

ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

May 6, 2025

4:11 p.m.

MEMBERS PRESENT

Senator Forrest Dunbar, Chair
Senator Cathy Giessel, Vice Chair
Senator Matt Claman
Senator Löki Tobin
Senator Shelley Hughes

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CS FOR HOUSE JOINT RESOLUTION NO. 9 (HSS)
Urging the United States Congress to extend enhanced tax credits for health insurance premiums under the Affordable Care Act.

- HEARD & HELD

SENATE BILL NO. 178

"An Act relating to early intervention services for certain children; relating to optional services under the medical assistance program; and providing for an effective date."

- MOVED SB 178 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HJR 9

SHORT TITLE: EXTEND AFFORDABLE CARE ACT TAX CREDITS

SPONSOR(S): REPRESENTATIVE(S) MINA

02/12/25	(H)	READ THE FIRST TIME - REFERRALS
02/12/25	(H)	HSS
03/11/25	(H)	HSS AT 3:15 PM DAVIS 106
03/11/25	(H)	-- MEETING CANCELED --
03/18/25	(H)	HSS AT 3:15 PM DAVIS 106
03/18/25	(H)	Heard & Held
03/18/25	(H)	MINUTE (HSS)
03/20/25	(H)	HSS AT 3:15 PM DAVIS 106

03/20/25 (H) Heard & Held
03/20/25 (H) MINUTE(HSS)
03/25/25 (H) HSS AT 3:15 PM DAVIS 106
03/25/25 (H) Moved CSHJR 9(HSS) Out of Committee
03/25/25 (H) MINUTE(HSS)
03/28/25 (H) HSS RPT CS(HSS) 4DP 1DNP 2NR
03/28/25 (H) DP: FIELDS, GRAY, MEARS, MINA
03/28/25 (H) DNP: PRAX
03/28/25 (H) NR: SCHWANKE, RUFFRIDGE
04/28/25 (H) TRANSMITTED TO (S)
04/28/25 (H) VERSION: CSHJR 9(HSS)
04/30/25 (S) READ THE FIRST TIME - REFERRALS
04/30/25 (S) HSS
05/06/25 (S) HSS AT 3:30 PM BUTROVICH 205

BILL: SB 178

SHORT TITLE: EXPAND EARLY INTERVENTION SERVICES

SPONSOR(S): HEALTH & SOCIAL SERVICES

04/22/25 (S) READ THE FIRST TIME - REFERRALS
04/22/25 (S) HSS, FIN
04/29/25 (S) HSS AT 3:30 PM BUTROVICH 205
04/29/25 (S) Heard & Held
04/29/25 (S) MINUTE(HSS)
05/01/25 (S) HSS AT 3:30 PM BUTROVICH 205
05/01/25 (S) Heard & Held
05/01/25 (S) MINUTE(HSS)
05/06/25 (S) HSS AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

MAKAYLA WILSON, Staff
Representative Genevieve Mina
Alaska State Legislature

POSITION STATEMENT: Introduced HJR 9 on behalf of the sponsor.

AMBER LEE, Owner
Amber Lee Strategies
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on HJR 9.

TREVOR STORRS, President and Chief Executive Officer
Alaska Children's Trust
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on HJR 9.

LORETTA GREGORY, representing self

Kenai, Alaska

POSITION STATEMENT: Testified in support of HJR 9.

MEGAN LINGLE, representing self

Juneau, Alaska

POSITION STATEMENT: Testified in support of HJR 9.

KAY RILEY, representing self

Juneau, Alaska

POSITION STATEMENT: Testified in support of HJR 9.

LORI WING-HEIER, Director

Division of Insurance

Department of Commerce, Community,
and Economic Development

Juneau, Alaska

POSITION STATEMENT: Answered questions on HJR 9.

SUSAN KESSLER, Research Analyst 4

Senior and Disability Services Division

Department of Health

Fairbanks, Alaska

POSITION STATEMENT: Answered question on SB 178.

ACTION NARRATIVE

[4:11:47 PM](#)

CHAIR DUNBAR called the Senate Health and Social Services Standing Committee meeting to order at 4:11 p.m. Present at the call to order were Senators Claman, Hughes, and Chair Dunbar. Senator Tobin and Senator Giessel arrived thereafter.

