



insurer. Either increased policy count or increased written premium could indicate that insurance is more available due to tort reform. If an insurer selected decreased policy count or decreased written premium, this might indicate that they anticipate tort reform to have an adverse affect on insurance availability.

For questions related to the costs of insurance, the survey allowed insurers to select from options that indicate either a change in rates, a decrease in claims costs, or that the insurer is unavailable to evaluate how tort reform affects or will affect insurance costs. A decrease in claim costs may be an indication of future reductions in costs of insurance. If the cost of insurance is affected by tort reform, the effect could be demonstrated by indicating whether rates used to price a policy had increased or decreased, or if rates used to price a policy were anticipated to increase or decrease.

I. AS 09.17.010 Cap on Non-Economic Damages

What effect has the revised cap on non-economic damages had on the amount of insurance business written by your company in Alaska? If no effect has been noticed to date, what effect is anticipated in the future on the availability of liability insurance provided by your company in Alaska?

Current Availability

- 67 No change
- 13 Don't know
- 1 Increased premium written

Future Availability

- 60 No change
- 18 Don't know
- 3 Increased policy count
- 2 Increased premium written

What effect has the revised cap on non-economic damages had on the cost of insurance coverage written by your company in Alaska? If no effect has been noticed to date, what effect is anticipated in the future on the cost of liability insurance provided by your company in Alaska?

Current Cost

- 60 No change
- 17 Don't know
- 4 Decreased liability rates

Future Cost

- 48 No change
- 27 Don't know
- 2 Decreased liability rates

Comments

- Policy types and limits written by company would not be impacted.
- While the company is licensed to write in Alaska, they currently do not write any liability policies.
- The Company's book of business is quite stable and the change in tort reform did not affect their insureds.
- The company does not write business that would be impacted by tort reform.
- Company writes very little premium in Alaska and cannot judge the impact of tort reform.
- One company indicated that if they have more claims affected by tort reform, it could impact our overall profitability and then could result in increased rates.
- If a company observes an adverse trend in losses, they will be forced to re-evaluate the availability and cost of coverage.
- The extent of impact is dependent on future types and amounts of claims.

- One company believes that tort reforms, particularly caps on non-economic damages, stabilize the costs of litigation, make settlements fairer and more predictable, and benefit health care consumers by making more dollars available for health care instead of going into the liability industry.
- One company indicated they recently began writing in Alaska because of the positive change adopted in 1997.
- One company indicated that while they did not write business in Alaska prior to 1997, the presence of the cap will remain an important key to the company's continued writings in Alaska.

II. AS 09.17.020 Cap on Punitive Damages

Thirty respondents indicated their policies cover punitive damages. Fifty-seven respondents indicated their policies do not cover punitive damages.

What effect has the cap on punitive damages had on the amount of liability insurance business written by your company in Alaska? If no effect has been noticed to date, what is anticipated in the future on the availability of liability insurance provided by your company in Alaska?

Current Availability

25 No change
4 Don't know
1 Increased policy count

Future Availability

36 No change
13 Don't know

What effect has the cap on punitive damages had on the cost of liability insurance coverage written by your company in Alaska? If no effect has been noticed to date, what is anticipated in the future on the cost of liability insurance provided by your company in Alaska?

Current Cost

36 No change
15 Don't know

Future Cost

34 No change
15 Don't know
1 Increased liability rates
1 Decreased liability rates

Comments

- One insurer wrote that since they follow a market underwriter, they do not set premium or rates. They will continue to write good business in Alaska if they feel like they can do so profitably.
- It is difficult to say if the cap on punitive damages caused the increase in the number of policies or if there was some other reason.
- Our company supports the cap on punitive damages as it helps control the cost of risk which, in turn, allows Alaskan insureds to enjoy lower insurance rates in the long run.
- Most of our policy limits are below the caps. Although no statistics are kept, our claims department has noticed a decrease in the number of liability claims where punitive damages are plead.
- One insurer indicated they wrote more social service agency professional liability policies.

III. AS 09.30.070 Exclusion of Prejudgment Interest

What effect has the exclusion of prejudgment interest had on the amount of insurance business written by your company in Alaska? If no effect has been noticed to date, what effect is anticipated in the future on the availability of liability insurance provided by your company in Alaska?

Current Availability

62 No change
18 Don't know
1 Increased policy count
1 Increased premium written

Future Availability

52 No change
23 Don't know
3 Increased policy count
3 Increased premium written

What effect has the exclusion of prejudgment interest had on the cost of liability insurance coverage written by your company in Alaska? If no effect has been noticed to date, what effect is anticipated in the future on the cost of liability insurance provided by your company in Alaska?

Current Cost

56 No change
23 Don't know
2 Decreased liability rates

Future Cost

48 No change
26 Don't know
1 Decrease in incurred claim amounts
2 Decreased liability rates

Comments

- Several companies indicated that they do not write liability policies in Alaska.
- One company indicated that they use advisory organizations loss costs.
- One company has not focused in on pre-judgment interest rate as a major rating factor affecting premium levels in their lines.
- While the exclusion of prejudgment interest is a significant benefit by itself, it is insufficient to alter rates or availability since so few of our policyholders actually go to trial and lose. Thus, in the big picture, any savings realized would be proportionately very small.
- This change has helped to move settlements closer to actual damages.
- For one company, this had more to do with market availability than with rates.
- If there is any effect on the cost of liability insurance, it would be a slight decrease since a component of the claim cost had been eliminated. However, we believe the cost reduction is negligible.

IV. AS 09.65.096 Hospital Liability for Emergency Room Physicians

Four respondents said they sell hospital liability policies.
Eighty-one respondents said they do not sell hospital liability policies.

Four respondents said that prior to the law change, their policies did not cover negligence of emergency room physicians acting as independent contractors.
Since there was no change in coverage, there has been no change in rates or availability.

V. AS 09.10.055 Statute of Repose for Construction and Design Defects

What effect has the revised statute of repose had on the amount of insurance business written by your company in Alaska? If no effect has been noticed to date, what effect is anticipated in the future on the availability of liability insurance provided by your company in Alaska?

Current Availability

62 No change
12 Don't know
1 Decreased premium written
2 Decreased premium written

Future Availability

57 No change
18 Don't know
2 Increased policy count
2 Decreased policy count
1 Increased premium written

What effect has the revised statute of repose had on the cost of liability insurance coverage written by your company in Alaska? If no effect has been noticed to date, what effect is anticipated in the future on the cost of liability insurance provided by your company in Alaska?

Current Cost

57 No change
15 Don't know
2 Decreased liability rates

Future Cost

52 No change
21 Don't know
1 Decreased liability rates

Comments

- It is unlikely that an action involving the statute of repose as respects to construction and design defects would arise from one of our insureds.
- Not applicable in medical malpractice.

VI. AS 09.30.070(a) Interest Rate

What effect has the revised interest rate had on the amount of insurance business written by your company in Alaska? If no effect has been noticed to date, what effect is anticipated in the future on the availability of liability insurance provided by your company in Alaska?

Current Availability

65 No change
15 Don't know
1 Increased policy count
1 Increased premium written

Future Availability

60 No change
18 Don't know
2 Increased policy count
1 Increased premium written

What effect has the revised interest rate had on the cost of liability insurance coverage written by your company in Alaska? If no effect has been noticed to date, what effect is anticipated in the future on the cost of liability insurance provided by your company in Alaska?

Current Cost

60 No change
20 Don't know
1 Decreased liability rates

Future Cost

51 No change
25 Don't know
3 Decrease in incurred claim amounts

Comments

- The cost of claims is higher than it would be without prejudgment interest, but we did not write coverage prior to 1997.
- Due to the extremely small number of malpractice claims that proceed through verdict, it is difficult to accurately measure the effect, but we believe it will have a stabilizing effect on the cost of liability insurance. Any savings achieved through this or other tort reforms will directly benefit policyholders by keeping future rates lower than they would otherwise be.
- We expect that the lower interest rates will reduce total settlement costs in the small number of claims that are tried to verdict, particularly those in which pre-judgment interest is an issue. To the extent that this reduces the overall trend in loss costs, policyholders will benefit by virtue of paying lower premiums in the future than would otherwise be required.

The Division welcomes your comments, questions, or suggestion on this report.

Respectfully submitted,



Linda S. Hail
Director

APPENDIX

VII. Alaska Experience

Every year all insurers provide an Annual Statement to the division. The Annual Statement provides information that is used to monitor the solvency of insurers. The Annual Statement includes, among other information, premiums, losses, assets, and surplus of the insurer. Some of the information is countrywide data and some of it is specific to the insurer's Alaska business. The exhibits attached to this report are taken from these Annual Statements. We have included this information because it is the most readily available factual information related to premiums, claims, losses, and solvency of the company as a whole. These exhibits show overall trends and include all factors that influence an insurer's operations. The available information is not adequate to make any conclusions about the effects of tort reform on the costs and availability of insurance.

VIII. Solvency

To evaluate the solvency of the insurer as a whole, the attached Aggregate Assets and Surplus for Insurers Writing Business in Alaska exhibit shows how assets and surplus have changed over the period from 1996 to 2002. The average change is an average of the individual insurer asset and surplus levels. Because an insurer's entire surplus is available to support losses that occur in any state, it is difficult to make a meaningful allocation of surplus to a particular state. Therefore, aggregate totals for assets and surplus are shown by year for all insurers writing business in Alaska. Assets and surplus have increased by approximately the same amount per year between 1996 and 2000. For 2001 and 2002, the increase in assets increased more than the change in surplus.

IX. Alaska Premium and Loss Experience From 1990 – 2002

For the liability lines of business, the attached exhibits show

- Aggregate Alaska premium earned
- Losses incurred
- Number of insurers

Premium and loss information is generally available for the period from 1990 – 2002. This information is from Annual Statements submitted by insurers to the division. Because this information is based on losses incurred and premiums earned during a calendar year, it is useful for showing trends but should not be used to make determinations about the adequacy or excessiveness of insurance premiums.¹ Aggregate expense information is not included in these exhibits as it is not readily available

The data in these exhibits include all factors that affect insurance premiums, not just the effects of tort reform.

¹ Calendar year data does not match losses with the premiums used to pay the losses. Some of the losses incurred in one calendar year may be from policies that were issued in prior years.

COMMERCIAL LINES

Aircraft

Because the aircraft line includes property and liability coverages, any effect of tort reform will be difficult to isolate from this data. The number of insurers decreased from 47 to 40 from 1990 to 2000, increased in 2001 to 43, and has returned to 40 in 2002. Losses increased 5.82% annually for a total increase of 86.34% over the thirteen-year period. Premiums increased an average of 9.04% annually for a total increase of 159.06% over the thirteen-year period.

The top 20 insurers wrote 99.96% of the total premium volume in 2002. The top 4 insurers wrote 57.64% of the total premium. This compares to 82.36% and 62.29%, respectively, in 2001.

Commercial Auto

Between 1990 and 2002, the number of insurers offering commercial auto insurance grew from 162 to 201, for an annual increase of 1.59% or 18.90% for the thirteen-year period. Losses grew 3.05% annually or 39.22% over the thirteen-year period. Premium grew 2.04% annually or 24.85% over the thirteen-year period.

The top 20 insurers wrote 72.22% of the total premium volume in 2002. The top 20 insurers wrote 67.97% of the total premium volume in 2001.

Commercial Multiperil

The liability portion of commercial multiperil insurance (CMP) was first reported separately from the property portion in 1992, so the exhibit includes data on premiums and losses beginning in 1992. The number of insurers increased from 137 to 169, between 1992 and 2002 for an average annual change of 2.18% or an eleven-year increase of 35.58%. During the same period, premium increased by approximately 0.19% annually or 2.16% overall. Losses decreased 2.24% annually for a total decrease of 22.06% from 1992 to 2002.

The top 20 insurers wrote 82.03% of the total premium volume in 2002. The top 20 insurers wrote 82.18% of the total premium volume in 2001.

Medical Malpractice

Between 1990 and 2002, the number of companies writing medical malpractice insurance (coverage for all type of licensed health care providers and entities) grew from 35 to 39, down from a high of 44 in 1999, for an average annual increase of 1.32%, or 15.53% over the thirteen-year period from 1990 to 2002. During the same period, losses increased on average by 6.64% annually, for a total thirteen-year increase of 102.86%, and premium decreased by 0.91% annually, for a total thirteen-year decrease of 9.61%.

The top 20 insurers wrote 99.91% of the total 2002 premium volume. The top two insurers wrote 69.35% of the total premium volume in 2002. This compares to 99.65% and 65.21%, respectively, for 2001.

Other Liability

The number of insurers writing other liability grew from 198 in 1990 to 244 in 2002 for an average annual increase of 2.09% or 25.61% for the thirteen-year period. Losses decreased 3.30% annually or approximately 30.89% over the thirteen-year period. Premium increased by 0.11% annually, for a total thirteen-year increase of 1.24%.

The top 20 insurers wrote 72.78% of the total 2002 premium volume. The top 2 insurers wrote 23.27% of the total 2002 premium volume. This compares to 76.32% and 25.3%, respectively, for 2001.

Product Liability

Between 1991 and 2002, the number of insurers providing product liability increased slightly, from 107 in 1991 to 111 in 2002. Losses increased 29.40% annually and premiums decreased 0.34% annually. Because of the volatility of the data for this line, and the small amount of business written, it is difficult to summarize the trends by the average changes.

The top 20 insurers wrote 96.73% of the total 2002 premium volume. The top 2 insurers wrote 28.62% of the total 2002 premium volume. This compares to 95.13% and 22.95%, respectively, for 2001.

PERSONAL LINES

Homeowners

Because homeowners insurance is a package policy that includes both liability and property coverages, the effect of tort reform is especially difficult to isolate. The number of insurers writing homeowners insurance has decreased from 70 in 1990 to 57 in 2002. This is an average annual decrease of approximately 2.00% or a total decrease of about 19.93% over the thirteen-year period. During the same period, premium increased an average of 6.80% annually or approximately 106.21% for the thirteen-year period. Losses increased an average of 2.81% annually or by 35.62% for the thirteen-year period.

The top 20 insurers wrote 99.54% of the total 2002 premium volume. The top 2 insurers wrote 63.46% of the 2002 premium volume. This compares to 99.17% and 63.79%, respectively, for 2001.

Private Passenger Auto Liability

Between 1990 and 2002, the number of insurers offering private passenger auto insurance decreased from 111 to 98, however, the number of insurers has increased to 103 in 2002. This is an annual average decrease of approximately 1.19%, or a thirteen-year overall decrease of 12.37%. Losses increased annually by 5.54%, for a 81.05% increase over the thirteen-year period. Premiums increased 4.92% annually or 69.58% over the thirteen-year period.

The top 20 insurers wrote 90.19% of the total 2002 premium volume. The top two insurers wrote 40.23% of the 2002 auto liability premium. This compares to 89.75% and 42.24%, respectively, for 2001.

Aggregate Assets and Surplus for Insurers Writing Business in Alaska

<u>Year</u>	<u>Assets</u>	<u>Average Change by Co</u>	<u>Surplus</u>	<u>Average Change by Co</u>
1996	661,393,007		219,179,535	
1997	749,194,654	21.24%	272,838,734	25.31%
1998	762,824,973	7.04%	296,359,655	9.14%
1999	779,096,006	1.46%	307,798,191	2.68%
2000	772,868,467	6.58%	280,096,626	7.95%
2001	788,176,003	20.72%	261,698,959	8.10%
2002	859,228,587	7.94%	260,321,037	2.34%

Notes:

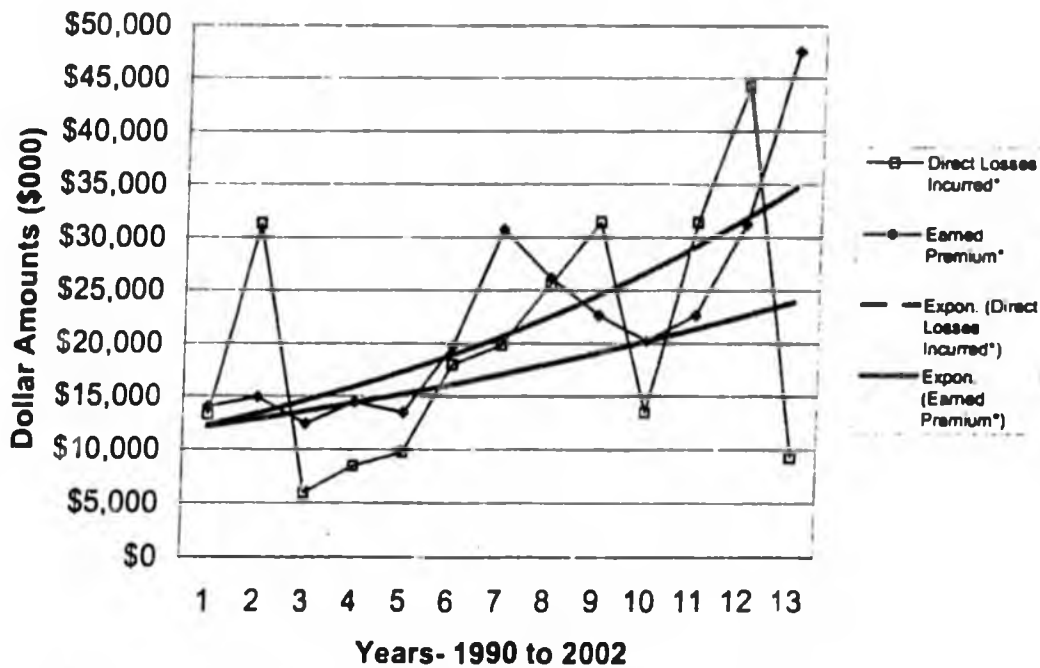
- (1) The assets and surplus amounts are in thousands.
- (2) The average change is calculated by company
- (3) The assets and surplus figures are countrywide amounts and do not represent an allocation to Alaska business only.

