

April 12, 2015

Senator Peter Micciche
Alaska State Senate Room 514
Juneau, AK 99801

Re: SB 98, An Act relating to diagnosis, treatment, and prescription of drugs without a physical examination

Dear Senator Micciche,

On behalf of Premera Blue Cross Blue Shield of Alaska, I am writing with respect to SB 98, *an act relating to diagnosis, treatment, and prescription of drugs without a physical examination*. Premera strongly supports SB 98 which improves access to clinical services provided via telemedicine.

Healthcare costs in Alaska are among the highest in the United States and are continuing to rise each year. Research shows that telemedicine can reduce costs by providing care through more efficient means. Telemedicine improves access to care in remote locations, improves follow-up care for patients with chronic conditions, and creates a better patient experience by reducing travel time and absenteeism from work.

A growing number of employers are offering telemedical health services as a way to improve productivity and reduce their healthcare costs. According to analysis by Towers Watson, the number of employers offering telemedicine is expected to increase by 68% from 2014 to 2015. It also concluded that appropriate use of telemedicine could potentially result in \$6 billion in healthcare cost savings annually.

To this end, Premera launched a virtual care benefit in 2015. This offering enables members to receive health-related services and information via a variety of telecommunication channels for the purpose of diagnosis, prevention, disease management and treatment.

Premera supported HB 281 and believes that SB 98 will go further to ease implementation barriers and promote the adoption of telemedicine to deliver essential and timely care to Alaskans.

Thank you for your consideration.

Sincerely,



Sheela Tallman