



March 5, 2014

The Honorable Kurt Olson, Chair
House Labor & Commerce Committee
State Capitol, Room 24
Juneau, AK 99801

Re: Support for HB 316 - Workers' Compensation Medical Fees

Dear Representative Olson:

The Alaska Hotel and Lodging Association (AkH&LA) is the leading voice and resource for Alaska's lodging industry, providing jobs to over 13,000 Alaskans and contributing over \$52 million in municipal tax revenues each year.

AkH&LA supports policies that will help Alaska's hospitality businesses succeed. Among AkH&LA's priorities for 2014 is support for enacting systemic changes to the Alaska workers' compensation insurance statutes to reduce the cost of insurance for employers while maintaining effective treatment programs that promote injury recovery and the return to full employment of injured workers.

Alaska's current workers' compensation premium rates at 60 percent above the median of U.S. states rank the highest in the nation. Medical costs for work related injuries were the largest workers' compensation cost driver comprising \$0.76 of every dollar paid in workers' compensation benefits in 2012, as compared to \$0.59 nationwide. A strong and well-trained workforce is Alaskan hoteliers' greatest asset, and such costs are working against our ability to produce jobs and remain competitive.

AkH&LA supports the provisions in HB 316 to address the escalating workers' compensation costs while protecting the rights of workers to fair and reasonable compensation when injured on the job.

Sincerely,

Gretchen Kenney, Executive Director
Alaska Hotel and Lodging Association