

Letters of Support

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10. Marsh & McLennan Agency
11. Moda Health Plan, Inc.
12. Premera – Blue Cross Blue Shield
13. Planned Parenthood



December 19, 2016

Director Lori Wing Heier
Alaska Division of Insurance
550 West 7th Avenue, Suite 1560
Anchorage, Alaska 99501-2567

RE: Federal Funding for Alaska 1332 State Innovation Waiver Application

Dear Director Wing Heier,

We support the federal funding requested in the 1332 State Innovation Waiver that would allow Alaska to receive much needed pass-through funds from the federal government to ensure the long-term stabilization and viability of Alaska's individual health insurance market.

We look forward to continued dialogue with the Division on this matter. In the interim, please do not hesitate to contact me with any questions or to discuss.

Sincerely,

A handwritten signature in black ink, consisting of a stylized 'S', 'H', and 'B' followed by a horizontal line, representing Shannon Butler.

Shannon Butler
Sr. Director of Government Affairs

Transmitted electronically to Lori Wing Heier

Marilyn Tavenner
President &
Chief Executive Officer



December 13, 2016

Ms. Lori K. Wing-Heier
Director
State of Alaska
Dept. of Commerce, Community & Economic Development
Division of Insurance
550 West 7th Avenue, Suite 1560
Anchorage, Alaska 99501-3567

Dear Director Wing-Heier:

This past weekend, I met with many of you at the fall national meeting of the National Association of Insurance Commissioners. In follow up to our robust discussion about how your state is critical to ensuring that every American has access to affordable coverage and care, I am sending to you a copy of the key principles that we discussed to bring about solutions to deliver a more affordable and stable health care system. As Washington debates repeal-and-replace proposals for the Affordable Care Act, there are many important questions before us.

While there are different approaches to reform, it is clear that no one wants to disrupt individuals who rely on their coverage today. It is also clear that everyone wants to improve health care in a way that empowers all Americans for better health and financial stability. There are many ideas for how we can achieve these goals.

As a collaborative and constructive voice in Washington and the states, AHIP has been offering proposals for how to ensure consumer stability and financial viability. The attached document comprises our key recommendations.


I know you are likely formulating your response to Congress' questions on how reform would affect your state, which are the front line of implementation. AHIP stands ready to be a partner to understand the impact to your constituents, and to help create a successful path forward. I would welcome the chance to speak with you about how we can help shape the future of health care policy for the benefit of your citizens and taxpayers.

If you or a member of your staff would like to discuss these issues, I would welcome a call or an in-person meeting. I can be reached at 202-778-3269 or mtavenner@ahip.org. I look forward to your call.

Director Lori K. Wing-Heier
December 13, 2016
Page 2

Your voice is an important part of this conversation. Thank you for your leadership and engagement.

Sincerely,


Marilyn B. Tavenner
President and CEO

I also support the waiver!
Well done! @

**America's Health
Insurance Plans**

601 Pennsylvania Avenue, NW
South Building
Suite Five Hundred
Washington, DC 20004

202.778.3200
www.ahip.org



December 21, 2016

Alaska Division of Insurance
Attn: Sarah Bailey
P.O. Box 110805
Juneau, AK 99811-0805

Re: Alaska 1332 Waiver Draft Application

Dear Ms. Bailey:

I write today on behalf of America's Health Insurance Plans (AHIP) to express our support for the Alaska Division of Insurance's draft 1332 waiver proposal.

America's Health Insurance Plans (AHIP) is the national association representing health insurance plans. Our members provide health and supplemental benefits to the American people through employer-sponsored coverage, the individual insurance market, and public programs such as Medicare and Medicaid. AHIP advocates for public policies that expand access to affordable health care coverage to all Americans through a competitive marketplace that fosters choice, quality, and innovation.

Because health insurance markets are inherently local, we support the federal 1332 waiver option for states to develop state-specific solutions to state-specific health insurance challenges. Proposals for 1332 waivers should explore solutions to increase consumer choice and reduce costs while ensuring consumers in that specific state have access to coverage. States that utilize a 1332 waiver should consider how to implement that waiver in a manner that minimizes disruption for individuals who purchase coverage in that state. Stakeholder engagement is a critical step in the development of a 1332 waiver proposal that will accomplish those goals.

