

May 13, 2021

The Honorable Shelley Hughes, Chair
Members of the Senate Community and Regional Affairs Committee
Alaska State Capitol
Juneau, Alaska 99801

Dear Senator Hughes and Members of the Committee,

I am writing to ask you to oppose SB131, which expands the presumption of compensability for disability resulting from certain cancers in fire fighters. This bill has the potential to significantly increase the workers' compensation costs for Alaskan cities, boroughs, and municipalities at a time when their budgets are very tight and absorbing these costs will be difficult.

APEI is a Joint Insurance Arrangement, formed under AS 21.76, which allows public entities to pool together to share costs and procure insurance on a group basis. We are the non-profit administrator of a pool of about 73 school districts, municipalities, and related organizations located around Alaska. Many of our municipal members have fire departments whose operations and employees could be affected by this legislation.

This bill expands on existing legislation, which creates a presumption that a firefighter who develops one of a list of illnesses (respiratory, cardiovascular, and cancer) qualifies for coverage under the workers' compensation law.

The purpose of presumption legislation is to remove the requirement that an employee demonstrate that their illness resulted from their employment. To deny coverage, the burden of proof is placed on the employer to demonstrate that the illness does NOT result from the employment. Successfully proving such a negative is extremely difficult, if not impossible in most cases. Presumption legislation may make sense in the situation where it is more likely than not that an illness was caused by a worker's employment. It is not appropriate for illnesses that are commonly caused by non-work-related events and/or tend to develop randomly.

There is little evidence that the diseases currently in the law, nor the proposed addition of breast cancer, are caused by firefighting. Studies indicating that there may be higher rates of these cancers among fire fighters tend to show a fairly weak correlation between the workplace and cancer incidence, and, more significantly for Alaska, are often based on data from large urban firefighters. In many small Alaskan communities, a large portion of the

adult population is registered as a volunteer fire fighter. Most of these volunteers spend little time actually fighting fires or being exposed to toxins. Creating a presumption of coverage in the workers' compensation law would effectively transfer the costs of treatment for a number of expensive and (unfortunately) common illnesses to Alaska's municipalities.

The workers' compensation system is designed to cover the cost of injuries received in the workplace. It is not designed to replace a health insurance system, and this bill creates an unfunded mandate. Alaska's municipalities cannot afford this additional cost, and I urge you to vote against HB131.

Sincerely,

A handwritten signature in blue ink that reads "Barbara Thurston". The signature is written in a cursive, flowing style.

Barbara Thurston
Executive Director