

February 3, 2015

Honorable Representative Kurt Olson State Capitol Room 24 Juneau AK, 99801

RE: Letter of Support House Bill 32- An Act relating to employer-required drug testing; requiring the Alaska Workers' Compensation Board to adopt regulations relating to the prescription of controlled substances to employees; and relating to the prescription of controlled substances to employees.

Dear Representative Olson:

The Property Casualty Insurers Association of America (PCI) is a national property casualty trade association comprised of almost over 1,000 member companies, representing the broadest cross-section of insurers of any national trade association. In Alaska, PCI members write 32.8 percent of personal auto insurance, 11.6 percent of homeowners insurance, 17.4 percent of commercial multi-peril business insurance, and 14.3 percent of private workers compensation insurance.

PCI supports of HB 32, which would restrict the prescription of opioids to a 30-day supply for injured workers, allow an employer to drug test an injured worker prescribed opioids for over 90 days, and require the Alaska Workers' Compensation Board to adopt regulations relating to the prescription of controlled substances to employees. PCI believes that the use and abuse of prescription opioids can cause significant problems for the injured worker and for their family members, and is a cost driver in the workers' compensation system. Current statistics show that three out of four prescription drug overdoses are caused by prescription painkillers. HB 32 restricts the prescription of opioids to a 30 day supply, which is a good first step.

More generally, we believe drug dependence and addiction could be substantially reduced in the workers' compensation system with the adoption of evidence based treatment guidelines for acute/chronic pain and to require prior authorization for pharmaceutical pain treatment that exceeds or is not addressed by the adopted treatment guidelines.

Should you have any questions, please do not hesitate to contact me directly at (916) 440-1117 or email at <u>armand.feliciano@pciaa.net</u>.

Respectfully Submitted,

Teliciano ARMMO

Armand Feliciano Vice President, ACIC

Cc: Kristopher Knauss, the Knauss Group (PCI lobbyist)