Alaska is grappling with unique local challenges facing the individual health insurance market that warrants a unique state-specific response. The Alaska Division of Insurance has thoroughly engaged with a wide variety of stakeholders, including health plans doing business in Alaska and thus the Alaska 1332 waiver application reflects thoughtful consideration of input provided by health plans and others on how to best stabilize the Alaska market.

Specifically, Alaska seeks to establish a state-specific reinsurance program funded through a broad-based assessment. We believe the proposal to provide federal pass-through funding to subsidize the Alaska Reinsurance Program achieves the goal to develop a transition plan which creates innovative and state-specific solutions, while minimizing the burden on individual enrollees. This approach will allow health plans to continue offering affordable products in the individual market that meet the needs of Alaskans. Once the program is implemented, the


December 21, 2016

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individual insurance market in Alaska should stabilize, leading to increased competition and more affordable health plan options for Alaskans.

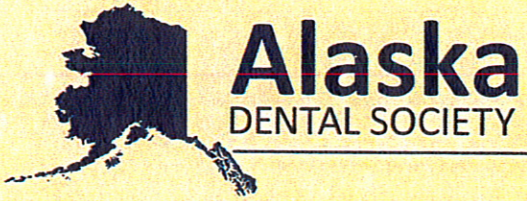
We appreciate the opportunity to provide comments and look forward to continued discussions with you on this important issue. If you have any questions, please do not hesitate to contact me at gcampbell@ahip.org or (202-679-6522).

Sincerely,

A handwritten signature in cursive script that reads "Grace Campbell".

Grace Campbell
Regional Director

Cc: Director Lori Wing-Heier



November 30, 2016

The Alaska Dental Society (ADS) supports the State of Alaska's effort to secure a Section 1332 waiver.

Dentists, as small business owners, are purchasers of healthcare insurance for themselves, their families and their employees. Given the small size of dental offices, purchasing insurance through the individual market is the only option available.

The Alaska individual health care insurance market has become unaffordable for all except high utilizers of medical services. Relatively healthy participants, of which the ADS members qualify as, have to balance the cost of insurance premiums, deductibles and co-payments. For a 50 year old man the amortization point is approximately \$30,000 encouraging self-insurance. For the insurance pool to remain viable, premiums have to reach more affordable levels to encourage healthy individuals to join.

The State of Alaska's plan to reinvigorate the Alaska Reinsurance plan will bring stability to the market. Granting the State Innovation waiver and allowing federal dollars to pass through and subsidize the plan will allow high utilizers to be removed from the individual healthcare insurance market. The removal of high utilizers will allow the individual market to continue and provide stability to the overall Alaskan healthcare market.

Sincerely,

David Logan, DDS
Executive Director, Alaska Dental Society



Office of the
CHAIRMAN & PRESIDENT

November 29, 2016

Lori Wing-Heier, Director
Alaska Division of Insurance
333 Willoughby, 9th Floor
Juneau, AK 99801

RE: Alaska Section 1332 State Innovation Waiver

Dear Ms. Wing-Heier,

The Alaska Native Tribal Health Consortium (ANTHC) is a statewide tribal health organization that serves all 229 tribes and 150,000 Alaska Natives and American Indians (AN/AI) in Alaska. ANTHC and Southcentral Foundation co-manage the Alaska Native Medical Center, the tertiary care hospital for all AN/AI in Alaska. ANTHC also provides a wide range of statewide public health, community health, environmental health and other programs and services for Alaska Natives (AN) and their communities.

We are writing to convey our support for Alaska's Section 1332 State Innovation Waiver to request the Centers for Medicare and Medicaid Services (CMS) to waive certain provisions of the Patient Protection & Affordable Care Act (ACA). Section 1332 allows States to apply for an Innovation Waiver to creatively and effectively provide access to quality health care under the ACA. We understand Alaska is seeking federal approval under section 36B of the Internal Revenue Code to provide pass-through federal funds for Advance Premium Tax Credits (APTC) to ensure the long-term stabilization and viability of Alaska's individual health insurance market.

