

February 5, 2014

The Honorable Kurt Olson
House of Representatives
State Capitol Room 24
Juneau, AK 99801-1182

Dear Representative Olson:

Thank you for introducing House Bill 141 (HB141), a bill which will resolve two problems that are unnecessarily adding to the high cost of workers compensation in our state. Alaska National Insurance Company supports enactment of HB141. This important piece of legislation will effectively reduce workers compensation costs borne by Alaskan employers by both preventing out-of-state medical care providers from charging higher fees and setting reasonable time limits for the billing of all medical services provided through the Alaska Workers' Compensation Act.

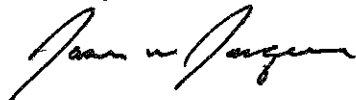
Medical care providers in other jurisdictions are charging fees for treatment of Alaskan workers based upon the Alaska Workers Compensation Medical Fee Schedule. The Alaska Workers Compensation Medical Fee Schedule's fees are much higher than the typical charges for those services in other jurisdictions. Medical care providers should charge based upon the accepted workers compensation fees allowable in their jurisdiction, regardless of their patient's state of domicile. HB141 remedies this issue as respects the treatment of Alaskan workers and, in turn, the costs of that treatment paid by Alaskan employers.

Additionally, HB141 affords cost predictability to Alaskan employers by setting reasonable time limits for the billing of medical services. Currently, because no such limit exists, Alaskan employers incur unanticipated additional costs from prior fiscal years through revised or additional billings long after treatment has ceased.

Alaska National Insurance Company supports HB141 because it reduces workers compensation costs for Alaskan businesses while neither reducing the coverage provided to our state's workers nor limiting their treatment.

Thank you for your consideration.

Sincerely,



Jason Jacques, CPCU
Vice President, Underwriting