

February 28, 2024

The Honorable David Wilson
State Capitol Room 121
Juneau AK, 99801
Senator.David.Wilson@akleg.gov

Dear Senator Wilson,

For 70 years, the Alaska Hospital & Healthcare Association (AHHA) has served as a non-profit trade association representing Alaska's hospitals, nursing homes, and other healthcare partners across the continuum of care. AHHA members play an invaluable role, both as community providers and essential employers, in cities, towns, and villages across Alaska.

As chair of the Health & Social Services Committee, we want to make you aware of an increasingly confusing compliance issue for Alaska's hospitals around price transparency. In 2018, Alaska updated its laws concerning the disclosure of healthcare cost information from healthcare providers. Alaska law requires healthcare facilities and providers to compile and publish a list of what they charged for the most commonly performed services over the course of the previous year, and provide consumers with good faith estimates.

Since 2018, the federal government has twice updated its price transparency requirements for all hospitals in the U.S., requiring them to not only compile and publish standard charges like Alaska's requirements, but also, payer-specific negotiated rates, de-identified minimum and maximum negotiated rates, and provide good-faith estimates, among other things. Additionally, the federal rules require that all this information be provided in machine-readable files. Over the past five years, the federal price transparency requirements have become far more rigorous than the Alaska requirements for hospitals, and we expect these requirements to be enhanced regularly in the coming years by the federal government.

Despite the federal price transparency requirements being more rigorous than the Alaska requirements, the method for producing and publishing the information for the respective requirements are different, and thus Alaska's hospitals are forced to comply with two laws aimed at producing the same result, which creates unnecessary administrative burden on both hospitals and state employees managing this program.

Advancing Healthcare for Alaska

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Given this confusion, we respectfully request clarity be provided to Alaska's hospitals by specifying that a hospital subject to and compliant with the federal requirements set forth in 45 CFR 180 is thereby compliant with the state standards provided in AS. 18.23.400. We have discussed this issue at length with financial leaders in our hospitals, the Department of Health, and the Division of Insurance.

Providing clarity on this matter is a straightforward fix, and we appreciate your consideration of this issue as your committee conducts its work in addressing Alaska's healthcare challenges.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Kosin'.

Jared C. Kosin, JD, MBA
President & CEO