HJR 9-EXTEND AFFORDABLE CARE ACT TAX CREDITS

[4:12:19 PM](#)

CHAIR DUNBAR announced the consideration of CS FOR HOUSE JOINT RESOLUTION NO. 9(HSS) Urging the United States Congress to extend enhanced tax credits for health insurance premiums under the Affordable Care Act.

[4:12:44 PM](#)

MAKAYLA WILSON, Staff, Representative Genevieve Mina, Alaska State Legislature, introduced HJR 9 on behalf of the sponsor.

[Original punctuation provided.]

HJR 9 - SHSS

House Joint Resolution 9 urges Congress to extend the Affordable Care Act enhanced Premium Tax Credits (PTCs), which expires at the end of this year.

[4:13:04 PM](#)

MS. WILSON continued with the introduction of HJR 9:

Over 15 years ago, small business owners and people working multiple jobs struggled to find affordable health insurance.

Since the ACA passed in 2010, the Alaska Marketplace made health care affordable, reducing uninsurance rates. Premium tax credits have always been part of the marketplace, which are federal tax credits based on income and household size that reduce net premiums.

Over 80 percent of Alaskans on the marketplace qualify for

[4:13:32 PM](#)

SENATOR TOBIN and SENATOR GIESSEL arrived at the meeting.

MS. WILSON continued the introduction of HJR 9:

subsidies but, those who don't are largely the middle-class and entrepreneurial Alaskans that pay the highest in health care premiums in the state.

During the COVID-19 pandemic, Congress passed enhanced Affordable Care Act (ACA) premium tax credits (PTCs), making the marketplace more affordable for 22,180 Alaskans. Enhanced PTCs lowered caps on premiums, made plans more affordable for Alaskans getting off Medicaid, and extended credits for people with incomes above 400 percent (\$78,200). Savings of an average of \$690 per person annually. Self-employed Alaskans and small business owners are major beneficiaries. 28 percent of marketplace enrollees nationwide are self-employed.

However, enhanced PTCs are set to expire by the end of 2025. 51 percent of those who would lose credit eligibility are aged 50-64, not yet eligible for Medicare. Without extending enhanced PTCs, premiums will increase on the marketplace. Overall loss to

Alaskans would be more than \$287 million in annual tax subsidies.

From the Division of Insurance:

A single 50 year old making \$32,918/yr would see his premiums jump from \$27/mo to \$129/mo - more than QUADRUPLE what he's paying this year.

Family of 4 paying \$667/mo would pay \$3,333/mo (5 X)

More estimates.

A single parent earning \$40,000/year would go from paying \$18/month to \$130/month...SEVEN TIMES as much as what she pays this year.

A family of four earning \$60,000/year would go from paying \$28/month to \$189/month...6.7x AS MUCH

[4:15:14 PM](#)

MS. WILSON continued with the introduction of HJR 9:

Expiration would also destabilize our health insurance risk pools. Jeopardizes Alaska's reinsurance program, which was developed in 2017 response to skyrocketing premiums and has successfully lowered premiums on the marketplace. But reinsurance depends on stable premium levels.

In 2017, when Alaska faced skyrocketing premiums, Alaska Division of Insurance Director Lori Wing-Heier, [implemented](#) the reinsurance program in 2017, controlling premium increases from 42 percent to 7 percent after its implementation - leading 18 other states to follow suit, and has sent the state roughly \$700 million in federal funds.

Health care costs cripple small business, our economy, and entrepreneurship. While we are facing a tough fiscal situation, enhanced PTCs costs no money to the State of Alaska budget, but saves health care costs for Alaskans because the ACA helps people get off of Medicaid.

HJR 9 is integral for controlling health care costs with no cost to the State budget, and strengthening our economy.

Extension of enhanced PTCS is supported by:

Alaska Children's Trust
Alaska Hospital and Healthcare Association
Alaska Native Tribal Health Consortium
Anna Brawley
Alaska Chapter, National Association of Benefits and
Insurance Professionals
Protect Our Care
Mat-Su Reentry Coalition
Alaska Native Health Board
Juneau Reentry Coalition
Anchorage Chamber of Commerce

Without the tax credits, some Alaskans could face premiums equivalent to or exceeding a mortgage payment. Entrepreneurs may have to forego their small businesses to find a job with health insurance. Our health care and economy should not go backwards. Please support HJR 9.