Aircraft

Calendar Year	Number of Companies	Direct Losses Incurred*	Earned Premium*
1990	47	\$13,304	\$14,034
1991	44	\$31,341	\$14,929
1992	42	\$5,976	\$12,433
1993	45	\$8,513	\$14,465
1994	45	\$9,797	\$13,488
1995	48	\$18,045	\$19,790
1996	47	\$19,868	\$30,799
1997	46	\$25,588	\$26,195
1998	39	\$31,455	\$22,681
1999	40	\$13,500	\$20,263
2000	40	\$31,455	\$22,669
2001	43	\$44,284	\$31,273
2002	40	\$9,314	\$47,525
Average Annual % Change 1991 to 2002 % change	-1.07%	5.82%	9.04%
	-11.17%	86.34%	159.06%

*Dollar amounts are in (\$000)

Selected Trends



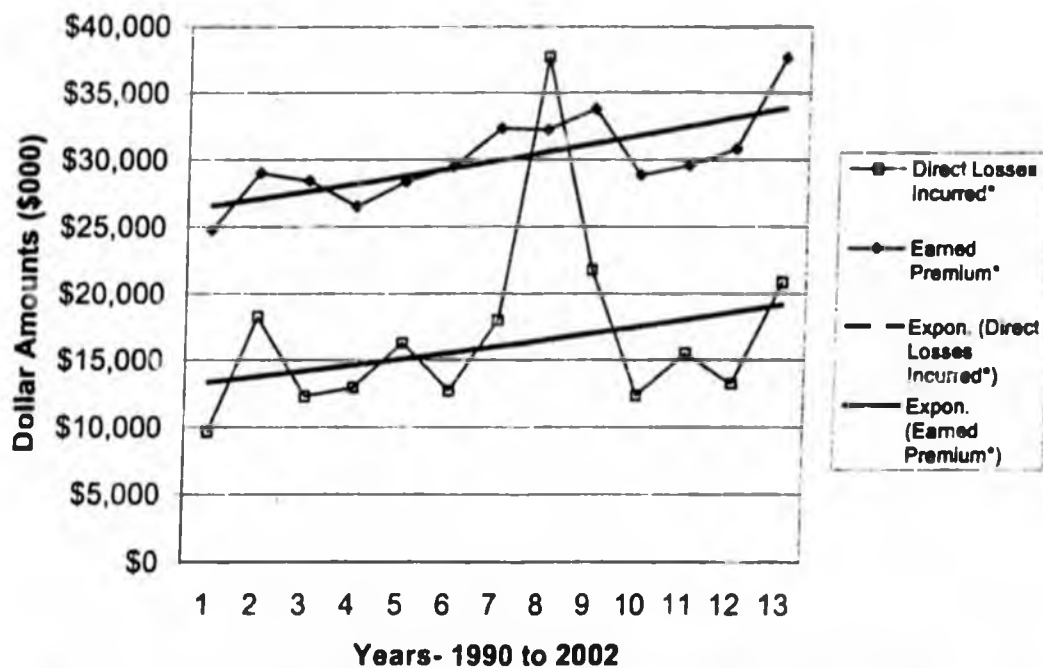
Commercial Auto

Calendar Year	Number of Companies	Direct Losses Incurred*	Earned Premium*
1990	162	\$9,660	\$24,752
1991	171	\$18,286	\$29,042
1992	175	\$12,307	\$28,435
1993	168	\$12,956	\$26,529
1994	180	\$16,279	\$28,361
1995	191	\$12,723	\$29,536
1996	175	\$17,988	\$32,333
1997	183	\$37,682	\$32,277
1998	189	\$21,775	\$33,818
1999	191	\$12,384	\$28,904
2000	197	\$15,506	\$29,598
2001	195	\$13,254	\$30,831
2002	201	\$20,888	\$37,636
Average Annual % Change	1.59%	3.05%	2.04%
1991 to 2002 % change	18.90%	39.22%	24.85%

Average Annual % Change
1991 to 2002 % change

*Dollar amounts are in (\$000)

Selected Trends

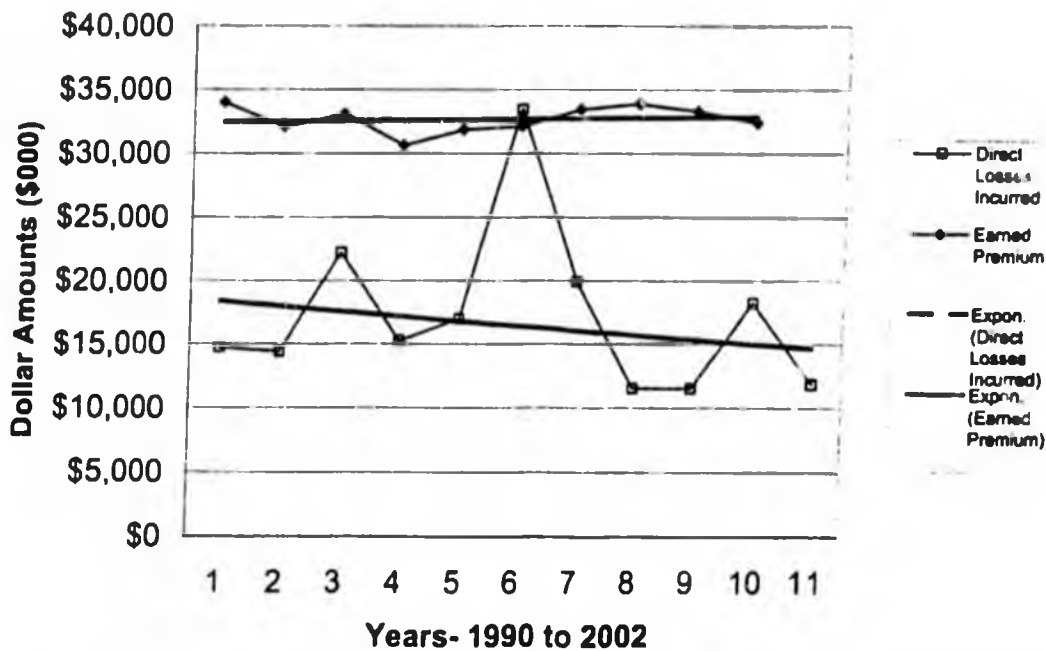


Commercial Multiperil

Calendar Year	Number of Companies	Direct Losses Incurred*	Earned Premium*
1990	xxx	xxx	xxx
1991	xxx	xxx	xxx
1992	137	\$14,756	\$34,036
1993	131	\$14,422	\$32,099
1994	140	\$22,233	\$33,107
1995	140	\$15,281	\$30,661
1996	151	\$17,021	\$31,898
1997	153	\$33,483	\$32,149
1998	163	\$19,960	\$33,461
1999	166	\$11,560	\$33,920
2000	166	\$11,560	\$33,334
2001	171	\$18,308	\$32,433
2002	169	\$11,876	\$33,374
Average Annual % Change	2.81%	-2.24%	0.19%
1991 to 2002 % change	35.58%	-22.06%	2.16%

*Dollar amounts are in (\$000)

Selected Trends

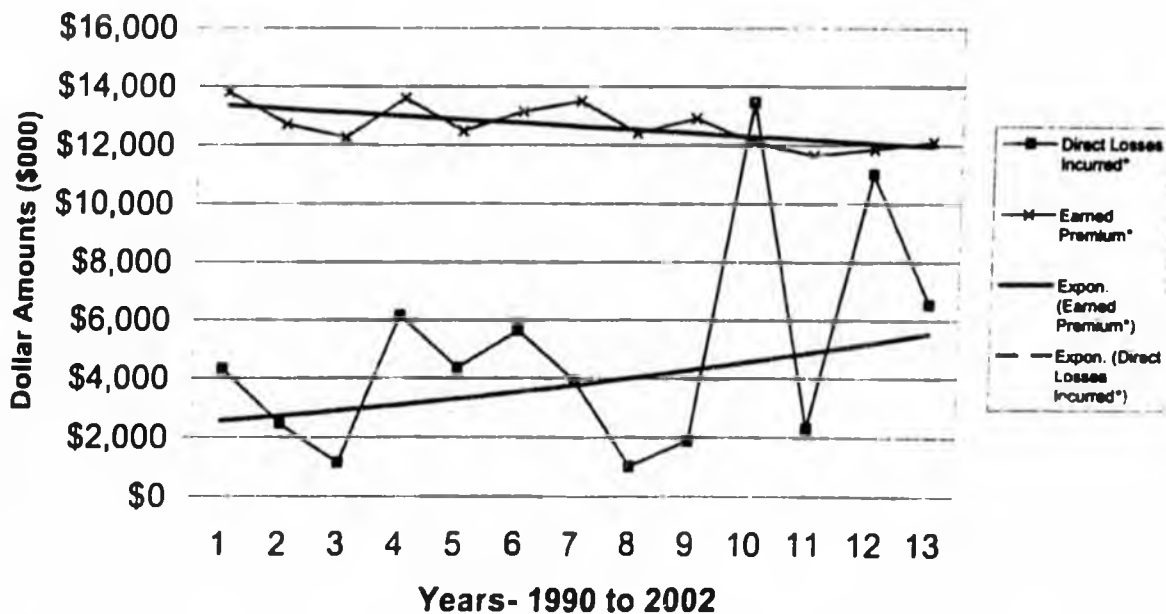


Medical Malpractice

Calendar Year	Number of Companies	Direct Losses Incurred*	Earned Premium*
1990	35	\$4,336	\$13,812
1991	35	\$2,470	\$12,707
1992	38	\$1,150	\$12,264
1993	37	\$8,165	\$13,604
1994	38	\$4,377	\$12,488
1995	39	\$5,656	\$13,156
1996	40	\$3,933	\$13,500
1997	39	\$1,019	\$12,411
1998	41	\$1,886	\$12,911
1999	44	\$13,461	\$12,106
2000	42	\$2,311	\$11,652
2001	40	\$11,023	\$11,869
2002	39	\$6,564	\$12,119
Average Annual % Change	1.32%	6.64%	-0.91%
1991 to 2002 % change	15.53%	102.86%	-9.61%

*Dollar amounts are in (\$000)

Selected Trends

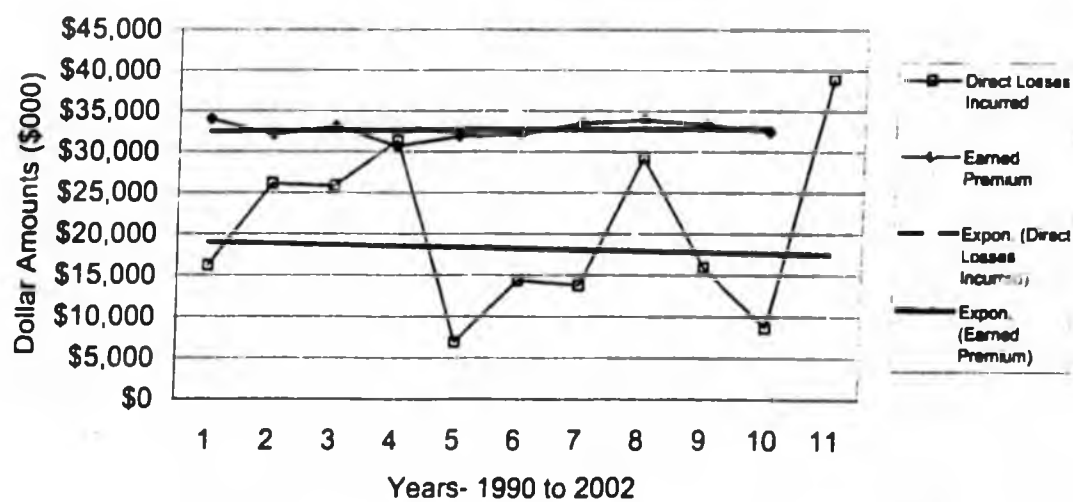


Other

Calendar Year	Number of Companies	Direct Losses Incurred*	Earned Premium*
1990	198	\$18,658	\$44,363
1991	204	\$49,953	\$48,725
1992	202	\$16,189	\$34,482
1993	201	\$26,144	\$40,199
1994	212	\$25,868	\$47,464
1995	220	\$31,360	\$55,499
1996	232	\$6,901	\$53,219
1997	234	\$14,393	\$44,679
1998	241	\$13,793	\$40,694
1999	243	\$29,200	\$38,156
2000	243	\$15,940	\$37,880
2001	245	\$8,658	\$42,012
2002	244	\$38,952	\$54,644
Average Annual % Change	2.09%	-3.30%	0.11%
1991 to 2002 % change	25.61%	-30.89%	1.24%

*Dollar amounts are in (\$000)

Selected Trends



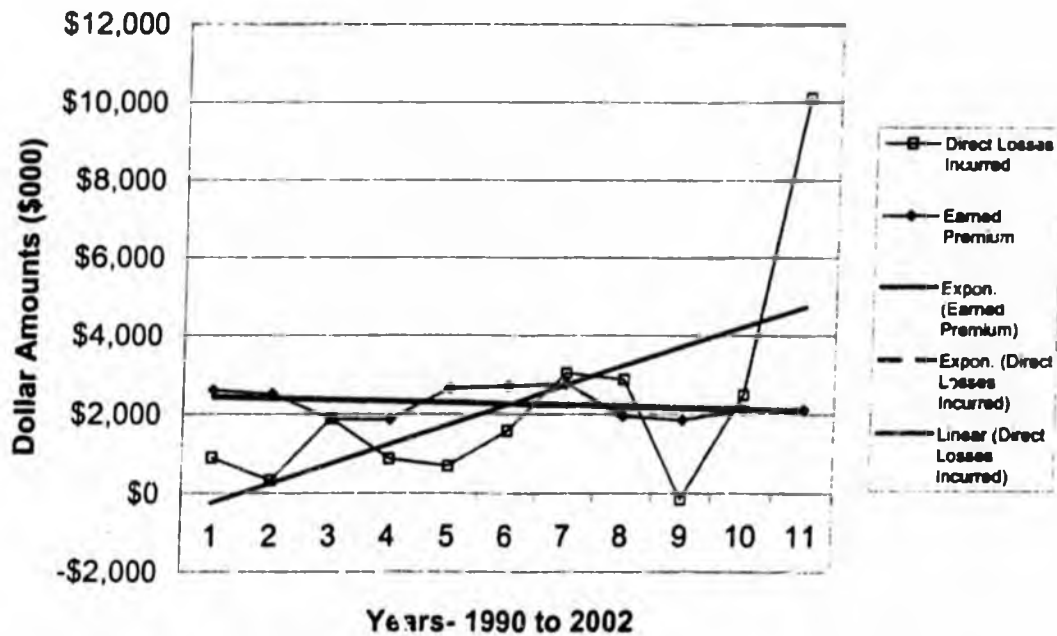
Product Liability

Calendar Year	Number of Companies	Direct Losses Incurred*⊗	Earned Premium*
1990	xxx	xxx	xxx
1991	107	-\$429	\$2,610
1992	94	\$904	\$2,516
1993	99	\$331	\$1,822
1994	101	\$1,902	\$1,869
1995	105	\$879	\$2,680
1996	102	\$696	\$2,721
1997	103	\$1,595	\$2,782
1998	111	\$3,047	\$1,961
1999	116	\$2,883	\$1,861
2000	109	-\$151	\$2,129
2001	111	\$2,499	\$2,117
2002	111	\$10,118	\$2,765
Average Annual % Change	1.21%	29.40%	-0.34%
1991 to 2002 % change	12.79%	686.07%	-3.34%

*Dollar amounts are in (\$000)

⊗ Dollar amounts for 1991 and 2000 are not included in average change totals.

