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February 23, 2021

The Honorable Peter Micciche Senate President Alaska State Legislature State Capitol, Room 111 Juneau, AK 99801-1182

Dear President Micciche:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill to establish an All-Payer Claims Database (APCD) for Alaska. An APCD is a state maintained database that provides for the systematic collection of health care payment data from insurers and providers to assist policymakers and industry professionals to analyze costs, quality, and utilization for improved decision-making and policy formulation.

The Alaska Healthcare Transformation Project (AHTP) identified the establishment of an APCD as a critical first step in helping understand health spending trends, utilization, and pricing variation in Alaska in order to provide better transparency, inform policy and address health care costs.

This bill makes changes to the Alaska Insurance Code to authorize the division of insurance to establish a statewide APCD to collect, aggregate, and report on claims data and to allow the division director to select a lead organization to coordinate and manage the database. Under this proposal, certain insurers and providers will be required to submit their health cost data. This data will be aggregated for policy analysis, cost trends and to potentially help inform consumers about their health care choices.

I urge your prompt and favorable action on this important reform measure.

Sincerely,

Mike Dunleavy

Governor

Enclosure