RE: Support for Senate Bill 121 – Ensuring Fair and Consistent Health Care Reimbursement Rates

Dear Senator Giessel,

My name is Christine Sagan, and I have lived in Alaska for 27 years. I am a mother of three and have raised my children here in Anchorage. I have dedicated my career to healthcare. Since 2015, I have owned and operated a medical clinic that serves over 6,500 patients across the state. Having worked in the medical field since 2001, I have witnessed firsthand the challenges of providing care while navigating systemic barriers that impact both providers and patients.

I am writing to express my strong support for Senate Bill 121, a critical piece of legislation that aims to establish fair and consistent reimbursement rates for healthcare providers across Alaska. Inadequate and inconsistent reimbursement rates negatively impact both providers and patients, leading to reduced access to care and higher out-of-pocket costs.

Currently, healthcare providers in Alaska face significant financial strain due to the lack of standardization in insurer reimbursement practices. Low reimbursement rates create uncertainty and make it difficult for providers to continue offering essential services, especially in rural and underserved areas. Without action, this situation will continue to jeopardize access to quality healthcare for Alaskans.

SB 121 provides a solution by establishing clear standards for insurers when determining allowable charges for healthcare services. The bill mandates that reimbursements be based on statistically credible, market-based methodologies using the most recent twelve months of provider charges in Alaska. By setting a reimbursement floor of at least the 75th percentile of charges statewide or 450% of the federal CMS fee schedule, this legislation ensures fairness while maintaining the financial viability of healthcare providers.

Moreover, the bill enhances transparency and accountability by requiring insurers to update reimbursement data every three to five years and mandates periodic audits by the Director of Insurance. These provisions will prevent insurers from using



artificially low out-of-network rates to force unsustainable contract terms upon providers, ultimately protecting patient access to care.

The urgency of this issue cannot be overstated. The Alaska Hospital and Healthcare Association (AHHA) has reported that non-practitioner staff costs have risen by 47% since 2016, while the Medicare Physicians Fee Schedule has decreased by 33% over the past two decades when adjusted for the cost of running a practice. Without SB 121, many providers will continue to struggle, and Alaskans will face increased barriers to receiving necessary medical care.

I urge you to support SB 121 and advocate for its passage. Ensuring fair reimbursement rates is essential to maintaining a strong healthcare system that serves all Alaskans equitably. Thank you for your time and consideration.

Sincerely,

Christine Sagan, MSN, APRN, FNP-BC