Selected Trends



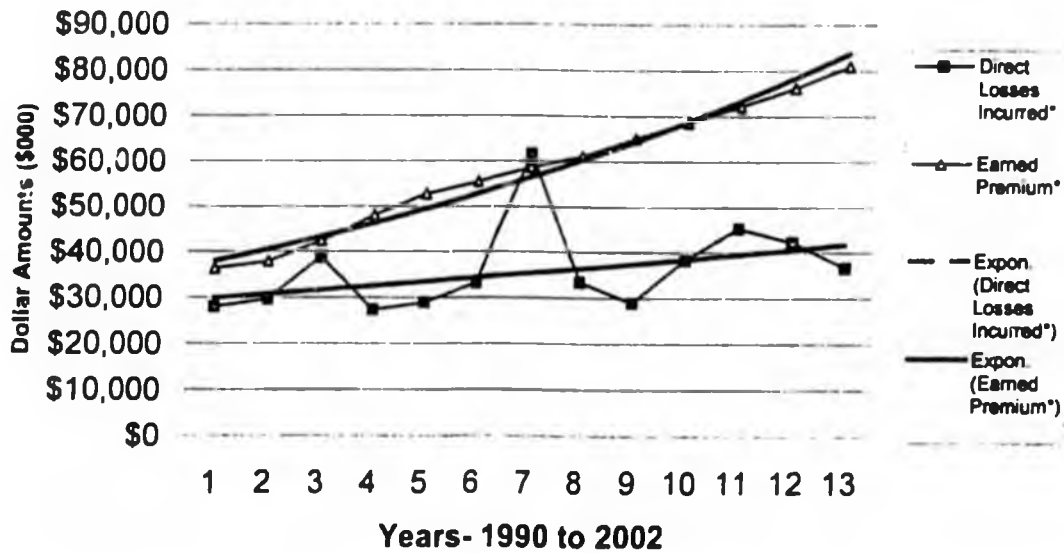
Homeowners

Calander Year	Number of Companies	Direct Losses Incurred*	Earned Premium*
1990	70	\$28,070	\$36,489
1991	71	\$29,695	\$37,949
1992	65	\$38,812	\$42,501
1993	64	\$27,334	\$48,079
1994	59	\$28,973	\$52,736
1995	56	\$33,321	\$55,502
1996	55	\$61,628	\$58,660
1997	54	\$33,483	\$61,151
1998	50	\$28,987	\$65,054
1999	55	\$38,367	\$68,628
2000	57	\$45,353	\$72,198
2001	57	\$42,351	\$76,206
2002	57	\$36,770	\$80,998
Average Annual % Change	-2.00%	2.81%	6.80%
1991 to 2002 % change	-19.93%	35.62%	106.21%

Average Annual % Change
1991 to 2002 % change

*Dollar amounts are in (\$000)

Selected Trends

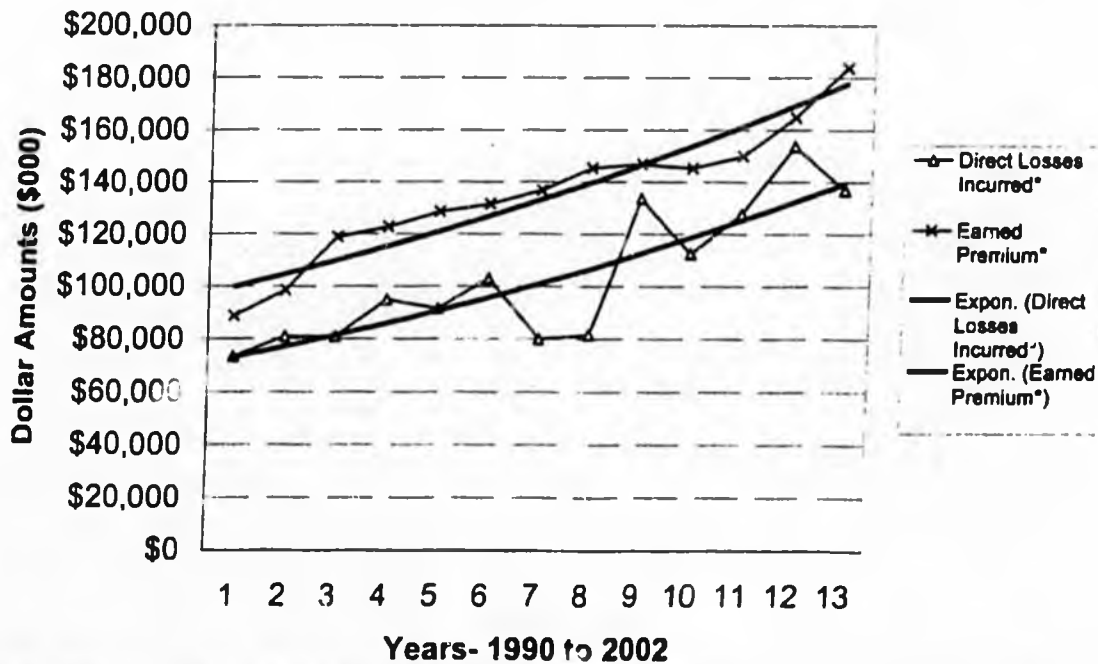


Private Passenger Auto

Calander Year	Number of Companies	Direct Losses Incurred*	Earned Premium*
1990	111	\$73,323	\$88,766
1991	110	\$80,894	\$98,587
1992	115	\$81,067	\$118,981
1993	102	\$94,989	\$122,877
1994	105	\$91,594	\$128,603
1995	88	\$103,152	\$131,694
1996	90	\$79,946	\$136,792
1997	88	\$81,614	\$145,589
1998	92	\$133,761	\$146,990
1999	95	\$112,524	\$145,426
2000	97	\$127,827	\$150,060
2001	98	\$153,771	\$164,758
2002	103	\$137,133	\$183,865
Average Annual % Change	-1.19%	5.54%	4.92%
1991 to 2002 % change	-12.37%	81.05%	69.58%

*Dollar amounts are in (\$000)

Selected Trends



ALASKA STATE SENATE



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Senator Ralph Seekins
District D

MEMORANDUM

Date: April 12, 2005

To: Office of Representative McGuire

From: Senator Ralph Seekins

A handwritten signature in cursive script, appearing to read "R. Seekins".

Re: Request for Hearing of SB 67 (pending referral)

Attached please find Senate Bill 67 along with a concomitant sponsor statement and related information.

This bill caps (at \$250,000) non-economic damage claims made against health care providers.

I respectfully request this bill be scheduled in the House Judiciary Committee at your earliest convenience. Thank you.

ALASKA STATE SENATE



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Senator Ralph Seekins
District D

Senate Bill 67 Sponsor Statement

“An Act relating to claims for personal injury or wrongful death against health care providers.”

Senate Bill 67 amends AS 09.55 by adding a new section (.549). This section places a \$250,000 limit on non-economic damage awards where health care providers render services. This bill intends to alleviate a growing, two-pronged, crisis in Alaska's health care industry — the dearth of liability insurance carriers and the declining number of *practicing* physicians.

Liability insurance is one of life's absolute necessities. As drivers, we are required to have liability coverage before we get behind the wheel. As homeowners we understand the protection liability insurance provides. Now imagine if Allstate, State Farm and GEICO found the Alaska market litigiously perilous and decided to pull up stakes. What would rates do?

Health care providers, too, understand the necessity of liability coverage. The fact is, in today's world no commercial enterprise dares “go bare.” But where our state's health care industry is concerned, the lack of carriers is not hypothetical — it is a reality. Medical malpractice insurance companies have found Alaska uneconomic and have left the market. This has created much uncertainty and opened the door to higher rates across the board.

These added costs of doing business are, of course, paid by every Alaskan needing medical care. But there is a much more serious problem — that being a critical shortage of physicians. The fact is, Alaska ranks near the bottom in the number of physicians per capita. Over half of Alaska's physicians exceed the age of 50. Furthermore, it gets continually more difficult to recruit new entries when other states have capped non-economic damages at or near \$250,000.

The bottom line? Despite all our natural assets, Alaska is viewed as an undesirable place for medical insurance carriers to do business and, as a result, for physicians to set up shop.

This is, unquestionably, a complex issue. Yet, other states have effectively placed an upper limit on non-economic damage awards thereby providing a stable, predictable and insurable climate. Senate Bill 67 follows this national trend.

It's important to note that this legislation does not alter awards for quantifiable damages such as lost wages and medical expenses. Furthermore, it is not intended to be a silver-bullet solution to an entire range of issues facing our health care industry today. However, it does provide a step in the right direction in terms of stabilizing the medical insurance market here in Alaska and boosting our efforts to attract the next generation of physicians.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 67
 (S) Publish Date: 3/2/05

Revision Date/Time (Note if correction): _____ Dept. Affected: LAW
 Title "An Act relating to claims for personal injury or RDU CIVIL
wrongful death against health care providers." Component Torts and Workers' Compensation
 Sponsor Senator Seekins
 Requester Senate Labor and Commerce Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill adds the Alaska Medical Injury Compensation Reform Act of 2005 to uncodified law of the State of Alaska. It also adds a new section to the Code of Civil procedure in order to place limits on the amount of recoverable damages for personal injury or wrongful death based on the provision of services by a health care provider.

Passage of this legislation will have no foreseeable fiscal impact on the Department of Law.

Prepared by: Kathryn A. Daughetee, Director Phone 465-3673
 Division Administrative Services Date/Time 2/4/05 11:26 AM
 Approved by: Kathryn Daughetee for Gregg D. Renkes, Attorney General Date 2/4/2005
 Agency Department of Law

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: SB 67
(S) Publish Date: 3/2/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
Title Claims Against RDU Occupational Licensing (117)
Health Care Providers Component Occupational Licensing
Sponsor Seekins
Requester Senate Labor & Commerce Component No. 2360

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1156)	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 - Receipt Supported Services						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation has no impact on the operations of the division.

Prepared by: Jennifer Strickler, Administrative Manager Phone (907) 465-2144
Division Occupational Licensing Date/Time 2/4/05 5:59 PM
Approved by: Edgar Blatchford Date 2/4/2005
Agency Commerce, Community, and Economic Development

Sec. 09.17.010. Noneconomic damages.

(a) In an action to recover damages for personal injury or wrongful death, all damage claims for noneconomic losses shall be limited to compensation for pain, suffering, inconvenience, physical impairment, disfigurement, loss of enjoyment of life, loss of consortium, and other nonpecuniary damage.

(b) Except as provided under (c) of this section, the damages awarded by a court or a jury under (a) of this section for all claims, including a loss of consortium claim, arising out of a single injury or death may not exceed \$400,000 or the injured person's life expectancy in years multiplied by \$8,000, whichever is greater.

(c) In an action for personal injury, the damages awarded by a court or jury that are described under (b) of this section may not exceed \$1,000,000 or the person's life expectancy in years multiplied by \$25,000, whichever is greater, when the damages are awarded for severe permanent physical impairment or severe disfigurement.

(d) Multiple injuries sustained by one person as a result of a single incident shall be treated as a single injury for purposes of this section.

Sec. 09.55.560. Definitions.

In AS 09.55.530 - 09.55.560,

(1) "health care provider" means an acupuncturist licensed under AS 08.06; an audiologist or speech-language pathologist licensed under AS 08.11; a chiropractor licensed under AS 08.20; a dental hygienist licensed under AS 08.32; a dentist licensed under AS 08.36; a nurse licensed under AS 08.68; a dispensing optician licensed under AS 08.71; a naturopath licensed under AS 08.45; an optometrist licensed under AS 08.72; a pharmacist licensed under AS 08.80; a physical therapist or occupational therapist licensed under AS 08.84; a physician or physician assistant licensed under AS 08.64; a podiatrist; a psychologist and a psychological associate licensed under AS 08.86; a hospital as defined in AS 18.20.130, including a governmentally owned or operated hospital; an employee of a health care provider acting within the course and scope of employment; an ambulatory surgical facility and other organizations whose primary purpose is the delivery of health care, including a health maintenance organization, individual practice association, integrated delivery system, preferred provider organization or arrangement, and a physical hospital organization;

(2) "board" means an arbitration board established under AS 09.55.535;

(3) "panel" means an expert advisory panel established under AS 09.55.536;

(4) "professional negligence" means a negligent act or omission by a health care provider in rendering professional services;

(5) "professional services" means service provided by a health care provider that is within the scope of services for which the health care provider is licensed and that is not prohibited under the health care provider's license or by a facility in which the health care provider practices.

Alaska State Medical Association

4107 Laurel Street • Anchorage, Alaska 99508 • (907) 562-0304 • (907) 561-2063 (fax)

February 8, 2005

Honorable Con Bunde and
Senate Labor and Commerce Committee
Alaska State Senate
State Capitol, Room 506
Juneau, AK 99801

Re: SB 67 – Medical Liability Reform

Dear Senate Bunde and Senate Labor and Commerce Committee Members:

The Alaska State Medical Association (ASMA) represents physicians statewide and is primarily interested in ensuring that Alaska's citizens have access to high quality health care. ASMA strongly supports SB 67, which provides for meaningful medical liability reform and urges you to support it as well.

SB 67 establishes a \$250,000 maximum for the unquantifiable damages known as non-economic damages. Non-economic damages are also known as "pain and suffering" damages. SB 67 does not limit the quantifiable economic damages such as lost wages, and post and future medical care costs. (SB 67 defines economic damages, which are not currently defined in Alaska statutes.)

ASMA asserts that enactment of SB 67 will provide for equitable and more predictable settlements in medical injury cases. The result will be a more stable professional liability insurance marketplace and, most importantly, will help us recruit physicians to help fill our chronic shortage of physicians.

The American Academy of Actuaries^① has stated that medical liability reform establishing a \$250,000 limit is imperative in stabilizing the physician professional liability insurance marketplace. A recent study^② of medical students found the legal environment and the availability of affordable liability insurance plays a major part in a graduate's decision as to where to set up practice.

Access to medical services is limited in much of the state. Alaska has one of the smallest numbers of physicians per capita in the country. An American Medical News story pertaining to the special Medical payment reform for Alaska noted our precarious situation: "Alaska has long ranked among the worst states in terms of physician supply. In 2002, the state had fewer than 1,350 doctors in private practice and another few hundred in the military or other government posts...only six states had a lower doctor to patient ratio."^③ This data indicates that to reach the national average, Alaska would need about 500 more actively practicing physicians. This determination is future substantiated in Molly Southworth, MD, July 2004 Masters of Public Health Thesis, titled "Alaska's Physician Workforce: An Overview, a Summary of Training Background, and the Impact of the WWAMI Program".^④ Exacerbating the problem is the aged physician workforce. ASMA's database shows nearly 50% of our physician workforce over age 50. Dr. Southworth's Thesis^⑤ as well as Leslie Gallant of the State Medical Board^⑥ further validates that fact. The Providence Alaska Medical Center confirmed in its 2002 study that physicians in its service area were getting older and highlighted immediate acute shortages in psychiatrists, surgeons, and general internists, among

others.^② In 2002, the total shortage identified in primarily the Anchorage bowl area totaled about 200. The Providence study was updated for 2005 and projected the physician workforce needs to 2009.^⑧ The Shortage in 2005 is still at around 200, with a projected shortage in 2009 of 261.

The recruitment challenge is the main reason medical liability reform is so important to Alaska. Unfortunately, the state does not have the capacity to "grow" its own physicians. Alaska has no medical school, and of the small number of students graduating annually from the WWAMI program, some do not return to practice. Likewise, the state's lone residency training program is small. Alaska is, and will continue to be a net importer of doctors. As such, we have to compete with other states facing physician shortages, a competition that is influenced significantly by the state's medical-legal practice environment.

ASMA asserts that SB 67 is a critical element in helping us improve our practice environment so as to help in physician recruitment. Well trained physicians in sufficient numbers are ASMA's greatest concern so that all Alaskans have access to high quality care when it is needed. Alaskans need and deserve local health care without having to be flown out of state for treatment.

ASMA urges you to support SB 67.

Sincerely,



By: Paul Worrell, MD President
For: The Alaska State Medical Association

cc: Senator Ralph Seekins
Senator Ben Stevens
Senator Johnny Ellis
Senator Bettye Davis

Footnotes:

- ① Issue Brief, American Academy of Actuaries, "Medical Malpractice Tort Reform: Lessons from the States", Fall, 1996, p. 4.
- ② "AMA Survey: Medical Students' Opinions of the Current Medical Liability Environment: American Medical Association Division of Market Research and Analysis, November 2003.
- ③ "Medicare Law Aims to Bring Alaska Physicians in from the Cold." AM News, 1/19/2004.
- ④ "Alaska's Physician Workforce: An Overview, A Summary of Training Backgrounds, and the Impact of the WWAMI Program", Molly B. Southworth, MD, 7/2004, Masters of Public Health thesis, pp 26-33.
- ⑤ See Southworth ④, pp 12-14.
- ⑥ "Shingle Shortage?", Anchorage Daily News, Ann Potempa, 9/3/2002
- ⑦ "Physician Workforce Analysis", Providence Health System Alaska, November 2002, pp 17-18.
- ⑧ "PAMC Physician Supply and Physician Need Estimate: Summary", Providence Alaska Medical Center, February 2005.

