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March 14, 2014

Davis Peterson MD, President, Alaska State Orthopedic Society

Rep. Kurt Olson, Chair House Labor and Commerce Committee Rm24, State Capitol Juneau, AK, 99801

Dear Mr. Chairman,

With regards to HB 316, our primary concern revolves around transfer of rate setting powers from the legislative branch to the executive branch of our state government. As written, the worker's compensation board will have final authority to establish a fee schedule with input from an advisory group also appointed by the executive branch. Public input is critical to the process, and access to the board will likely be limited to the advisory board.

It is our recommendation that final decisions regarding rate setting be entrusted to a Commissioner level board, accessible to the public, and that fee schedules be indexed to private insurance rates, regardless of the coding methodology selected.

Our elected legislators remain our primary point of access into state governmental processes.

Thank you,

Davis Peterson MD