[4:16:52 PM](#)

CHAIR DUNBAR announced invited testimony on HJR 9.

[4:17:10 PM](#)

AMBER LEE, Owner, Amber Lee Strategies, Anchorage, Alaska, testified by invitation on HJR 9. She shared that eight years ago, during a routine exam, she was diagnosed with melanoma and multiple leiomyomas, markers of Hereditary Leiomyomatosis and Renal Cell Carcinoma (HLRCC), a rare genetic syndrome associated with a highly fatal form of kidney cancer. She said at the time, she was the COO of a digital advertising agency with health insurance, though soon after lost both her job and insurance coverage when the company lost a major client, coinciding with an early-stage breast cancer diagnosis. Alaska's Medicaid expansion provided critical coverage for her and her two children, and later the Affordable Care Act allowed them to obtain affordable marketplace insurance when they started a consulting business, despite preexisting conditions. She said living in Alaska, where health care costs are extremely high, they have faced substantial out-of-pocket expenses, including over \$75,000 in one year. Extended premium tax credits have helped make coverage manageable, however without congressional renewal, premiums are expected to double. She emphasized that affordable ACA coverage is essential for small business owners,

economic diversification in Alaska, and urges support for extending these tax credits.

[4:19:53 PM](#)

TREVOR STORRS, President and Chief Executive Officer, Alaska Children's Trust, Anchorage, Alaska, testified by invitation on HJR 9. He stated that Alaska Children's Trust (ACT) supports policies that expand access to health care for children, youth, and families. ACT backs HJR 9 urging Congress to extend enhanced ACA premium tax credits. The Affordable Care Act significantly reduced the number of uninsured Alaskans, including thousands of families with children, and enhanced tax credits have made health insurance more affordable and accessible. He said maintaining these credits is critical to ensuring continued coverage, promoting health and well-being, and supporting economic stability for thousands of Alaska's families.

[4:21:20 PM](#)

CHAIR DUNBAR opened public testimony on HJR 9.

[4:21:51 PM](#)

LORETTA GREGORY, representing self, Kake, Alaska, testified in support of HJR 9. She argued that health care is a basic need, not a privilege, and described how underfunded and overextended tribal and Indian Health Service systems force long waits and costly travel for specialty care. The Affordable Care Act and premium tax credits have expanded access to local providers, prescriptions, and emergency care without overwhelming medical bills, while allowing clinics to reinvest in services. She said letting these tax credits expire would increase costs for families and further strain the federal health system.

[4:24:00 PM](#)

MEGAN LINGLE, representing self, Juneau, Alaska, testified in support of HJR 9. She emphasized that affordable health coverage is vital for families, noting that while she currently has employer sponsored insurance, job loss or medical emergencies could quickly jeopardize coverage. She said, in that case, the Affordable Care Act (ACA) and premium tax credits would be essential to remain insured, as Indian Health Service and tribal clinics alone cannot meet all specialty and emergency care needs. The ACA provides flexible coverage when families need it most. It supports tribal health systems by allowing clinics to be reimbursed and reinvest in care. She concluded that health care should not depend on location or sudden changes in employment.

[4:25:39 PM](#)

KAY RILEY, representing self, Juneau, Alaska, testified in support of HJR 9. She explained that the Affordable Care Act has made it possible to receive life-changing treatment for multiple sclerosis despite a preexisting condition, allowing a her to remain mobile through medication she could not otherwise afford. She noted that enhanced ACA tax credits have lowered premiums for more than 23,000 Alaska families, small business owners, self-employed individuals, and hourly workers. Allowing these credits to expire would make coverage unaffordable, force families to choose between medical care and basic needs, increase strain on state and emergency services, and destabilize the individual insurance market. She urged support for HJR 9 as a bipartisan step to keep health care accessible and protect Alaskans.

[4:27:25 PM](#)

CHAIR DUNBAR closed public on HJR 9.

[4:27:32 PM](#)

SENATOR HUGHES explained that premium tax credits can be confusingly named, however they function like other tax credits by providing financial assistance. In this case, the premium tax credit helps offset health insurance premiums based on an individual's income, making coverage more affordable. She asked for clarification on the status of this issue in Congress, including whether it is being considered as part of the Budget Reconciliation Act, and where Congress stands overall, as well as the position of our congressional delegation on the matter.