**Richard L. Hutchison, M.D., F.A.C.S.**

Plastic & Reconstructive Surgeon

1919 Lathrop Street • Suite 101 • Fairbanks AK 99701-5956 • (907) 451-8775

Senator Ralph Seekins
State Capitol, Room 125
Juneau, AK 99801-1182

Dear Senator Seekins:

Thank you for introducing SB 67, "Alaska Medical Injury Compensation Reform Act of 2005".

I strongly support the passage of this bill.

The availability of affordable medical liability insurance is increasingly becoming a problem in the State of Alaska. If this trend continues, the quality and access to health care in our state will be harmed.

Passage of similar reform bills in other states have yielded direct benefit for the overall population and has allowed both primary care and specialty physicians to continue to practice efficient and effective medicine. The similar reform bills have not limited the ability of patients to seek legal redress when warranted.

Please work towards the passage of this bill. In both urban and rural areas, our state has a physician shortage. Passage of SB 67, in addition to allowing Alaskan physicians to continue to practice, will help in recruiting much needed new physicians.

Let me know if you have any questions or desire additional information.

Sincerely,

A handwritten signature in cursive script that reads "R. Hutchison".

Richard L. Hutchison, M.D., F.A.C.S.



Member of the American Society of Plastic & Reconstructive Surgeons
Board Certified by the American Board of Plastic Surgery
Fellow American College of Surgeons



ALASKA

National Federation of Independent Business

Statement of Support for SB 67

Medical Liability Reform

February 9, 2005

The Alaska Chapter of the National Federation of Independent Business has 2,500 members, making it the largest small-business advocacy group in the state.

This legislation provides an award limit of \$250,000 for non-economic damages for personal injury claims against health care providers. NFIB/Alaska fully supports this legislation. It is important to emphasize that this in no way limits economic damages which include past and future losses for wages or employment opportunities and costs for past and future health care services and products. The limit is for non-monetary losses such as pain and suffering.

Alaska's current law sets a \$400,000 non-economic damage limit with higher awards available for serious injuries. This has effectively eliminated the hard cap since all injuries are argued to be serious.

Other states have seen positive results by limiting the amount awarded for pain and suffering. According to a study conducted by the RAND Corporation, a California-based research organization, the State of California's medical liability law which includes a \$250,000 cap on non-economic damages has reduced awards by an average of 30 percent. Their law also limits payment to plaintiffs' lawyers, which have dropped 60 percent.

NFIB and other business groups support medical liability reform across the nation because of the rising costs of health care and access to health care for their employees. The medical liability crisis is estimated to add between 5 and 9 percent to the overall health-care costs in the United States. The skyrocketing costs of medical liability insurance have caused a crisis in many states with the loss of doctors willing to do business in their state. Due to the uncertainty in Alaska's liability insurance market young physicians have better choices than Alaska and it is difficult to attract new doctors. As in some other states, Alaska needs to work to change that.

Vote YES on Senate Bill 67

Submitted by Thyes Shaub on behalf of NFIB/Alaska.

February 10, 2005

Senator Ralph Seekins

Re: Support for Senate Bill 67

Dear Senator Seekins;

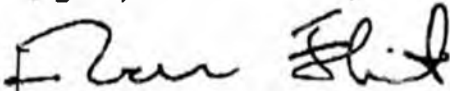
Thank you for your efforts to control the unending exponential increases in health insurance premiums. I know this step is not going to completely fix the problem, but it is a step.

I own a retail clothing and footwear store in Juneau. We have always provided health insurance benefits for our employees, but soon we will not be able to cover our employee's insurance needs if every year I receive a premium increase of on average 15%. We have had to increase deductibles and self-insure to make up the difference to employees if they have a big claim. This cannot continue forever, soon we'll run out of tricks.

I feel like we have been more than doing our part to control costs. Now it is time for the other parties involved to do their part. I understand completely both the economic and the non-economic side of this equation and it's effects on the worker and their family as my wife suffered a serious back injury many years ago while on the job. The current situation is out of control.

Good luck in your quest. Part of the problem is the people fighting the battle are "well heeled" enough to not have the problem of covering rising premiums be real enough for them, among other things...

Regards,



Ron Flint

President, The Nugget Alaskan Outfitter



Richard L. Hutchison, M.D., F.A.C.S.

Plastic & Reconstructive Surgeon

1919 Lathrop Street • Suite 101 • Fairbanks, AK 99701-5956 • (907) 451-8775

Senator Ralph Seekins
State Capitol, Room 125
Juneau, AK 99801-1182

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Let me know if you have any questions or desire additional information.

Sincerely,

Richard L. Hutchison, M.D., F.A.C.S.



Member of the American Society of Plastic & Reconstructive Surgeons
Board Certified by the American Board of Plastic Surgery
Fellow American College of Surgeons

ASHNHA Comments on SB 67

Mr. Chairman, members of the Committee, I am Rod Betit, President of the Alaska State Hospital & Nursing Home Association. ASHNHA's membership includes all but one of the 31 hospitals and nursing homes throughout the State.

ASHNHA's members strongly support SB 67. Why?

SB 67 is about every Alaskan's ACCESS to physician care, now and in the future. We are facing a growing physician crisis that has hit some communities already, and will confront many more communities in the years ahead.

SB 67 is NOT about denying harmed patients access to responsible settlements for the injury they have suffered.

We are advocating a change in only one area of our medical liability laws, that part dealing with non-economic damages. SB 67 would not impact other provisions of Alaska law including:

- Provisions for economic damages and punitive damages
- Periodic payment of damages awarded
- Collateral benefits (offsetting against damages collected from other parties)
- Apportionment of damages (assigning percentage of fault among parties)

The Growing Physician Crisis:

This crisis is due to several factors that combine to have a dampening impact on the number of physicians predicted to practice in Alaska in the next 10 to 20 years.

Factor #1 - Lack of Affordable Liability Coverage:

Think about this fact, there is not even one for-profit insurer willing to write medical liability policies in Alaska! The only insurance available is courtesy of two out-of-state physician owned enterprises that have agreed to extend their plan to Alaskan doctors.

However, these policies do have limits in coverage that cause physicians to make tough decisions about how much coverage they can afford, and as a result, how much of their professional trade they can afford to practice.

So even as our gross physician to population numbers suggest we are dramatically underrepresented by physicians, it is actually worse when you figure in the practice limits that those doctors who have insurance are increasingly forced to adopt.

You might ask, why doesn't a physician simply raise his fees to cover a 200% or 300% increase in premiums? Well it is not that simple of course.

Physicians can raise their fees but it produces very little new revenue because so much of their business is government programs (Medicare & Medicaid) which do not automatically respond to fee increases, and to bad debt or charity care (approximately 20% of Alaskans are uninsured at this time).

Is Alaska medical liability insurance expensive because we have less competent physicians in Alaska? NO – there is no evidence of that. The reality is that certain medical practices inherently carry more risk throughout the country and premiums reflect that.

Try to insure your 21 year old son to drive your Porsche and you will get an idea of how risk and premium cost work. The rate you are quoted would no doubt scare you off.

Would pricing most 21 year olds out of being able to drive a Porsche hurt the community? Probably not.

But losing doctors who do deliveries, surgery, radiology, cardiology, neurology, chemotherapy, emergency medicine and other higher risk specialties will do serious damage to the vitality of our health care system and our quality of life.

A good example of what happens when high premiums and scope of practice collide is a family practice physician in Soldotna who could not afford to handle prenatal care and delivery because of the added liability cost. This "practice shrinking" is happening in other communities and with other physician specialties. My members could give you more details.

Factor #2 – Alaska's Population Growth, Particularly Seniors, Will Far Exceed Physician Growth
Consider these Facts:

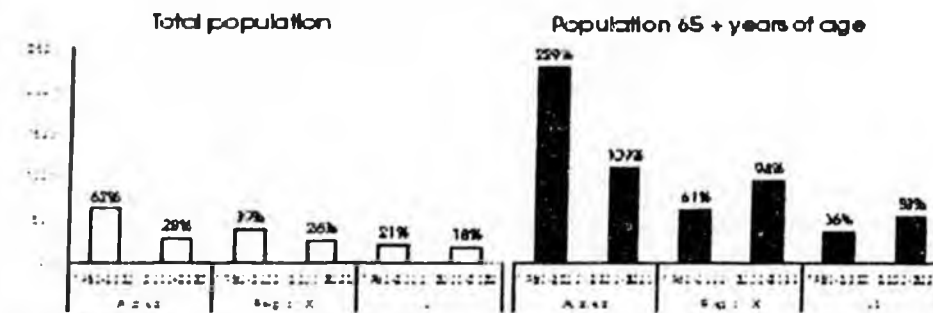
□ The total population of Alaska is projected to grow 28% by 2020. This is in addition to 62% growth between 1980 and 2000.

□ The population over 65 is projected to grow 109% by 2020. This is in addition to 229% growth in this age group between 1980 and 2000. Note Table below.

□ In 1998 Alaska ranked 47th in the number of hospital beds per 100,000 population and 49th in the number of nursing home beds for people 65 and older. Yet Alaska will be experiencing the greatest growth rate in the age group that most requires services in these complex environments dependent on a wide range of physician specialists.

POPULATION PROFILE

Projected percentage change in total population & population 65 + years of age, 1980-2000 & 2000-2020

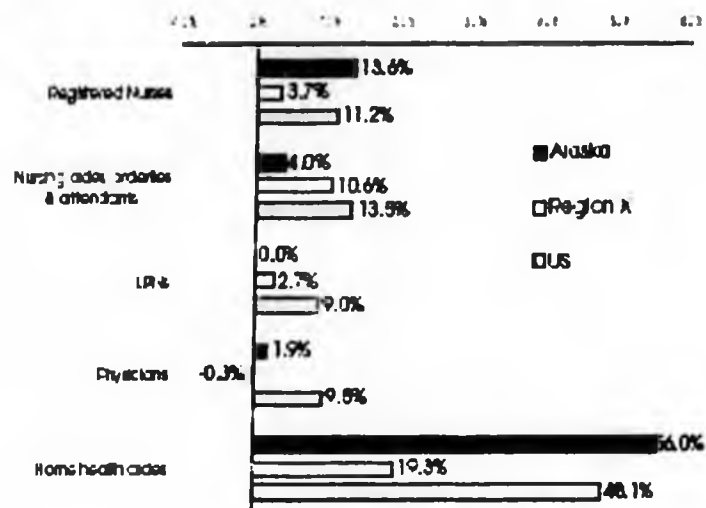


Source: Bureau of the Census

So, what do we expect in terms of physician/100,000 population in the years ahead? Here is what the federal government predicts for Alaska.

HEALTH PROFESSIONS

Projected percentage change in employment per 100,000 population in the five most numerous health care occupations in the U.S., 1996-2006



Source: Bureau of Labor Statistics.

Based on these numbers, Alaska's physician gap is not expected to close so we will stay at the bottom as far as physicians/100,000 population yet we will need more physicians per 100,000 in specialty areas because we will have the fastest growth in seniors of any where in the country.

Conclusions:

- Alaska is already experiencing serious trouble retaining and attracting physicians, and the situation will get worse without your intervention to help stabilize the medical liability market.
- Growth in Alaska's population, particularly the elderly, will far outstrip growth in the number of physicians available to meet this need.
- The elderly consume at least 2/3rds of all public spending in Medicare and Medicaid because they have chronic conditions, serious prolonged illnesses that are expensive to treat, and rely on an average of 5 medications to address their medical problems.

□ Alaska will not only need many more physicians in the years ahead but we will need more physicians in specialty fields than any other state. This will not occur without addressing the medical liability insurance market in Alaska.

□ Alaska does not have a medical school or a large residency program so we are dependent on keeping our physicians in practice as long as possible and attracting new physicians from outside the State. We will have to rely on attracting physicians away from other states.

□ Just as a doctor has a professional responsibility to be there for his/her patients whether they can pay or not, we as a society have a social responsibility to create a reasonable business environment for them to do business in.

For these reasons ASHNHA encourages your support of SB 67.

We believe the narrow nature of this legislation addressing just the non-economic damages cap will go a long way to demonstrate that the State is committed to injured patients receiving fair compensation, but that we are also concerned about insuring a viable environment in which all Alaskans will be able to have timely access to a physician in the years ahead.

Mr. Chairman, I would be happy to respond to questions from the Committee.

Contact Info:

Rod Betit, President

Alaska State Hospital & Nursing Home Association

426 Main St, Juneau AK 99801

907 586-3881

rbetit@ashnha.com

**Fairbanks Memorial Hospital
Medical Staff**

1650 Cowles Street
Fairbanks, Alaska 99701
907-458-5319

March 1, 2005

EXECUTIVE COMMITTEE

David Flory, M.D.
President and Chief of Staff

Jonathan Starr, M.D.
Vice President

Art Strauss, M.D.
Secretary / Treasurer

Timothy Teslow, M.D.
Immediate Past President

Carl Thomas, M.D.
Chair, Bylaws Committee

Michael Carroll, M.D.
Chair, Credentials Committee

Joan Thomas, M.D.
Chair, QI/UR Committee

William Quirk, M.D.
Chair, Dept. of Anesthesia

Michael Burton, M.D.
Chair, Dept. of Emergency Medicine

Jean Tsigonis, M.D.
Chair, Dept. Family Practice

Essam Shihadeh, M.D.
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Doris Heilman, M.D.
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David Witham, M.D.
Chair, Dept. of Orthopedics

Comeliu Antonescu, M.D.
Chair, Dept. of Pediatrics

Richard Hutchison, M.D.
Chair, Dept. of Surgery

Re: Tort Reform Update:

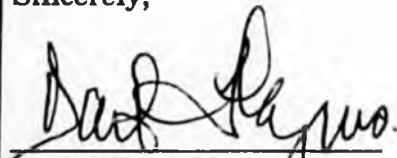
Dear Senator Seekins:

The leadership of the Medical Staff of Fairbanks Memorial Hospital and Denali Center are fully supportive of SB 67 – Tort Reform, and appreciate your introducing this bill.

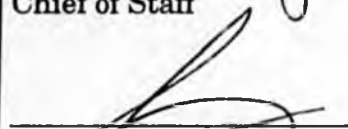
Alaska – and Fairbanks in particular – struggles to attract physicians to this state due to a number of compelling challenges. We believe lowering the non-economic damages cap to a maximum of \$250,000 and defining the term “economic” will help create a medical practice environment conducive to attracting skilled physicians. Because the medical liability crisis is affecting care in Alaska now, we are calling for your help with tort reform, to help create greater access to patient care for our patients. Attached to this list is a host of tort reform activities across the country that may be helpful as you study this issue.

Thank you for your interest. Please call if you have any questions about our interest in the passage of this important measure.

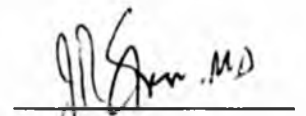
Sincerely,



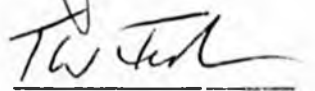
David Flory, M.D.
Chief of Staff



Art Strauss, M.D.,
Secretary/Treasurer



Jonathan Starr, M.D.
Vice President

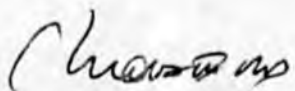


Timothy Teslow, M.D.
Past President

Fairbanks Memorial Hospital

Medical Staff

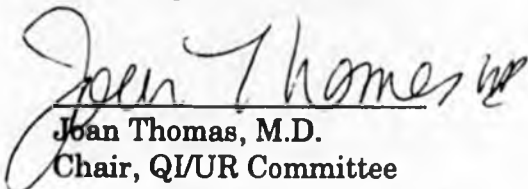
1650 Cowles Street
Fairbanks, Alaska 99701
907-458-5319



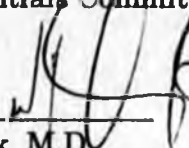
Carl Thomas III, M.D.,
Chair, Bylaws Committee



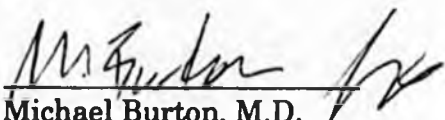
J. Michael Carroll, M.D.
Chair, Credentials Committee



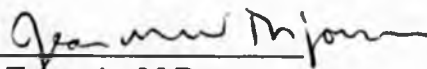
Joan Thomas, M.D.
Chair, QI/UR Committee



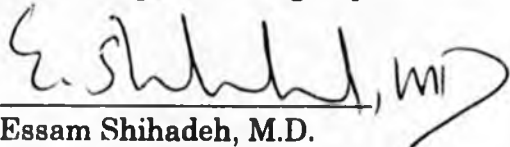
William Quirk, M.D.
Chair, Dept. of Anesthesia



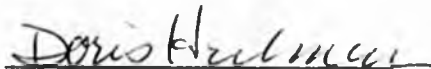
Michael Burton, M.D.
Chair, Dept. of Emergency Medicine



Jean Tsigonis, M.D.
Chair, Dept. of Family Practice



Essam Shihadeh, M.D.
Chair, Internal Medicine



Doris Heilman, M.D.
Chair, Dept. of Pediatrics



David Witham, M.D.
Chair, Dept. of Orthopedic Surgery



Corneliu Antonescu, M.D.
Chair, Dept. of Pediatrics



Richard Hutchison, M.D.
Chair, Dept. of Surgery

- **Medical malpractice costs outpace overall tort costs**

Tillinghast Towers Perrin has released its "U.S. Tort Costs: 2004 Update" that reports a 5.4% increase in tort costs for 2003. Tort costs for that year totaled \$246 billion, or \$845 per person in the U.S. Medical malpractice costs continued to outpace overall U.S. tort costs, with an increase of 11.8% as compared to 9.2% for all other tort costs dating from the 1970s when medical malpractice costs were first separately tabulated.

