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PRESS RELEASE

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## Alaska's Health Care Market Receives Additional \$43.8 Million from American Rescue Plan Act

**September 14, 2021 (JUNEAU, AK)** – The Centers for Medicare & Medicaid Services (CMS) announced additional funding for the Affordable Care Act waiver to stabilize Alaska's insurance market as a result of the American Rescue Plan Act (ARPA).

CMS announced last week they are awarding an additional \$43.8 million to Alaska's health care marketplace to improve access to affordable, comprehensive health insurance coverage. The APRA made substantial changes to the individual health insurance market, including enhancing premium subsidies and expanding the eligibility for those tax credits in 2021. As a result, federal savings are realized and passed through to the state. Thirteen states including Alaska had called on CMS to re-calculate this amount considering changes to federal law. The Alaska Division of Insurance (DOI) applauds the decision.

"Alaska has among the highest health care premiums in the nation, and the funding will be used to further stabilize the individual market in Alaska and possibly lower premiums," **said DOI Director, Lori Wing-Heier.**

The funds are an adjustment to the federal pass-through funding calculated under the 1332 State Innovation Waiver and used to operate the successful Alaska Reinsurance Program. The reinsurance program is designed to improve health insurance affordability and market stability by reimbursing insurers for a portion of claims for high-cost health conditions that would otherwise be paid by other consumers or by the federal government through higher premiums. The reinsurance program in Alaska helps keep premiums low in the individual market, without increasing federal costs.

*For additional information about DOI, the 1332 State Innovation Waiver and the Alaska Reinsurance Program, visit <https://www.commerce.alaska.gov/web/ins/>.*

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