



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Corrections

COMMISSIONER'S OFFICE

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Representative Neal Foster, Co-Chair
House Finance Committee
103 E. Front St.
Nome, AK 99762

Representative Paul Seaton, Co-Chair
House Finance Committee
270 W. Pioneer Ave
Homer, AK 99603

Dear Chairs Foster & Seaton,

In the Department of Corrections (DOC) budget, it is noted within the Physical Health Care budget increment request that a portion of the commodity needs are associated with pharmaceuticals and medical supplies, it goes further to state that "One of the higher cost drugs is used to treat Hepatitis C at more than \$73,900 per offender for a three-month regimen."

A correction to this narrative is warranted as during FY2018 the cost for this medication dropped to \$25,000 (\$27,000 including all associated testing) per offender due to newer medications becoming available on the market and contract negotiation efforts by the staff. Although the costs of the medication has greatly reduced, the number of inmates requiring treatment has increased resulting in the requested funding increment.

Treatment decisions have been made based on the level of disease progression. The standards for making these decisions are broadening to include treating people in earlier stages of the disease and DOC is already moving forward and considering additional patients for treatment. During FY2018 DOC expects to treat 12-15 offenders; however, with the change in the standards that number could increase in FY2019 to 200 or more offenders generating additional shortfalls within the FY2019 budget.

In addition, as noted during the DOC testimony by both Medical Director Laura Brooks and Commissioner Dean Williams, a United States District Court decision has mandated all Hepatitis C positive inmates in Florida be treated. This litigation could ultimately reach Alaska requiring any individual within the DOC who tests positive for Hepatitis C receive treatment. That number is currently estimated to be 1,300 offenders.

While still costly, this medication is a cure for an infectious disease which otherwise may be passed to others within the prison or to the public upon release.

Thank you for allowing the opportunity to provide additional details regarding this item.

Sincerely,



April Wilkerson
Director Administrative Services
Department of Corrections