- **Rising liability insurance cost reduces Access to Care**

Rising professional liability insurance costs have reduced the availability of health care services in rural Florida, according to a study in the Nov. 8, 2004, Archives of Internal Medicine (*Arch Intern Med.* 2004;164:2217-2222. See <http://archinte.ama-assn.org/cgi/content/full/164/20/2217>). Researchers surveyed 781 physicians practicing in rural areas of the state in 2003, and found more than half (52.6%) had decreased or eliminated health care services in the past year. The researchers found professional liability premiums rose an average of 93.5% in the state, and said difficulty finding or paying for the insurance was an important factor cited by those reducing or eliminating services or planning to leave the community in the next two years.

- **Increasing premiums threaten primary care**

A survey by the Medical Group Management Association found the average increase in the cost of medical liability insurance for a full-time equivalent physician in a medical group practice in 2003 ranged from 5.9 percent for neurological surgeons to as high as 49.2 percent for anesthesiologists, with many liability crisis states experiencing larger increases. The report indicates that many practices were forced to take cost-cutting measures such as reducing support staff, potentially reducing access to primary care. www.mgma.com/press/2004cost.cfm attached.

- **Tort reform works, it's working in Texas**

A survey of member hospitals by the Texas Hospital Association found that the frequency of lawsuits and amount of premiums have fallen since the Texas legislature enacted a non-economic damage cap in 2003. Texas voters narrowly passed a constitutional amendment protecting the damage cap. The results of the survey are posted on the Texas Hospital Association Web site at www.thaonline.com (see attached).

- **Americans say health care access is threatened by the liability crisis**

A poll released April 7, 2004 by the Health Coalition on Liability and Access reveals that Americans believe a growing crisis in health care liability is pushing health care costs up and forcing good doctors out of medical practice. By overwhelming margins, 82 percent of Americans say their ability to get the health care they need is threatened by excessive litigation. For more, visit www.hcla.org/pressreleases/2004-HCLAPollRelease.pdf

- **Medical group practices report continued liability cost increases**

The average increase in the cost of professional liability insurance for a full-time-equivalent physician in a medical group practice in 2003 ranged from 49.2% for anesthesiologists to 5.9% for neurological surgeons, with many liability crisis states experiencing larger increases, according to the latest annual cost survey by the Medical Group Management Association. That follows average increases in 2002 ranging from 43.89% per physician in hospital-owned

multi-specialty practices to 7.63% per physician in internal medicine practices. For more on the 2004 cost survey, based on 2003 data, visit www.mgma.com/press/2004cost.cfm (attached).

- **The Congressional Budget Office finds that studies validate Tort Reform**

In June 2004, the Congressional Budget Office issued a report in which it examined the effects of tort reform as measured by various researchers. "A number of those studies have found that state-level tort reforms have decreased the number of lawsuits filed, lowered the value of insurance claims and damage awards, and increased insurers' profitability as measured by payouts relative to premiums in the short run."

<http://www.cbo.gov/showdoc.cfm?index=5549&sequence=0> or
<http://www.cbo.gov/ftpdoc.cfm?index=5549&type=1>).

- **Survey: OB-Gyns are being driven from practice by the medical liability crisis**

The American College of Obstetricians and Gynecologists surveyed its members in August 2002 and found that 59% of responding Ohio obstetricians had changed their practice because of the medical liability insurance crisis. Practice changes included retirement, relocation, decreased surgical procedures, decreased deliveries, and decreased amount of high risk obstetric care. ACOG estimated that 13,932 pregnant women in Ohio were not able to obtain care from an obstetrician. www.acog.org/

See also:

- [ACOG: Excessive Litigation Compromises the Delivery of Obstetric Care](#)
- [ACOG: Access to Women's Health Care: America's Medical Liability Crisis: Ob-Gyns Driven From Practice](#)

- **U.S. Agency for Healthcare Research and Quality finds that States with damage caps have more physicians**

Researchers at the U.S. Agency for Healthcare Research and Quality (AHRQ) found that states with caps on noneconomic damages experienced about 12 percent more physicians per capita than states without such a cap--states that adopted a cap averaged 135 physicians per 100,000 citizens per county while states without a cap averaged 120. Moreover, states with relatively high caps were less likely to experience an increase in physician supply than states with lower caps. The study is posted at www.ahrq.gov/research/tortcaps/tortcaps.htm (Discussion section reprinted below).

- **Insurance Information Institute Report**

Insurance Information Institute summarizes the problem and responses to the medical malpractice crisis in this report dated February 2004, available at www.iii.org/media/malpractice/insurance/malpractice/. Reprinted below.

- **Damage caps reduce liability insurance premiums**

A report by Kenneth Thorpe, chairman of the health policy and management department at the Emory University Rollins School of Public Health, found that "premiums in states that cap awards are 17.1 percent lower than in states that don't cap."

(<http://content.healthaffairs.org/cgi/content/abstract/hlthaff.w4.20>; Abstract reprinted below).

- **Study Validates Cap on Non-Economic Damages as Effective**

The Pennsylvania Medical Society reported a study by Milliman USA, Inc. examined the impact of a \$250,000 cap on damages in Pennsylvania and found the cap would reduce losses and defense costs by 18 percent. (Report is reprinted below).

An earlier study by Milliman USA of the benefits of a cap on non-economic damages reported found that from 1990 until 2001 the average medical liability loss per physician was lower in states with caps.

- **GAO Report Finds Losses On Medical Malpractice Claims Are Driving Up Malpractice Premiums**

The General Accounting Office (GAO) released a report in June 2003, "Medical Malpractice: Multiple Factors Have Contributed to Increased Premiums" (GAO-03-702), which found that losses on medical malpractice claims are the primary driver of rate increases. Find the report at <http://www.gao.gov/new.items/d03702.pdf>. Section "What the GAO Found" is reprinted below). www.gao.gov

- **Limiting damage awards would save billions**

A study by the Employment Policy Foundation estimates that limiting damage awards in medical liability cases could save \$54.8 billion to \$97.5 billion annually, or 7.2 percent to 12.7 percent of the \$764.8 billion spent on hospital and physician services each year. The analysis found significant cost differences between states with non-economic damage award caps and states without limits. For more, go to <http://www.epf.org/pubs/newsletters/2003/ib20030619.pdf>.

- **HHS: Problems Associated With Medical Litigation Sparked by High Jury Awards**

The Department of Health and Human Services found that problems associated with medical litigation have significantly worsened in the past year, sparked by a rise in million dollar jury awards and settlements, particularly for non-economic damages. The report, "Addressing the New Health Care Crisis," is available at www.hhs.gov/.

- **"Doctors Flee as Skyrocketing Malpractice Claims Drive Up Insurance Costs"**

A report of TrialLawyersInc.com with information about increasing malpractice costs and the nation's crisis states. The report is attached and can also be found at www.triallawyersinc.com/html/part06.html.

- **Rising Malpractice Premiums are affecting care in Cleveland and elsewhere**

The Center for Studying Health System Change (HSC) released the results of its study of 12 areas of the country and found, as a result of rapidly rising medical malpractice insurance premiums, physicians in some areas are referring more patients to emergency departments, refusing to provide on-call emergency department coverage, and declining elective referrals. Cleveland was one of the areas studied. The effects of higher premiums are diminished patient access to care and increased healthcare costs. Find the full report at www.hschange.org/CONTENT/605/. A Powerpoint presentation is also available.

- **Liability premiums have increased group practice costs**

Professional liability premiums contributed to increased operating costs for medical group practices in 2002, according to a new report by the Medical Group Management Association. Nationally, cardiologists reported an average 22 percent increase in professional liability cost in 2002, while OB/GYN practices reported a 67 percent increase in professional liability cost between 1998 and 2002. The report notes that many states experienced greater increases. Summary of report is attached below.

- **AHA Survey: Tort Reform Works**

Legal reforms have slowed the growth of medical liability insurance premiums where they have been enacted, but federal reform is still needed. That was the message in April as the AHA released a survey of 1,000 hospitals on the effects of the nation's liability crisis.

In states identified by the American Medical Association as "crisis" states, medical liability expenses have doubled for nearly half of hospitals, costing as much as \$11,435 per staffed bed compared with \$4,228 in non-crisis states. At a news conference releasing the survey, Gerry Miller, president and CEO of Crozer-Keystone Health System in Springfield, PA, said "something is substantively wrong when a system like Crozer-Keystone spends more on insurance than on all the medications we buy for the patients we care for." And Jeff Curtis, president and CEO of H.S.C. Medical Center in Malvern, AR, said his hospital "had no choice but to discontinue delivering babies" because local doctors could not afford to pay their premiums.

Because the crisis is affecting care now, and because many state reforms could take years to accomplish, the AHA is calling for Congress to enact federal reform like that in The HEALTH Act, passed by the House and pending in the Senate (S. 607).



Denali Center
Fairbanks Memorial Hospital
Banner Health System

March 4, 2005

Senator Ralph Seekins
State Capitol
Room 125
Juneau, AK 99801-1182

Dear Senator Seekins:

The issue of access to healthcare services continues to be a dominant discussion among the medical staff at Fairbanks Memorial Hospital and Denali Center (FMH/DC). At last night's FMH/DC General Medical Staff Meeting, the medical staff strongly endorsed support for the bill you have introduced, Senate Bill 67 – Tort Reform.

I have enclosed a resolution and signatures of numerous physician supporters. If you have any questions related to the Fairbanks' physician and FMH/DC's full support of this important information, please call.

Thank you for your help and your support in creating greater access to health services in Alaska through passage of SB 67.

Sincerely,

Mike Powers
Administrator/CEO
Fairbanks Memorial Hospital

Enclosure

cc: Senator Ben Stevens, Senate President
Representative John Harris, House Speaker

- A RESOLUTION -

Expressing the sense of the Physicians of Fairbanks Memorial Hospital regarding the current situation in medical liability insurance and the need to stabilize medical malpractice costs

WHEREAS Alaska faces a health care crisis – by some estimates, the state is short hundreds of doctors, nurses, and health care providers;

WHEREAS States with limited awards for pain and suffering have 12% more doctors than states that don't cap frivolous lawsuits;

WHEREAS Two of the four medical malpractice carriers have left Alaska in the last two years due to large losses in Alaska, Oregon, and California;

WHEREAS Alaska is a small enough market that medical malpractice companies do not have to do business up here if they can't at least break even;

WHEREAS Alaska is dependent on out-of-state companies since there are no Alaska based medical malpractice carriers;

WHEREAS Alaska ranks 46th in the number of doctors per capita;

WHEREAS Alaska has no medical school from which we can more easily attract doctors;

WHEREAS Alaska's physicians average age is 51 and many plan on retiring in the next 10 years;

WHEREAS Senate Bill 67 sets a "hard cap" of \$250,000 on non-economic damages;

WHEREAS Current law only contains a "soft cap" and non-economic damages could be as high as \$2,000,000;

WHEREAS A \$250,000 cap is the proposed Federal limit, the California limit under MICRA and the limit set in many other states

NOW THEREFORE, BE IT RESOLVED THAT: The undersigned Physicians of Fairbanks Memorial Hospital urge passage and adoption of Senate Bill 67 as a tool to increase access to care and to retain and attract qualified professionals in Alaska well into the future.

SIGNATURE

PRINTED NAME

ADDRESS

1) Linda L. Garcia MD	Linda L. Garcia	1066 Smallwood Trail Fairbanks AK 99712
2) Tristan R. Schuller MD	TRISTAN R. Schuller MD	541 9th Ave Fairbanks, AK 99701
3) Joan Thomas MD	Joan Thomas MD	1919 Lathrop Suite 100
4) Shellye Burrows MD	Shellye Burrows MD	1919 Lathrop #100
5) James Foelsch	JAMES FOELSCH	1919 Lathrop #220
6) Nigel Wappett	NIGEL WAPPETT	858 LANCASTER DR FBKS 99712
7) Dave Flew	Dave Flew	
8) Sig Fink	Sig Fink	688 Chena Ridge FBKS 99709
9) J. Michael Carroll	J. Michael Carroll	619 Eton Blvd FBKS, 99701
10) Ronald A. Martin	Ronald A. Martin	1919 Lathrop.
11) McCreesh	McCreesh	
12) J R Starr MD	J R Starr	1408 14th Ave FAIRBANKS, AK 99701
3) Marvin Bergeson	MARVIN BERGESON	TVC
Card & Vanith	Card & Vanith	24 1/2 1st Ave
4) P. TICMAN, MD	P. TICMAN, MD	PC.
5) Michael Swenson MD	Michael Swenson MD	TVC
6) Anne Lilley	Do not include my name Andrew please Anne Lilley	PO Box 82868 Fairbanks 99708

SIGNATURE PRINTED NAME ADDRESS

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Evelyn A. Walker

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Clare Grandpre

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2113 Colles

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Mary Beth Gardner

1919 Latrop #105

SIGNATURE

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- 38) Dildahm D. Heilman TUC
- 39) A. Chin A. Chin CA
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- 41) ~~Ch~~ C. BREUNER 1205 2157 AVE.
- 42) ~~Jurijonis~~ Jean Tsiconis 1001 Noble
- 43) ~~Ruday~~ R. W. Taylor 975 Bennett
- 44) ~~Ch Steiner~~ Charles Steiner 2148 Nottingham
Fbx 99709
- 45) ~~D. Ives~~ Duld Ives 1001 NOBLE
99701
- 46) ~~R. HATTAN~~ R HATTAN FMH
- 47) ~~KEIR FOWLER~~ KEIR FOWLER FMH
- 48) ~~Ken Blais~~ Ken Blais 1867 August av
- 49) ~~Bruce FOOTIT~~ BRUCE FOOTIT 1335 BEREA CT
PARISHANES BL
- 50) ~~Essam Shukdeh~~ ESSAM Shukdeh 1640 Cowles #2
- 51) ~~Jim TAMPI~~ Jim TAMPI 1001 Noble St
Fbx, PK
99701

SIGNATURE

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5) *John Joosse* John Joosse

2) *[Signature]* STEVEN RAST PA-C TVC
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FAIRBANKS

3) *[Signature]* P. COBLEN 1001 NOBLE ST
(TVC) FAIRBANKS AK

4) *[Signature]* J. LIEBERMAN TVC

5) *George Vrabek* G. VRABEK MDA
1919 LATHROP ST.