We have analyzed the waiver data and agree that the savings that will be generated as a result of a reduction in APTCs as a consequence of Alaska's ARP will result in significant savings to the Federal government in the form of reduced premium tax credits. This will result in lower premium adjustments from year to year and help to stabilize the Alaska insurance marketplace and will help maintain and increase enrollment into insurance marketplace plans.

We appreciate the legislature and your office's forethought to create this very innovative program and look forward to working with you to implement the program. Thanks you and if you should need to contact me directly you may do so at (907) 729-1916 or by email at ateuber@anthc.org.

Respectfully,

Andy Teuber
Chairman and President

Our Vision:

Alaska Native people are the healthiest people in the world

ALASKA NATIVE TRIBAL HEALTH CONSORTIUM

4000 Ambassador Drive | Anchorage, Alaska 99508

907 942 1063



Alaska Primary Care
ASSOCIATION

December 19, 2016

Lori K. Wing-Heier, Director
State of Alaska – Division of Insurance
PO Box 110805
Juneau, AK 99811-0805
sarah.bailey@alaska.gov

RE: State Innovation Waiver Letter Of Support

Dear Director Wing-Heier:

The Alaska Primary Care Association, (APCA), offers its support of the State of Alaska 1332 State Innovation Waiver application. Alaska Community Health Centers have a vested interest in promoting access to affordable insurance coverage for their patients and strongly support efforts that address the sustainability, affordability, and stability of the individual insurance marketplace in Alaska.

The Alaska proposal to waive certain provisions of the Affordable Care Act through a Section 1332 waiver is an innovative solution to reinsure the costly diagnoses of its sickest policy holders. This will help to lower the rate of inflation of health insurance premiums for other consumers and strengthens the individual health insurance market. It should be noted that two leading Congressional plans to replace the Affordable Care Act support the concept of federal support for reinsurance programs at the state level.

During the 2016 Alaska Legislative session, APCA supported the concept to establish the current state funded reinsurance program that resulted in lowering premiums for the 2017 enrollment year. The 1332 Waiver proposes to sustain this important activity, and serve as a model to other states looking for examples of successful reinsurance programs.

Sincerely:

A handwritten signature in black ink, appearing to read 'Nancy Merriman', written in a cursive style.

Nancy Merriman
Executive Director

Further, plans sold on the Marketplace must include a set of standardized benefits, including women's preventive services. Women are able to access, without cost-sharing, preventive services such as birth control, routine well-woman exams, breast and cervical cancer screenings, STI and HIV testing, and mammograms for women 40 and up.⁴ The birth control benefit alone has saved an average of \$255 per year and women using IUDs have saved an average of \$248 as a result of the birth control benefit since 2012.⁵

In order for women to benefit from the advantages of the Marketplace, the Marketplace must be stable. There are currently only two insurers selling plans in the Alaska Marketplace and next year, there will be only one insurer in the Marketplace. Alaska's premiums are the highest in the nation. In 2016, the average monthly premium in Alaska was \$863 – which is double the national average monthly premium.⁶ Although financial assistance dramatically reduces the premiums most consumers pay, the cost still remains too high for many consumers.⁷

The Alaska Reinsurance Program (ARP) will benefit Alaska consumers. The state legislature passed authorizing legislation earlier this year, and appropriated state funds into the program. The ARP reimburses insurers for all or part of the claims related to care for certain populations. This helps lower the premiums for all of the consumers. Most importantly, this approach allows consumers – including those with high health care needs – to remain in the Marketplace, and not be placed in a plan that provides substandard coverage for a high cost.

The program is already bringing down the rate at which premiums will increase. In 2016, premiums for plans sold on the Alaska Marketplace increased 31 percent, and in 2015, premiums increased 26 percent. Before ARP was created, premiums were expected to increase by 42 percent for 2017. Subsequent, to the authorization of the ARP, premiums are only expected to increase seven percent. For women, this means a continued ability to access the care that women need most. The care that women

energycommerce.house.gov/sites/democrats.energycommerce.house.gov/files/documents/ACA%20Womens%20Health%20FINAL.pdf.

³ State of Alaska De'pt of Commerce, Community and Economic Development Division of Insurance, Alaska 1332 Waiver Applications (Dec. 7, 2016).