[4:28:30 PM](#)

MS. WILSON deferred the question to Ms. Wing-Hier.

[4:28:45 PM](#)

LORI WING-HEIER, Director, Division of Insurance, Department of Commerce, Community, and Economic Development, Juneau, Alaska, answered questions on HJR 9. She answered that she is unsure whether the enhanced premium tax credits are included in the Budget Reconciliation Act and notes they are currently set to expire on December 31, 2025. She said there is active discussion in Washington, DC about these credits. She stated that despite confusing terminology it is her belief that the credits are important and should be renewed.

[4:29:33 PM](#)

SENATOR HUGHES asked for confirmation from Ms. Wing-Heier that Congress appears inclined to extend the enhanced premium tax

credits, though it is unclear whether this will occur through the Budget Reconciliation Act.

MS. WING-HEIER replied that she cannot speak for members of Congress. She said there is concern and active interest, as lawmakers have reached out for information and data on how extending or ending the tax credits would affect Alaska and its reinsurance program.

[4:30:23 PM](#)

SENATOR HUGHES asked how expiration of the tax credits would affect Alaska beyond higher premiums for many individuals and their families. She asked for more information on impacts to the reinsurance program and any broader consequences for the state.

MS. WING-HEIER replied that since the enhanced premium tax credits were implemented, about \$75 million was passed through to Alaska's reinsurance program. She said with the credits set to expire, the state will have sufficient funding for 2026, and by 2027, the program's \$140 million limit may need to be reduced. Currently, roughly \$120 million comes from federal funds, supplemented by the \$75 million in tax credits, leaving about \$25 million for 2026. She stated that she doesn't have an idea of how to replace the expired funds and the program's limits will need reevaluation.

[4:31:56 PM](#)

SENATOR HUGHES asked for an estimate of the annual cost to the state if the enhanced premium tax credits are not renewed.

MS. WING-HEIER replied that the state cannot fund the reinsurance program if the tax credits expire, as doing so would be unaffordable and reduce benefits to consumers. She said premiums would rise, and the program's limit would need to be lowered, though they may explore other federal options.

[4:32:44 PM](#)

CHAIR DUNBAR emphasized that Alaska's reinsurance program has been highly effective in controlling premiums, and losing its funding would be undesirable.

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CHAIR DUNBAR held HJR 9 in committee.

[4:33:24 PM](#)

At ease.

SB 178-EXPAND EARLY INTERVENTION SERVICES

[4:34:30 PM](#)

CHAIR DUNBAR reconvened the meeting and announced the consideration of SENATE BILL NO. 178 "An Act relating to early intervention services for certain children; relating to optional services under the medical assistance program; and providing for an effective date."

[4:35:15 PM](#)

SENATOR HUGHES asked whether the appropriation request of \$440,000 is coming from the mental health trust budget.

[4:35:44 PM](#)

SUSAN KESSLER, Research Analyst 4, Senior and Disability Services Division, Department of Health, Fairbanks, Alaska, answered question on SB 178. She replied that the additional funding is not coming from the budget of the Alaska Mental Trust Authority; it comes from general state funds.

[4:36:11 PM](#)

SENATOR HUGHES noted that the second, larger fiscal note involves Medicaid funding of \$5.459 million, split roughly half federal and half state, with \$2.729 million coming from the state's general fund. She highlighted the challenges posed by fiscal constraints.

[4:36:43 PM](#)

MS. KESSLER stated her belief that additional funding would also come from the general fund, alongside efforts to create new early-intervention Medicaid billing codes and establish rates. She said a combination of state and federal Medicaid funds would pay for these services over the long term.

[4:37:42 PM](#)

At ease.

[4:38:00 PM](#)

CHAIR DUNBAR reconvened the meeting and solicited the will of the committee.

[4:38:09 PM](#)

SENATOR GIESSEL moved to report SB 178, work order 34-LS0918\A, from committee with individual recommendations and attached fiscal note(s).

[4:38:23 PM](#)

CHAIR DUNBAR found no objection and SB 178 was reported from the Senate Health and Social Services Standing Committee.

4:39:01 PM

There being no further business to come before the committee, Chair Dunbar adjourned the Senate Health and Social Services Standing Committee meeting at 4:39 p.m.