56) *Cary S Keller* CARY S. KELLER 751 OLD RICHARDSON

57) *[Signature]* BRIAN LAUSKY PO Box 7 P.
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58) *[Signature]* JANICE CHEN PO BOX 81062
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60) *[Signature]* CHRY TRIPLEHORN, MD TVC
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61) *[Signature]* Mark Bertram 20302 80246
FAIRBANKS AK 99708

SB 67 Tort Resolution Signature Key

1	Linda	Garcia	M.D.		1068 Smallwood Trail	Fairbanks,	AK	99712
2	Tristan	Schuttis	M.D.		541 9th Avenue	Fairbanks,	AK	99701
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4	Shellyo	Burrows	M.D.	Fairbanks Clinic	1919 Lathrop Street, Suite 100	Fairbanks,	AK	99701
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7	David	Flory	M.D.	Fairbanks Memorial Hospital	1650 Cowles Street	Fairbanks,	AK	99701
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13	Marvin	Bergeson	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
14	Patrick	Ticman	M.D.	Fairbanks Clinic	1919 Lathrop Street, Suite 100	Fairbanks,	AK	99701
15	Michael	Swenson	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
16	Anne	Lilley	ANP		PO Box 82868	Fairbanks,	AK	99708
17	Enlow	Walker	M.D.	Fairbanks Clinic	1919 Lathrop Street, Suite 100	Fairbanks,	AK	99701
18	Clarice	Grandpre	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
19	Melinda	Evans	M.D.	Interior Community Health Clinic	1606 23rd Avenue	Fairbanks,	AK	99701
20	Janice	Onorato	M.D.	Medical Dental Arts Building	1919 Lathrop Street, Ste 220	Fairbanks,	AK	99701
21	William	Stoddard	M.D.		PO Box 10912	Fairbanks,	AK	99710
22	Thomas	Allano	M.D.	Fairbanks Memorial Hospital	1650 Cowles Street	Fairbanks,	AK	99701
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32	Danny Ray	Robinette	M.D.	Northern AK Medical/Surgical Assoc.	2111 East Cowles Street	Fairbanks,	AK	99701
33	Richard	Hess	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
34	Mary Beth	Gardner	CNMW	Interior Women's Health	1919 Lathrop Street, Suite 205	Fairbanks,	AK	99701
35	Ronald	Zamber	M.D.	Medical Dental Arts Building	1919 Lathrop Street, Ste 103	Fairbanks,	AK	99701
36	Doris	Hellman	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
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39	Cathy	Brenner	M.D.	Alyeska Surgery & Urology	1305 21st Ave., Suite 101	Fairbanks,	AK	99701
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41	Robert	Taylor	M.D.		975 Bennett	Fairbanks,	AK	99712
42	Charles	Steiner	M.D.		2148 Nottingham	Fairbanks,	AK	99709
43	Donald	Ives	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
44	Richard	Hattan	M.D.	Medical Dental Arts Building	1919 Lathrop Street, Ste 120	Fairbanks,	AK	99701
45	Keir	Fowler	M.D.	Fairbanks Memorial Hospital	1650 Cowles Street	Fairbanks,	AK	99701
46	Kendrick	Blais	D.O.	Polar Wind Medical Center	1867 Airport Way, Suite 140-A	Fairbanks,	AK	99701
47	Bruce	Foolit	M.D.	Northern Hospital Associates	1335 Berea Ct.	Fairbanks,	AK	99709
48	Essam	Shihadeh	M.D.	Fairbanks Cancer Treatment Center	1640 Cowles Street, Ste 2	Fairbanks,	AK	99701
49	Jimmy	Tamai	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
50	Richard	Burger	M.D.		2009 Cowles Street	Fairbanks,	AK	99701
51	John	Joose	M.D.		1411 19th Ave.	Fairbanks,	AK	99701
52	Steven	Rast	PA-C	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
53	Richard	Cobden	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
54	Jon	Lieberman	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
55	George	Vrablik	M.D.	Medical Dental Arts Building	1919 Lathrop Street, Ste 108	Fairbanks,	AK	99701
56	Cary	Keller	M.D.		751 Old Richardson Hwy., Ste 200	Fairbanks,	AK	99701
57	Brian	Tansky	M.D.		PO Box 55289	North Pole,	AK	99705
58	Janice	Chen	M.D.		PO Box 81062	Fairbanks,	AK	99708
59	Mishelle	Nace	M.D.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
60	Clay	Triplehorn	D.O.	Tanana Valley Clinic	1001 Noble Street	Fairbanks,	AK	99701
61	Mark	Burton	M.D.		PO Box 80246	Fairbanks,	AK	99708

Brian Hove

From: Paul Richards [paulr@alaska.net]
Sent: Friday, February 11, 2005 10:35 AM
To: timsullivan@gci.net; Pat Carter; Brian Hove
Subject: AL Statement support med mal non econ cap 01-27-05
Attachments: header.htm



**PHARMACEUTICAL RESEARCH AND MANUFACTURER'S
OF AMERICA (PhRMA)
STATEMENT ON ALASKA SB 67
January 27, 2005**

Position: PhRMA supports the State of Alaska's SB 67 and urges Alaska legislators to adopt the proposed legislation.

The Pharmaceutical Research and Manufacturers of America (PhRMA) supports state's efforts in civil justice and medical malpractice reform. Medical malpractice costs have increased an average of 11.8% per year, compared to an average annual increase of 9.2% per year for all other tort costs. In 2003, medical malpractice tort costs reached about \$27 billion which translates into \$91 per U.S. citizen. Tort costs, both civil and medical malpractice, can impact the research and development driven pharmaceutical industry. Therefore, most civil reform efforts are looked favorably upon by this industry.

LIMITATION ON NON-ECONOMIC DAMAGES

PhRMA supports limitations on non-economic damages awards. In medical malpractice actions, SB 67 would cap compensation for non-economic damages at \$250,000 regardless of the number of defendants or number of actions filed. Further, it limits the award of non-economic damages to \$250,000 in all actions subject to an arbitration agreement initially filed on or after the effective date of the Act.

For the reasons stated above, PhRMA urges you to vote in favor of SB 67.

SB

87

ALASKA STATE LEGISLATURE

Rep. Lesil McGuire, Chair
Rep. Tom Anderson, Vice-Chair
Rep. John Coghill
Rep. Nancy Dahlstrom
Rep. Pete Kott
Rep. Les Gara
Rep. Max Gruenberg



State Capitol, Room 120
Juneau, AK 99801-1182
(907) 465-4990
Fax (907) 465-6392

House Judiciary Committee

Memorandum

To: Leg. Legal

From: Vanessa Tondini, Committee Aide
House Judiciary Committee

Date: April 22, 2005

Re: CS Request

Please create a final draft House Judiciary Committee Substitute for work order # 24-LS0457\Y, SB 87, incorporating the attached two amendments. The bill was passed out of committee today.

If you have any questions, please call me at 4990.
Thank you!

The information attached to this memo is **CONFIDENTIAL** an/or privileged. It is intended to be reviewed initially by only the individual named above. If the reader of this Memorandum is not the intended recipient or a representative of the intended recipient, you are hereby notified that any review, dissemination, or copying of the information contained herein is prohibited. If you have received this in error, please immediately notify the sender by telephone and return this to the sender at the above address.

AMENDMENT # 1 - PASSED

REP. GARA

OFFERED IN THE HOUSE
TO: HCS SB 87(STA)

1 Page 2, following line 7:

2 Insert a new bill section to read:

3 **** Sec. 3.** AS 28.05.095 is amended by adding a new subsection to read:

4 (f) In a prosecution under (a) of this section, the prosecution must show that
5 the peace officer stopping or detaining the vehicle personally observed the violation of
6 (a) of this section before stopping or detaining the vehicle."
7

8 Renumber the following bill section accordingly.

A#1 to
A#1
prove
by
Greenberg
PASSED

conceptual amendment #2 - PASSED

to HCS 813 87 (81A)
version "Y"

by Rep. Coghill

Ensure that the requirement of probable cause to stop or detain the motor vehicle remains in the bill.

(Perhaps instead of repealing AS 28.05.095(e) keep it in statute and just delete the words "other than for a violation of (a) of this section."

Law Offices of
ALLEN M. BAILEY
310 K Street, Suite 400
Anchorage, Alaska 99501

Allen M. Bailey, J.D.
Attorney
Lisa L. McAlees
Paralegal

(907) 272-1488
Fax: (907) 277-9789

April 22, 2005

Rep. Lesil McGuire
State Capitol, Rm. 118
Juneau, Alaska 99801-1182

Re: SB87

Dear Lesil,

As a long-time Alaskan who has spent most of his adult life working on public safety issues in one way or another, I heartily support SB87, which would provide for primary seat belt enforcement in Alaska.

When I was 16 years old, I was critically injured in a head-on collision on Tudor Road; if the cars had been equipped with seat belts then, I could have avoided a serious concussion and shattered femur, a month-long hospital stay and 45 years of back problems.

Later, I worked as the Anchorage Borough Prosecutor and then Municipal Prosecutor over ten years, handling hundreds of cases involving traffic injuries that occurred because seat belts were not used.

As a member of the MADD board of directors for the past 23 years, I have backed seat belt use as the best defense against drunk drivers. This is an important component of reducing the tragedy of alcohol-related traffic deaths and injuries.

And, most important to me personally, my daughter's life was saved by a seat belt in a traffic crash three years ago.

REP. LESIL MCGUIRE
April 22, 2005
Page 2

Law enforcement and engineering experts tell us that increased use of seat belts would bring further reductions in the numbers of Alaskans killed and injured in traffic crashes; that in turn would reduce the amount of needed financial resources spent on assisting people injured--and the families of those killed--by the government and private charitable agencies. Our law enforcement agencies need this primary enforcement tool to induce more people to use their seat belts on Alaska's roads, so this goal can be achieved.

Please vote to send SB87 to the House floor with a "do pass" recommendation.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Allen M. Bailey". The signature is written in a cursive style with a long horizontal stroke at the end.

ALLEN M. BAILEY

AMB
mcguiresb87.ltr

By email L jay 907-465-2819

Dear Representative Kott:

My name is Michaela Kelley Canterbury. I have lived in Eagle River, Alaska for several years. I work as an attorney and I practice all over the state. I write to urge you **NOT** to support a bill that caps damages for victims of medical malpractice. Anyone who makes a mistake that harms another person should be fully responsible for the harm they cause, regardless of occupation. No occupation should be exempt from accountability for their mistakes. Alaska residents entrust their lives and health to doctors. A doctor literally makes life and death decisions with respect to their patients on a daily basis. Indeed, a doctors' work/practice/ art is important and should be done with care and using a doctor's best efforts. If a doctor makes a mistake or does not do his/her job correctly that results in harm to a patient that strips them of their ability to provide for their family, what is the harmed person to do? How is the "problem" fixed? I submit to you, **not** by insulating the doctor from accountability. Why should doctors be statutorily excused from 100% accountability for mistakes of their practice? What incentive would exist for doctors to practice medicine at their level best, if there is no accountability for their mistakes? What remedy would harmed patients have and why should harmed patients be subject to discounted justice? Indeed, if this bill passes bad doctors will find Alaska to be a safe haven to practice their "art". Please do not invite bad doctors to practice here.

I question why a bill capping damages is even before the legislature. What problem exists that needs to be fixed? I'm sure the proponents of this bill have used the term "frivolous lawsuit" to incite your passion. I request you truly examine the basis of their request and cut through the rhetoric. Our court system is not clogged with medical malpractice cases. The few medical malpractice cases that are filed in the court system are subject to a thorough review by a panel to protect against "frivolity". Indeed, there are rules of civil procedure that exist to dismiss frivolous lawsuits, (ARCP 11). The other distempered plea is "out of control verdicts". Alaska verdicts against doctors are not out of control. Indeed, Alaskan juries (and voters for that matter) are known for their conservatism. Please request the proponents of this bill provide you with evidence of frivolous medical malpractice lawsuits (you should probably have them define the term frivolous lawsuit because it is really a subjective term) and out of control verdicts against doctor malpractice.

Another basis for requesting caps on damages is the specious claim that insurance premiums cost the doctors out of business. If doctors or the insurance industry are suggesting this proposed legislation is a fix to rising insurance premiums I urge you to request proof (a track record would be nice) that a cap on damages decreases insurance premiums for doctors. I submit to you caps have nothing to do with the premiums insurance companies decide to charge the doctors. Rather, it is the wealth or lack of wealth of the insurance industry that controls the premiums the insurance company decides to charge the doctors. A doctor's frustration over rising insurance premiums is understandable, but misdirected at their patients and their patients legal representative. If insurance premiums are the problem, why not cap the premiums insurance companies charge?

If folks just think \$250,000 is enough money for harm imposed upon a person and caused by doctor, I submit to you that we do not live in a one-size fits all state. That is why we believe in a system of submitting disputes to our peers for resolution. So we can have Alaskan juries listen to the circumstances surrounding the work that a particular Alaskan doctor did to a particular harmed Alaskan patient and determine the extent of damages, if any.

If you have any questions about this bill and how it would affect your constituents, please feel free to contact me. Michaela Kelley Canterbury
907-276-8185 ph.
821 N Street St. 206
Anchorage, AK 99501

Cc by fax to Representatives McGuire 907-465-6592
Dahlstrom 907-465-2293 Gruenberg 907-465-3766
Coghill 907-463-3719
Gara 907-465-3518 Anderson 907-465-2418

Carolyn Holbert

From: Dee Hubbard J [chubbard@alaska.net]
Sent: Friday, April 22, 2005 8:46 AM
To: Rep. Lesil McGuire
Cc: Rep. Tom Anderson; Rep. Pete Kott; Rep. John Coghill; Rep. Nancy Dahlstrom; Rep. Max Gruenberg; Rep. Les Gara
Subject: SB 87 Testimony

April 22, 2005

Testimony before the House Judiciary Committee regarding SB 87

Chair McGuire and Committee members,

My name is Dee Hubbard, and I reside in Sterling, Alaska. Today, I am speaking in opposition to SB 87. Unfortunately, I can't attend the meeting in person, as I have another commitment at a meeting of the Bond Reimbursement and Grant Review Committee.

In previous testimony before other Legislative Committees, SB 87 has been supported as a safety issue, another reason for Troopers or police to stop and ticket a driver and passengers and a possible Federal revenue source of money.

By making the non-use of seat belts a stoppable offense, I just don't understand how the state could get to a higher level of safety. If a bill to ban the use of all motorized vehicles in Alaska became law, then I could comprehend this large leap that would ensure more safety.

Not using a seat belt is already a secondary offense. Troopers and police have 26 statutory and almost 100 regulatory reasons to stop a vehicle and its driver. This doesn't even include any of the regulations on vehicle equipment. Is it imperative to give them another incentive? Don't we have enough laws and regulations now?

Mention has been made of a possible windfall of federal dollars for making seat belt usage a primary offense. Language for this is in the FY 06 proposed federal budget. As people in this state know, having something proposed in the federal budget does not mean that it will happen. I wouldn't count on seeing this money, until the President has signed the bill. With the inability of Congress to adopt a budget in a timely manner, the time-frame of expectations for this money could lengthen until FY 07, if at all.

In previous testimony before the Senate State Affairs Committee, Sen. Bunde was asked if points were assessed for failure to wear a seat belt. Sen. Bunde said that he didn't believe so. Contrary to popular belief, points are assessed.

My son was a passenger in a car, and he didn't have his seat belt fastened. He received a \$15 ticket, two points and was told the points would stay on his driving record for three years. He didn't have a driver's license yet. He did not tell his parents, so we found out, when he was added to our insurance. Our car insurance increased the first year by almost \$340 because of those two points. The lowest amount of increase was \$260.

This really troubles me for two main reasons. According to AS 28.15.231 (b) points may not be assessed for violations by pedestrians, passengers, or bicycle riders. Why did my son and the rest of the passengers receive points? If I seem to be missing something here, I would appreciate someone telling me why my reading of this is incorrect.

The other reason is one that no one has even brought up. This is a bill that will drive up insurance costs for those people who are ticketed. I don't think that any insurance company representative could say that this bill won't increase individual rates. In fact I don't believe that any insurance representatives have even testified on this bill.

In testimony before other Committees, references have been made to polls and surveys that point to people saying that it would be a good thing to have a seat belt law. It's one

thing to ask a poll question about a person's feelings on whether everyone should wear a seat belt. It's another thing to also ask if that person would mind having his insurance costs increase for up to three years, if he was ticketed for not wearing a seat belt.

Insurance companies already enjoy large profit margins. Here's a quick look at a few of the insurance companies that write car insurance policies in Alaska.

Allstate - 52 week range from \$42.91 to \$55.41
First quarter 2005 profits were up 18%

AIG - 52 week range from \$50.15 to \$74.98
AIG has had some problems that have caused its stock to decrease. These problems are not related to its coverage of cars.

Hartford - 52 week range from \$52.73 to \$74.07
The 2004 revenues were \$22.7 billion.

Horace Mann - 52 week range from \$14.92 to \$19.30

Progressive - 52 week range from \$73.10 to \$97.29
The 2004 revenues were \$13.8 billion.

Safeco - 52 week range from \$40.87 to \$52.65
The 2004 revenues were \$6.195 billion.

Since Alaskan car insurance purchasers don't receive any breaks from insurance companies, why does the state continue to allow these companies to increase their profits in Alaska?

The only vehicles that are exempt from the seat belt law are those that transport state or municipal prisoners (13 AAC 04.271). What about seatbelt usage of people in wheel chairs who are transported in special vans, a lack of seat belts for every passenger in some classes of motorhomes and seat belt usage of people being transported on stretchers? I'm sure if you think about these examples, you could probably come up with more than what I've listed

I hope that Committee members will keep this bill under its purview, until more study has been completed.