⁴ See Health Resources & Services Administration, Women's Preventive Services Guidelines, <https://www.hrsa.gov/womensguidelines/>

⁵ Nora V. Becker and Daniel Polsky, Women Saw Large Decrease In Out-Of-Pocket Spending For Contraceptives After ACA Mandate Removed Cost Sharing, *Health Affairs*, 34, no.7 (2015):1204-1211. Available at <http://content.healthaffairs.org/content/34/7/1204.full.pdf+html>.

⁶ Timothy Jost, Alaska Reinsurance Plan Could Be Model for ACA Reform, Plus Other ACA Development, *Health Affairs* (June 16, 2016).

⁷ Ninety-one percent of enrollees in the Alaska market receive financial assistance to pay for tax credits so not stabilizing the marketplace also strains the federal budget. Kaiser Fam. Found., Marketplace Enrollment and Financial Assistance (March 31, 2016), <http://kff.org/health-reform/state-indicator/total-marketplace-enrollment-and-financial-assistance/?currentTimeframe=0&selectedRows=%7B%22nested%22:%7B%22alaska%22:%7B%7D%7D>.

report accessing the most are birth control, pap test, and breast examinations -- all services that insurers are required to cover on the Marketplace with no out of pocket cost to the woman.⁸ These benefits are not likely to continue if the 1332 waiver application is not approved.

During this time when there is a national dialogue on transforming the health care system, Alaska could be an example of a responsible improvement to the insurance Marketplace. We look forward to working with the Department in this important work to improve the health insurance Marketplace. Thank you for the opportunity to comment on the Alaska 1332 application. If you have any questions, please do not hesitate to contact me at 907-841-0092.

Sincerely,

Jessica Cler
Alaska Public Affairs Manager
907.841.0092
Jessica.cler@ppvnh.org

⁸ Perry Udem Research & Communication, "Women & OB/GYN providers," *Planned Parenthood Federation of America*, November 2013
http://www.plannedparenthood.org/files/4914/0656/5723/PPFA_OBGYN_Report.FINAL.pdf.



Dear Ms. Wing-Heier,

December 5, 2016

As CEO of Alaska Regional Hospital, I appreciate the opportunity to voice support for the State of Alaska filing an Affordable Care Act (ACA) State Innovation Waiver (1332) to help stabilize the individual healthcare insurance market here in Alaska.

We recognize the difficult decisions made by the Legislature and Governor Walker's Administration to shore up the market in the closing days of the 2016 Legislative Session. They made the right decision. Appropriating the necessary funds for implementation of the Alaska Reinsurance Program has given the Governor, Administration Commissioners and Directors the time needed to find a more reasonable and less costly mechanism for dealing with the unsustainable cost increases in the individual market. It also led to a premium increase in the individual market that makes those products significantly less expensive for Alaskans than they would have been without the ARP.

Many of Alaska Regional Hospital's patients, providers and employees will be positively impacted by the reinsurance program and a healthier market. Our hospital has been working to expand options for access to care for underserved populations in the Anchorage area by opening our new Medicaid clinic in Mountain View, aggressively expanding our services to seniors in the South Anchorage Medicare clinic and planned expansion of our behavior health presence. Any effort to help assure access to our neighbors is of great interest to us all.

Again, we appreciate the hard work of DOI and DHSS in working through this process to help achieve a more accessible and efficient healthcare system in our home state, and we fully support this effort.

Respectfully,

A handwritten signature in cursive script that reads "Julie Taylor".

Julie A. Taylor, CEO
Alaska Regional Hospital



December 6, 2016

Lori K. Wing-Heier, CIC, CRM
Director
Alaska Division of Insurance
550 West 7th Avenue, Suite 1560
Anchorage, AK 99501-2567

Dear Ms. Wing-Heier,

The Alaska State Hospital and Nursing Home Association (ASHNHA) would like to offer our support for the Alaska 1332 State Innovation Waiver application. ASHNHA members have significant concerns about the long-term viability of Alaska's individual insurance market and we have been a strong supporter of efforts to stabilize the insurance market.

The Alaska proposal to waive certain provisions of the Affordable Care Act through a Section 1332 waiver is an innovative solution to reinsure the most vulnerable individuals which in turn helps to lower healthcare premium costs and stabilize and support the long term viability of the individual health insurance market.

