



February 6, 2013

The Honorable Kurt Olson
House of Representatives
Alaska State Capitol
Juneau, Alaska 99801-1182

Re: House Bill 141 "Workers' Compensation Medical Fees"

Dear Representative Olson:

Central Peninsula Hospital (CPH) is the largest non-government employer on the Kenai Peninsula with over 650 FTE's. As an employer and provider, we support the intent of HB 141 as written and passed from the House Labor and Commerce committee. We understand HB 141 is likely to be one of many bills introduced to address Alaska employers' growing concerns with workers' compensation premiums and costs.

Many employers including our local school district have objected to out of state providers billing for services at Alaska workers' comp rates. This is a legitimate complaint if it is occurring as providers in the lower forty-eight have far lower costs than providers in Alaska. While providers in Alaska would prefer to take care of Alaska's workforce injuries here at home, we are aware that some employees do travel and seek care near family and friends during recovery.

Workers' Compensation premiums have become a burden for Alaska employers. This particular legislation addresses rates for services provided outside of Alaska. I presume discussions about rates in Alaska will not be far behind and I look forward to participating in that dialogue as well.

Since this legislation has already left your committee and is headed to the floor, I would ask that you share this letter of support with the appropriate committee(s) in the Alaska State Senate.

Sincerely,

Rick Davis

CEO

Central Peninsula Hospital

CPH is a
member of
the Planetree
Alliance.