Dee Hubbard
PO Box 88
Sterling, AK 99672
907-260-6628



April 21, 2005

The Honorable Lesil McGuire, Chair
House Judiciary Committee
Alaska State Capitol, Room 118
Juneau, Alaska 99801-1182

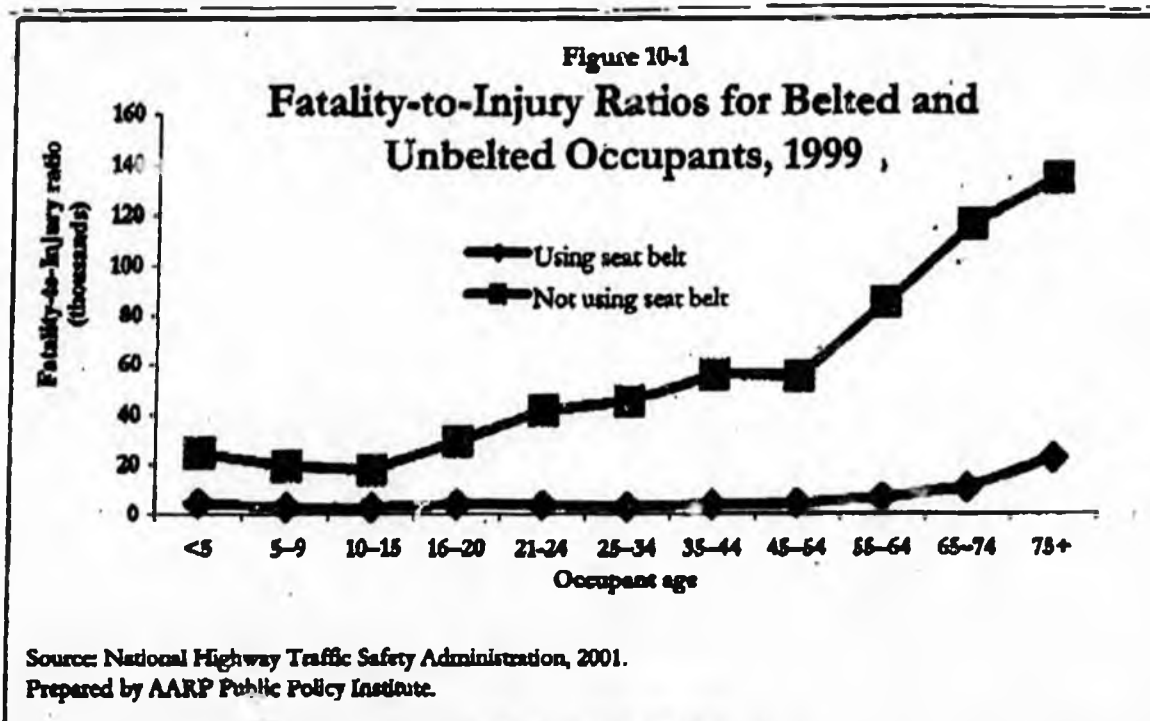
Dear Chair McGuire:

RE: SB 87 (Bunde) – Support

On behalf of the AARP members in Alaska, we encourage your colleagues on the House Judiciary Committee to support SB 87, authored by Senator Con Bunde and co-sponsored by Senators Wilken, Seekins, Wagoner, and Cowdery.

SB 87 would allow an Alaska peace officer to ticket an individual who is not wearing a seat belt. Not wearing a belt would move from a secondary to a primary offense and a driver could be pulled over simply for not being "belted."

In crashes of the same severity, older individuals are more likely to die than younger people. Increased seat belt use will reduce fatalities and the severity of injuries. Research from the National Highway Traffic Safety Administration shows a clear correlation between seat belt use and a reduced likelihood of crash fatalities for individuals age 55 and older.

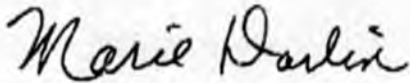


AARP recommends an "AYE" vote on SB 87.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,



Marie Darlin, Coordinator
AARP Capital City Task Force
415 Willoughby Avenue, Apt. 506
Juneau, AK 99801
586-3637 (voice)
463-3580 (fax)

CC: Representative Tom Anderson
Representative Les Gara
Representative John Coghill
Representative Max Gruenberg
Representative Nancy Dahlstrom
Representative Pete Kott
Senator Con Bunde

Alaska State Legislature


Senator Con Bunde
District P

Vice Chair: Senate Finance Committee
Chair: Senate Labor & Commerce Committee

During Session:
State Capitol
Juneau, AK 99801-1182
(907) 465-4843

During Interim:
716 W. Fourth Avenue
Anchorage, AK 99501-2133
(907) 269-0181

MEMORANDUM

DATE: April 12, 2005
TO: Representative McGuire
FROM: Senator Con Bunde 
RE: Senate Bill 87 Hearing Request

Representative McGuire:

Attached please find the bill packet for SB 87. I respectfully request a hearing in the House Judiciary Committee as soon as possible.

Thank you for your consideration. If you have any questions or would like more information, please call my office at x 4843.

Sincerely,
Senator Con Bunde



Alaska State Legislature

Senator Con Bunde
Senate District P

Vice Chair: Senate Finance Committee
Chair: Senate Labor & Commerce Committee

Sponsor Statement

Senate Bill 87

“An Act relating to motor vehicle safety belt violations.”

Currently, Alaska state law requires *all* individuals to wear a seat belt while driving or riding in any vehicle. Senate Bill 87 changes the enforcement measures of this law to allow police officers and state troopers to pull over individuals who are not wearing their seat belt. Presently, officers may cite drivers only if they are pulled over for another violation. As a direct result of this legislation, we have the opportunity to save both lives and the state hundreds of thousands of dollars in emergency, rehabilitative and insurance costs annually.

Motor vehicle accidents are the *leading cause of death* for Americans of every age from 6 to 33 years of age and Alaska has one of the leading accident related death rates of all 50 states (National Safety Council, 2002; Kaiser Healthfacts: State Health Facts). Although seat belt use is required by statute and is the single most effective safety device in preventing injuries and fatalities, we are currently unable to enforce its use. In Alaska, a change in enforcement powers would lead to a 10-15% increase in seat belt use. That increase alone will prevent hundreds of injuries and save 6 lives each year (National Transportation Safety Board, 2002.)

The primary enforcement seat belt law has been proven to save billions of dollars that society bears annually from motor vehicle accidents. Eighty-five percent of all costs involved in a motor vehicle crash are borne by society (National Highway Traffic Safety Administration, 2002.) On a national level in 2003, the total cost of motor vehicle crashes was over *230 billion dollars* (Alaska paid nearly a half a billion dollars), a cost of \$820 per person (National Highway Traffic Safety Administration 2002.) Safety belt usage saves approximately 50 billion dollars annually; conversely we spend an *extra* 26 billion on non-use (MADD, 2003.)

Enacting a primary seat belt law may save more lives than any other single piece of legislation we consider this session. Currently, 21 states plus the District of Columbia have chosen to enforce a primary seat belt law (Insurance Journal, 2005.) If every state did, we would save lives, prevent injuries and save Americans billions of dollars in health care, taxes and insurance costs in the first year alone. This bill saves money and lives. I urge you to consider the evidence before you and support SB 87.



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: Senator Con Bunde
Current Version: SB 87
Contact: Lauren Wickersham, 465-3881

Fact Sheet for: Senate Bill 87

Short Title: SEAT BELT VIOLATION AS PRIMARY OFFENSE

Summary:

- Allows peace officers to pull over and cite individuals for not wearing a seat belt.
- Changes the current seat belt law from a secondary to a primary offense.
- Does not change current law that requires seat belt use in a motor vehicle.

Benefits:

- Saves the state hundreds of thousands of dollars in emergency, rehabilitative and insurance costs annually.
- Primary seat belt laws are proven to save lives and reduce injuries related to motor vehicle crashes.

Background:

- Twenty-one other states and the District of Columbia have enacted primary seat belt laws. Supporters include many local and national safety groups, Department of Public Safety Commissioner William Tandeske, the chiefs of police in Fairbanks and Anchorage, and the U.S. Department of Transportation.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB 87
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title Seat belt violations BRU Alaska Court System
 Component Trial Courts
 Sponsor Senator Bunde
 Requester _____ Component No. 768

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below:

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 The court system does not anticipate any fiscal impact from the passage of SB 87.

Prepared by: Douglas Wooliver, Administrative Attorney Phone 463-4750
 Division: Alaska Court System Date/Time 2/15/05 4:34 PM
 Approved by: Doug Wooliver for Stephanie Cole, Administrative Director Date 2/15/2005
 Agency: Alaska Court System

SESSION

Fiscal Note Number:

Bill Version:

() Publish Date:

Note if correction):

violations

Dept. Affected:

BRU Alas

Component

3unde

Component No.

ies

(Thousands of Dollars)

Include inflation unless otherwise noted below.

URES	FY 2006	FY 2007	FY 2008	FY 2009
TOTAL	0.0	0.0	0.0	0.0

ES				
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i ()				
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(Thousands of Dollars)

	FY 2006	FY 2007	FY 2008	FY 2009
TOTAL	0.0	0.0	0.0	0.0

year (FY2005) cost: 0.0

ing for this bill is included in the Governor's FY 2006 budget pro

separate page if necessary) not anticipate any fiscal impact from the passage of SB 87.

Wooliver, Administrative Attorney Phone
 ourt System Date/Time
 oliver for Stephanie Cole, Administrative Director Date
 ourt System

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB087-DPS-AST-2-15-05
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
 Title Seat Belt Violation as Primary Offense RDU Alaska State Troopers
 Component AST Detachment
 Sponsor Senator Bunde
 Requester _____ Component No. 2225

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*
 Passage of this bill will have no fiscal impact on the Department of Public Safety. The provision in the bill repealing AS 28.05.095(e) will allow law enforcement officers to contact motorists, when they are observed to be driving their vehicle without properly wearing their seat belt.

Prepared by: Captain Al Storey Phone 269-5682
 Division: Alaska State Troopers Date/Time 2/15/05 11:50 AM
 Approved by: Commissioner William Tandeske Date 2/15/2005
 Agency: Department of Public Safety

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: SB087-LAW-CDCO-2-14

Bill Version: _____

() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: LAW

Title: Safety Belt Violations RDU: CRIMINAL

Sponsor: Senator Bunde Component: CDCO

Requester: Judiciary Component No: _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The bill repeals that portion (AS 28.05.095(e)) of Alaska's seatbelt law that prohibits peace officers from stopping or detaining a motor vehicle for the sole purpose of determining compliance. The Department of Law does not anticipate any fiscal impact from passage of this legislation.

Prepared by: Robert Meiners, Dep. Director

Division: Administrative Services

Approved by: Robert Meiners for Scott Nordstrand, Acting Attorney General

Agency: Department of Law

Phone: 465-5427

Date/Time: 2/14/05 11:43 AM

Date: 2/14/2005

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 57
(j) Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DOT&PF
Title: Primary seat belt use RDU: Administration & Support
Sponsor: Burde Component: Commissioner's Office
Requester: _____ Component No.: 530

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES

CHANGE IN REVENUES ()

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Misc						
1004 GF						
1005 GF/Program Receipts						
1007 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
DOT public information efforts will be conducted by Traffic Safety Office and will change only to emphasize primary use and enforcement, as well as continuing current message that seat belt use saves lives.

Prepared by: John Manly Phone: 465-3904
Division: Communications DOT&PF Date/Time: 2/11/05 1:10 PM
Approved by: Mike Barton Date: 2/11/2005
Agency: Commissioner DOT&PF

ALASKA PUBLIC OPINION RESEARCH SURVEY

February 5th to 23rd, 2005

Sample size = 586; margin of error \pm 4.05%

HELLENTHAL AND ASSOCIATES
2200 Vanderbilt Circle
Anchorage, Alaska 99508
(907) 276-1001 or
277-2315 (fax)
hellenthal@gci.net (e-mail)

Hello, I am _____ from Hellenenthal and Associates. We are conducting a public opinion research survey of Alaskans. Your telephone number was randomly selected. The questions I need to ask will only take a couple of minutes. All of your responses will be completely confidential.

- S1. Is this telephone number _____?
- S2. Is this a residential telephone?
- S3. Are you registered to vote in the State of Alaska?

IF YES, THEN PROCEED TO QUESTION #1

IF NO, THEN ASK...

Is there anyone home who is registered to vote in the State of Alaska?

IF YES THEN ASK...

May I speak with them?

IF NO, THEN ASK...

When will someone be home who is registered to vote?

THE FOLLOWING VARIABLE IS CALCULATED USING THE TELEPHONE PREFIX

AREAS OF ALASKA	UNWEIGHTED FREQUENCY	WEIGHTED PERCENT	MARGIN OF ERROR
Southeast.....	55.....	15.3%.....	\pm 13.2%
Kenai Penninsula.....	101.....	6.9%.....	\pm 9.8%
Anchorage.....	169.....	43.0%.....	\pm 7.5%
Matsu.....	102.....	9.1%.....	\pm 9.7%
Greater Fairbanks.....	108.....	13.6%.....	\pm 9.4%
Rural/Bush.....	51.....	12.1%.....	\pm 13.7%
TOTALS.....	586.....	100.0%.....	\pm 4.05%

1. Do you wear your seat belt all of the time, some of the time, not often, or never?

WEAR SEAT BELT	FREQUENCY	PERCENT
All of the time.....	492.....	84.0%
Some of the time.....	66.....	11.3%
Not often.....	22.....	3.7%
Never.....	6.....	0.9%

2. Why don't you wear a seat belt all of the time?

WHY DON'T WEAR SEAT BELT	FREQUENCY	PERCENT
000 Wear seat belt all of the time.....	492.....	84.0%
003 Forgetful.....	17.....	3.0%
002 Freedom of choice.....	16.....	2.8%
006 Short Trips.....	16.....	2.8%
009 Live in a rural area.....	14.....	2.5%
005 Get in a hurry.....	4.....	0.7%
018 Uncomfortable.....	4.....	0.6%
008 Just a bad habit.....	3.....	0.6%
015 Superstitious.....	3.....	0.5%
010 Not required in Barrow.....	2.....	0.3%
013 My dogs are always jumping around.....	2.....	0.4%
001 Does not like Govn't forcing their hand.....	1.....	0.2%
004 Hurts my back, doctor says not to wear it.....	1.....	0.1%
011 The village speed limit is 10 mph.....	1.....	0.2%
012 Truck driver, jinxing himself.....	1.....	0.1%
014 It is nobody's business.....	1.....	0.1%
016 Knows a person who died because they had their seatbelt on.....	1.....	0.2%
007 Faulty seatbelt.....	1.....	0.2%
007 Social Protest.....	0.....	0.1%
019 Been in an accident involving a seat belt.....	0.....	0.1%
998 Don't Know.....	4.....	0.7%

3. Do you favor or oppose laws requiring seat belt use?

LAWS REQUIRING SEAT BELT USE	FREQUENCY	PERCENT
Favor.....	467.....	79.6%
Oppose.....	111.....	18.9%
Don't know.....	9.....	1.5%

4. Have you ever received a ticket for driving while not wearing a seat belt?

TICKET NOT WEARING SEAT BELT	FREQUENCY	PERCENT
Yes.....	32.....	5.4%
No.....	554.....	94.6%

5. Have you seen or watched the "Click it or Ticket" media campaign on Alaska TV "educating people about the seat belt law"?

SEEN "CLICK IT OR TICKET"	FREQUENCY	PERCENT
Yes.....	475.....	81.1%
No.....	111.....	18.9%

6. Do you think the "Click it or Ticket" media campaign has helped or hurt in getting Alaska Drivers to buckle up their seat belts?

"CLICK IT OR TICKET" HELPED/HURT	FREQUENCY	PERCENT
Have not seen ads.....	111.....	18.9%
Helped.....	367.....	62.7%
Hurt.....	26.....	4.4%
Don't know.....	82.....	14.0%

7. Has anyone in your family or one of your close friends ever been hurt, injured or killed in a motor vehicle accident (wreck)?

ANYONE HURT, INJURED, KILLED	FREQUENCY	PERCENT
Yes.....	356.....	60.8%
No.....	230.....	39.2%

The last few questions are being collected purely for statistical purposes

8. What is your political party affiliation? ("What are you registered as?")

PARTY AFFILIATION	FREQUENCY	PERCENT
Republican Party.....	201.....	34.3%
Democratic Party.....	98.....	16.8%
Green Party.....	5.....	0.8%
Alaska Independent Party.....	2.....	0.3%
Libertarian Party.....	4.....	0.7%
No Party Affiliation/Independent...	276.....	47.1%

9. When it comes to politics, do you consider yourself to be very liberal, somewhat liberal, somewhat conservative or very conservative?

