ALASKA STATE LEGISLATURE
HOUSE LABOR & COMMERCE COMMITTEE

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Rep. Lindsey Holmes   Rep. Bob Buch

Sponsor Statement
Committee Substitute for House Bill 314 (JUD)
"An Act relating to fees and charges for medical treatment or services, civil damages investigations, and penalties as they relate to workers' compensation; and providing for an effective date."

At the time of passage in 2005 of the revisions to the workers' compensation system, it was contemplated that the interested stakeholders, including the Workers' Compensation Legislative Task Force and the Medical Services Review Committee, would propose legislation acceptable to the various stakeholders before August 1, 2007. This proposal was to replace the repealed Usual, Customary and Reasonable (UCR) methodology for setting maximum fees for medical treatment and services under the Alaska Workers' Compensation Act. A replacement was not proposed and the repeal would have resulted in fees for medical treatment and services in workers' compensation matters going uncapped until such time as the law was changed to remedy the situation.

There have been two previous extensions to the workers' compensation schedule of fees for medical treatment and services in place since 2004 with adjustments made based on the Medical Component of the Consumer Price Index. The existing extension will expire on December 31, 2010. HB 314 proposes a full fee schedule again be established which would include the procedure codes that have been developed since the 2004 schedule was adopted as well as category II and III codes. The fee schedule would be constructed on the same basis as prior schedules using statistically credible data

The bill also clarifies that making false statements related to benefits or engaging in deceptive behaviors will constitute workers' compensation fraud and may be prosecuted under AS 11 – Criminal Law

I urge your support of this bill.