During the 2016 Legislative session, ASHNHA supported the passage of the legislation to establish a reinsurance mechanism to help stabilize premiums. Alaska's individual market is small and the claims experience of those purchasing policies in that market has been worse than anticipated. We were concerned the market was in danger of failing. The legislation has provided a short-term solution. By appropriating the funds to implement the Alaska reinsurance program the market has been stabilized and the State of Alaska has an opportunity to find a way to sustain the market into the future.

We believe the Alaska waiver application is a good example of a state-federal partnership that will help keep insurance affordable to individual Alaskans. We must maintain access to health insurance for people who do not have other options like employer-based coverage. In addition, a healthy individual insurance market is a key to an economy that fosters entrepreneurship, since the lack of a stable individual insurance market is a deterrent to those who would leave their employers to start a business.

Thank you for the opportunity to provide support for the Alaska 1332 waiver application.

Sincerely,

Becky Hultberg
President/CEO

Alaska State Medical Association

4107 Laurel Street • Anchorage, Alaska 99508 • (907) 562-0304 • (907) 561-2063 (fax)

December 12, 2016

Division of Insurance
Attn: Sarah Bailey
P.O. Box 110805
Juneau AK 99811-0805

RE: Affordable Care Act State Innovation Waiver

Dear Ms. Bailey:

The Alaska State Medical Association (ASMA) represents physicians statewide and is primarily concerned with the health of Alaskans.

ASMA generally supports efforts to increase access to health care. The State's action last year to stabilize the individual health insurance market by creating the Alaska Reinsurance Program was a good step. This new program reduced the anticipated premium increases from 47% to only 7%. This program will save the federal government \$51.6 million dollars in Advanced Premium Credits for 2018. ASMA also recognizes that through the Affordable Care Act the federal government has assumed certain financial responsibilities. The State cannot afford to take on federal financial liabilities over the long term. Therefore, ASMA supports the State's effort to seek an ACA 1332 waiver for federal funding under section 36B of the Internal Revenue Code and request the federal government approve such waiver.

Alaska's re-insurance program is exactly the type of innovative program contemplated under the waiver program.

Thank you for your consideration of our position and if you have any questions please let me know.

Sincerely,



Mike Haugen
Executive Director
Alaska State Medical Association



**MARSH & MCLENNAN
AGENCY**

Jennifer Meyhoff
Senior Vice President

Marsh & McLennan Agency LLC
1031 West 4th Avenue, Suite 400
Anchorage, AK 99501
+1 907 257 6350
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jennifer.meyhoff@marshmc.com
www.marshmclennanagency.com

November 29, 2016

Lori Wing-Heier
Director, Division of Insurance

Dear Ms. Wing-Heier,

I am in support of Alaska's actions to seek an Affordable Care Act (ACA) State Innovation Waiver. In the role of consultant to scores of employers offering medical insurance to thousands of consumers in Alaska, MMA values transparency in the healthcare industry.

Premiums in the Alaska health insurance market have increased substantially since the onset of the ACA. Alaska's employers and consumers have faced escalating healthcare costs compounded by multiple factors. Utilization of services by individuals with high cost health conditions, escalating charges from some healthcare providers unchecked due to insufficient provider competition, and cost shifting from uncompensated care are compounded by a small population spread across a vast geographic area.

I am writing in support of the flexibility which will result from a 1332 State Innovation Waiver.

Sincerely,



Jennifer Meyhoff

December 2, 2016



Alaska Division of Insurance
Attn: Sarah Bailey
PO Box 110805
Juneau, AK 99811-0805

Dear Sarah,

Moda Health is supportive of the Alaska Reinsurance Program (ARP) and the 1332 waiver application, as this will help improve the predictability and sustainability of the individual market.

The small number of lives in the Individual market in AK has struggled to support the costs associated with severe chronic conditions and has led to significant premium increases in recent years. The lower required premium increase for 2017 resulting from the ARP will allow more consumers to maintain coverage in the Individual market. Providing federal funding based on these savings in advanced premium tax credits will ensure that there is a fair and balanced assessment across all markets to benefit more consumers.

