

February 25, 2020

The Honorable Ivy Spohnholz, Chair
Members of the House Labor and Commerce Committee
Alaska State Capitol
Juneau, Alaska 99801

Dear Representative Spohnholz and Members of the Committee,

I am writing to ask you to oppose HB84, which expands the presumption of compensability for disability resulting from certain diseases for emergency first responders. This bill has the potential to significantly increase the workers' compensation costs for Alaskan cities, boroughs, and municipalities at a time when their budgets are very tight and absorbing these costs will be difficult.

APEI is a Joint Insurance Arrangement, formed under AS 21.76, which allows public entities to pool together to share costs and procure insurance on a group basis. We are the non-profit administrator of a pool of about 74 school districts, municipalities, and related organizations located around Alaska. Many of our municipal members have police or fire departments whose operations and employees could be affected by this legislation.

This bill expands on existing legislation, which creates a presumption that a firefighter who develops one of a list of illnesses (respiratory, cardiovascular, and cancer) qualifies for coverage under the workers' compensation law.

The purpose of presumption legislation is to remove the requirement that an employee demonstrate that their illness resulted from their employment. To deny coverage, the burden of proof is placed on the employer to demonstrate that the illness does NOT result from the employment. Presumption legislation may make sense in the situation where it is more likely than not that an illness was caused by a worker's employment. It is not appropriate for illnesses that are commonly caused by non-work-related events and/or tend to develop randomly.

There is little evidence that the diseases currently in the law are caused by firefighting; there is even less evidence that these illnesses (plus the proposed addition of breast cancer) are caused by the workplace for EMTs, paramedics, or peace officers. Creating this presumption of coverage in the workers' compensation law would effectively transfer the costs of treatment for a number of expensive and (unfortunately) common illnesses to Alaska's municipalities.

The workers' compensation system is designed to cover the cost of injuries received in the workplace. It is not designed to replace a health insurance system, and this bill creates an unfunded mandate. Alaska's municipalities cannot afford this additional cost, and I urge you to vote against HB84.

Sincerely,



Barbara Thurston
Executive Director