Please don't hesitate to contact us with any questions regarding our support of the waiver.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Gootee", is written over a light blue horizontal line.

Jason Gootee
Director, Alaska Sales & Service



modahealth.com

510 L Street Suite 270 Anchorage, Alaska 99501 | 800-852-5195

December 20, 2016



Sheela Tallman
Senior Alaska Legislative Affairs Executive

Lori Wing- Heier, Director
Division of Insurance
Atwood Building
550 West 7th Ave, Suite 1560
Anchorage, AK 99501

Re: Section 1332 State Innovation Waiver

Director Wing-Heier,

On behalf of Premera Blue Cross Blue Shield of Alaska, I am writing to express our strong support for the section 1332 state innovation waiver for Alaska. This waiver would allow the state to obtain federal funding to support the Alaska Reinsurance Program to help stabilize the individual market. Premera covers approximately 9,000 individuals and families in the individual market and will be the only insurer in this market in 2017.

The state innovation waiver encourages innovation in health insurance markets to help lower prices for consumers, and Alaska's reinsurance program demonstrates both innovation and an immediate impact on premiums.

Premiums in the individual market increased drastically in 2015 and 2016, and passage of HB 374 created a state-based reinsurance program which helped lower the rate increase for 2017 considerably. Alaska's individual market is small, and there are not enough healthy purchasers to offset the costs of enrollees with very high medical needs. The reinsurance program helps cover claims from the highest cost medical conditions, thereby lowering premium increases in the individual market. The program was funded by a state appropriation for 2017 to provide immediate and much needed premium relief for individual customers. Long-term funding for the program is critical.

Through this waiver, the state seeks to obtain federal funding to help support the innovative reinsurance program that has been instrumental in stabilizing the individual market in Alaska.

We look forward to working together and with other stakeholders to continue to evaluate additional flexibility for the state of Alaska to ensure a sustainable and affordable health insurance market for individuals and employers.

Thank you for the opportunity to provide comments in support of Alaska's 1332 state innovation waiver.

Sincerely,

A handwritten signature in black ink that reads "Sheela Tallman".

Sheela Tallman



Planned Parenthood Votes Northwest and Hawaii

December 23, 2016

Via Electronic Transmission

Director Lori Wing-Heier
State of Alaska Department of Commerce, Community,
and Economic Development
Division of Insurance
Robert B. Atwood Building
550 W. 7th Ave., Ste. 1560
Anchorage, AK 99501-3597

Re: Alaska 1332 Waiver

Dear Director Wing-Heier:

Planned Parenthood Votes Northwest & Hawaii (Planned Parenthood) is pleased to submit comments on the proposed Alaska 1332 Waiver Application. As a trusted women's health provider and advocate, Planned Parenthood supports the Department of Commerce, Community, and Economic Development, Division of Insurance effort to sustain the health insurance Marketplace in Alaska. Each year, Planned Parenthood health centers in Alaska provide services to nearly 8,000 patients. The majority of Planned Parenthood patients have incomes at or below 150%. Because many of Planned Parenthood patients are eligible to purchase their insurance coverage and receive financial assistance through the Marketplace, we have a special interest in ensuring that our patients are able to enroll in plans on the Marketplace that meet their needs. The proposed 1332 waiver is a sensible solution to stabilizing the health insurance marketplace.

Women, in particular, have benefited from the Alaska health insurance Marketplace. Over half of the enrollees on the Marketplace are women.¹ The Marketplace has contributed to the decline in the rate of uninsured women. Between 2012 and 2014, the rate of women uninsured in Alaska fell six percent, and the rate among low-income women fell nine percent.² The waiver application reports that an additional 1500 individuals would have coverage if the waiver were approved.³

¹ Kaiser Fam. Found., Marketplace Plan Sections by Gender (Nov. 1, 2015 to Feb. 1, 2016), <http://kff.org/health-reform/state-indicator/marketplace-plan-selections-bygender/?currentTimeframe=0&selectedRows=%7B%22nested%22:%7B%22alaska%22:%7B%7D%7D%7D>.

² U.S. House of Representatives Committee on Energy and Commerce, Turning Back the Clock: Republican Plans to Repeal the Affordable Care Act Will Reverse Progress for Women (Dec. 2016), <https://democrats->