IDEOLOGY OF RESPONDENT	FREQUENCY	PERCENT
1. Very liberal.....	34.....	5.8%
2. Somewhat liberal.....	151.....	25.7%
3. Moderate.....	100.....	17.0%
4. Somewhat conservative.....	238.....	40.6%
5. Very conservative.....	64.....	10.9%

(Mean = 3.250)

10. Does anyone in your household work for the State government? Federal government? City government?

HOUSEHOLD TYPE	YES
Federal government.....	13.4%
State government.....	13.1%
City government.....	9.6%

11. Are you, or any person presently living in your household, a veteran?

VETERAN HOUSEHOLD	FREQUENCY	PERCENT
Yes.....	180.....	30.7%
No.....	406.....	69.3%

12. Are you, or any person presently living in your household, a member of a labor union?

LABOR UNION HOUSEHOLD	FREQUENCY	PERCENT
Yes.....	164.....	28.0%
No.....	422.....	72.0%

13. Of the people living in your household, how many are children or adolescents under 18 years old?

CHILDREN	FREQUENCY	PERCENT
None.....	318.....	54.2%
One.....	111.....	19.0%
Two.....	100.....	17.1%
Three or more.....	57.....	9.7%
(Households with children mean = 1.911)		
(All households mean = 0.875)		

14. In what year were you born? (COMPUTED TO AGE BY SUBTRACTING FROM 105)

AGE OF RESPONDENT	FREQUENCY	PERCENT
18 to 30.....	58.....	9.9%
31 to 40.....	98.....	16.7%
41 to 50.....	163.....	27.8%
51 to 60.....	145.....	24.7%
61 or older.....	123.....	20.9%
(Mean = 49.191 years)		

15. Are you married or single?

MARITAL STATUS	FREQUENCY	PERCENT
Married.....	382.....	65.3%
Single.....	204.....	34.7%

16. GENDER (USUALLY DO NOT NEED TO ASK).....

GENDER	FREQUENCY	PERCENT
Male.....	293.....	50.0%
Female.....	293.....	50.0%

THE FOLLOWING VARIABLES ARE CALCULATED USING THE CHILDREN,
YEAR BORN, MARITAL AND GENDER VARIABLES

MARITAL BY GENDER	FREQUENCY	PERCENT
Married Males.....	191.....	32.6%
Married Females.....	191.....	32.6%
Single Males.....	102.....	17.4%
Single Females.....	102.....	17.4%

FAMILY STATUS	FREQUENCY	PERCENT
Young Single (18-44).....	35.....	5.9%
Adult Single (45+).....	100.....	17.0%
Single Parent.....	69.....	11.8%
Young Couple (18-44).....	34.....	5.7%
Mature Couple (45+).....	150.....	25.6%
Young Family (18-44).....	105.....	17.9%
Mature Family (45+).....	94.....	16.1%

THIS COMPLETES THE SURVEY, THANK YOU FOR HELPING US -- GOODBYE

AREAS OF ALASKA AMONG REGISTERED VOTERS
BY
POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

COLUMN PERCENTS

FEBRUARY 5TH THROUGH 23RD, 2005
SAMPLE SIZE = 586; MARGIN OF ERROR = + OR - 4.05%

	AREAS OF ALASKA:						TOTAL COL %
	South- east + or - 13.2%	Kenai Penin- sula + or - 9.8%	Anchor- age + or - 7.5%	MatSu + or - 9.7%	Fair- banks Area + or - 9.4%	Rural Alaska + or - 13.7%	
WEAR SEAT BELTS -- HOW OFTEN:							
All of the time.....	85.0%	76.1%	87.0%	84.7%	82.0%	78.5%	84.0%
Some of the time.....	11.8%	17.6%	10.1%	15.3%	15.3%	4.0%	11.3%
Not often.....	3.2%	1.3%	2.9%		2.7%	12.7%	3.7%
Never.....		5.0%				4.9%	.9%
WHY DON'T YOU WEAR A SEAT BELT ALL OF THE TIME:							
Wear seat belts all of the time.....	85.0%	76.1%	87.0%	84.7%	82.0%	78.5%	84.0%
Forgetful.....	1.7%	2.1%	4.1%	5.1%	.8%	2.2%	3.0%
Just don't want to, freedom of choice.....		3.8%	4.0%	2.0%	3.0%	1.8%	2.8%
Short trips.....	3.4%	5.7%	1.7%	.8%	3.7%	4.6%	2.8%
Live in rural area.....	6.6%	1.6%			1.6%	9.1%	2.5%
Get in a hurry.....	1.7%			.8%	2.7%		.7%
A bad habit.....			.5%	2.5%	.8%		.6%
Uncomfortable.....		2.5%		2.1%	1.9%		.6%
Superstitious, it can be dangerous.....			.8%	1.3%			.5%
My dogs and children are always hopping around....			.8%	.7%			.4%
Not required in Barrow.....						2.2%	.3%
The village speed limit is 10 mph.....						1.6%	.2%
Know person who died because they had seat belt on Faulty seatbelt.....	1.5%		.5%				.2%
Don't like the gov'n't forcing my hand.....		.8%			.9%		.2%
Hurts my back, doctor says not to wear it.....					.9%		.1%
Social protest.....		1.1%					.1%
Truck driver, jinxing himself.....		1.3%					.2%
It is none of their business.....		1.3%					.1%
Been in an accident involving a seatbelt.....		.8%					.1%
Don't know.....		2.9%	.7%		1.9%		.7%
LAWS REQUIRING SEAT BELT USE:							
Favor.....	88.1%	73.0%	75.0%	75.2%	83.3%	88.4%	79.6%
Oppose.....	11.9%	22.3%	23.7%	21.5%	14.8%	11.6%	18.9%
Don't know.....		4.7%	1.4%	3.3%	1.9%		1.5%
RECEIVED TICKET FOR NOT WEARING SEAT BELT?							
Yes.....	5.4%	10.7%	4.1%	7.0%	7.0%	4.1%	5.4%
No.....	94.6%	89.3%	95.9%	93.0%	93.0%	95.9%	94.6%
SEEN CLICK IT OR TICKET?							
Yes.....	74.1%	83.5%	86.7%	83.3%	70.5%	78.9%	81.1%
No.....	25.9%	16.5%	13.3%	16.7%	29.5%	21.1%	18.9%
CLICK IT OR TICKET HELPED OR HURT:							
Have not seen ads.....	25.9%	16.5%	13.3%	16.7%	29.5%	21.1%	18.9%
Helped.....	58.9%	61.1%	67.7%	61.0%	51.1%	64.9%	62.7%
Hurt.....		6.3%	5.2%	.8%	8.6%	4.3%	4.4%
Don't know.....	15.2%	16.1%	13.8%	21.6%	10.8%	9.7%	14.0%
AMILY/CLOSE FRIEND HURT IN MOTOR VEHICLE ACCIDENT							
Yes.....	57.0%	55.9%	67.1%	60.6%	54.9%	52.5%	60.8%
No.....	43.0%	44.1%	32.9%	39.4%	45.1%	47.5%	39.2%
TOTAL ROW PERCENT.....	15.3%	6.9%	43.0%	9.1%	13.6%	12.1%	100.0%

AREAS OF ALASKA AMONG REGISTERED VOTERS

BY

POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

COLUMN PERCENTS

VERY LIBERAL=1; VERY CONSERVATIVE=5

FEBRUARY 5TH THROUGH 23RD, 2005

SAMPLE SIZE = 586; MARGIN OF ERROR = + CR - 4.05%

	AREAS OF ALASKA:						TOTAL COL %
	South- east + or - 13.2%	Kenai Penin- sula + or - 9.8%	Anchor- age + or - 7.5%	MatSu + or - 9.7%	Fair- banks Area + or - 9.4%	Rural Alaska + or - 13.7%	
PARTY AFFILIATION:							
Republican Party.....	39.3%	32.7%	34.7%	41.2%	32.4%	24.5%	34.3%
Democratic Party.....	20.9%	9.4%	15.3%	7.3%	16.3%	28.6%	16.8%
Green Party.....		1.6%		3.7%	2.7%		.9%
Alaska Independent Party.....		1.3%			1.6%		.3%
Libertarian Party.....		1.3%	.7%		2.2%		.7%
No Party Affiliation/Independent.....	39.8%	53.8%	49.4%	47.7%	44.9%	46.9%	47.1%
IDEOLOGY OF RESPONDENT:							
Liberal.....	38.9%	29.3%	31.6%	20.9%	36.1%	26.1%	31.5%
Moderate.....	13.7%	11.9%	18.2%	25.9%	14.9%	15.6%	17.0%
Conservative.....	47.5%	58.9%	50.2%	53.2%	49.0%	58.3%	51.5%
Ideology of respondent mean							
Very liberal.....	1.7%	8.2%	5.5%	4.5%	11.1%	5.6%	5.8%
Somewhat liberal.....	37.2%	21.0%	26.1%	16.4%	25.0%	20.5%	25.7%
Moderate.....	13.7%	11.9%	18.2%	25.9%	14.9%	15.6%	17.0%
Somewhat conservative.....	41.5%	39.7%	41.2%	38.7%	37.1%	43.1%	40.6%
Very conservative.....	6.0%	19.2%	9.0%	14.5%	11.9%	15.2%	10.9%
Ideology of respondent mean.....	3.13	3.41	3.22	3.42	3.14	3.42	3.25
STATE GOVERNMENT HOUSEHOLD:							
Yes.....	19.2%	13.2%	10.3%	7.3%	14.0%	20.7%	13.4%
No.....	80.8%	86.8%	89.7%	92.7%	86.0%	79.3%	86.6%
FEDERAL GOVERNMENT HOUSEHOLD:							
Yes.....	16.9%	5.8%	12.7%	10.5%	13.8%	15.3%	13.1%
No.....	83.1%	94.2%	87.3%	89.5%	86.2%	84.7%	86.9%
CITY GOVERNMENT HOUSEHOLD:							
Yes.....	13.5%	7.2%	7.2%	5.6%	9.7%	17.6%	9.6%
No.....	86.5%	92.8%	92.8%	94.4%	90.3%	82.4%	90.4%
VETERAN HOUSEHOLD:							
Yes.....	19.2%	34.1%	34.2%	40.6%	40.7%	13.6%	30.7%
No.....	81.8%	65.9%	65.8%	59.4%	59.3%	86.4%	69.3%
LABOR UNION HOUSEHOLD:							
Yes.....	23.8%	23.9%	29.4%	22.2%	31.3%	31.5%	28.0%
No.....	76.2%	76.1%	70.6%	77.8%	68.7%	68.5%	72.0%
TOTAL ROW PERCENT.....	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

AREAS OF ALASKA AMONG REGISTERED VOTERS

BY

POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

COLUMN PERCENTS

FEBRUARY 5TH THROUGH 23RD, 2005

SAMPLE SIZE = 566; MARGIN OF ERROR = + OR - 4.05%

	AREAS OF ALASKA:						TOTAL COL %
	South- east + or - 13.2%	Kenai Penin- sula + or - 9.8%	Anchor- age + or - 7.5%	MatSu + or - 9.7%	Fair- banks Area + or - 9.4%	Rural Alaska + or - 13.7%	
CHILDREN IN HOUSEHOLD:							
None.....	59.3%	52.4%	56.0%	44.9%	49.2%	54.7%	54.2%
One.....	10.5%	19.0%	19.8%	21.2%	25.4%	19.0%	19.0%
Two.....	14.3%	19.5%	15.5%	25.0%	17.8%	17.9%	17.1%
Three or more.....	15.4%	9.1%	8.7%	9.0%	7.6%	9.4%	9.7%
Number of children in households with children mean.....	2.22	1.28	1.82	1.83	1.82	2.03	1.91
Children under 18 mean.....	.89	.95	.80	1.01	.92	.92	.87
AGE OF RESPONDENT:							
18 to 30.....	7.9%	11.8%	8.0%	13.6%	10.7%	14.4%	9.9%
31 to 40.....	12.6%	9.1%	18.7%	16.8%	19.1%	17.4%	16.7%
41 to 50.....	28.8%	29.3%	29.3%	22.1%	26.2%	30.3%	27.8%
51 to 60.....	22.5%	27.4%	22.7%	29.1%	32.1%	21.3%	24.7%
61 or older.....	28.2%	22.4%	22.3%	18.5%	13.3%	16.5%	20.9%
Age of respondent mean.....	51.07	50.04	49.46	48.30	48.87	46.40	49.19
MARITAL STATUS:							
Married.....	58.2%	75.2%	66.3%	68.6%	66.7%	60.8%	65.3%
Single.....	41.8%	24.8%	33.7%	31.4%	33.3%	39.2%	34.7%
GENDER:							
Male.....	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Female.....	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
MARITAL STATUS BY GENDER (COMPUTED):							
Married Males.....	29.1%	37.6%	33.1%	34.3%	33.3%	30.4%	32.6%
Married Females.....	29.1%	37.6%	33.1%	34.3%	33.3%	30.4%	32.6%
Single Males.....	20.9%	12.4%	16.9%	15.7%	16.7%	19.6%	17.4%
Single Females.....	20.9%	12.4%	16.9%	15.7%	16.7%	19.6%	17.4%
FAMILY STATUS (COMPUTED):							
Young Single (18-44).....	8.3%	4.3%	5.4%	2.0%	7.6%	6.5%	5.9%
Adult Single (45 +).....	20.6%	12.9%	18.3%	17.3%	12.7%	14.7%	17.0%
Single Parent.....	12.9%	7.6%	10.0%	12.0%	13.0%	13.0%	11.8%
Young Couple (18-44).....	9.0%	3.7%	4.5%	5.0%	5.1%	8.3%	5.7%
Mature Couple (45 +).....	21.9%	31.5%	27.7%	20.5%	23.8%	25.2%	25.6%
Young Family (18-44).....	11.0%	19.8%	20.0%	26.2%	17.8%	11.9%	17.9%
Mature Family (45 +).....	16.3%	20.3%	14.1%	17.0%	20.0%	15.5%	16.1%
TOTAL ROW PERCENT.....	15.3%	6.9%	43.0%	9.1%	13.6%	12.1%	100.0%

AREAS OF ALASKA AMONG REGISTERED VOTERS

BY

POLITICAL AND GENERAL DEMOGRAPHICS, BEHAVIORS AND PERCEPTIONS

VERY LIBERAL-1; VERY CONSERVATIVE-5

FEBRUARY 5TH THROUGH 23RD, 2005

ANALYSES OF VARIANCES BETWEEN ARITHMETIC MEANS; SAMPLE = 586

	AREAS OF ALASKA						TOTAL MEAN
	South- east + or - 13.2%	Kenai Penin- sula + or - 9.8%	Anchor- age + or - 7.5%	MatSu + or - 9.7%	Fair- banks Area + or - 9.4%	Pural Alaska + or - 13.7%	
Ideology of respondent mean.	3.13	3.41	3.22	3.42	3.14	3.42	3.25
Children under 18 mean.....	.89	.95	.80	1.01	.92	.92	.87
Number of children in households with children mean.....	2.22	1.98	1.82	1.83	1.82	2.03	1.91
Age of respondent mean.....	51.07	50.04	49.46	48.30	48.87	46.40	49.19



Municipality of Anchorage



5811 Dragage Street • Anchorage, Alaska 99507-1500 • Telephone (907) 786-4500 • <http://www.muni.org>

Mayor Mark Begich

Anchorage Police Department

February 15, 2005

Senator Con Bunde
State Capitol, Room 506
Juneau, AK 99801-1182

Senator:

The focus of SB 87, the Primary Seat Belt Law, is to enhance driver and passenger safety. Too often, we respond to accidents where occupants were not wearing seat belts and they sustained major injury or death because they were ejected from the car. In some these same accidents, other passengers who were wearing seat belts sustained only minor injuries.

There may be citizens who would resist the idea of government being so intrusive as to mandate their safety. What is often lost in this argument is the understanding that, should someone not wearing a seat belt die in an accident, that death can place a heavy emotional burden on the *other* driver—who was wearing one.

Finally, last year it seemed there were concerns among some legislators that a Primary Seat Belt Law would facilitate an excuse to make traffic stops in an abusive manner. Toward that concern, I will point out that there are already several hundred laws in the traffic code—from burnt out lights, cracked windshields, to even snow-obscured license plates, any of which could facilitate a legal traffic stop. This is only about safety. I support this bill because it supports my mission, to protect and serve; and the passage of this bill will help me to better ensure the safety of all Alaskans.

Sincerely,

Walt Monegan
Chief of Police

Community, Security, Prosperity



State of Alaska
Department of
Public Safety

Frank H. Murkowski, Governor
William Tandeske, Commissioner

February 4, 2005

The Honorable Con Bunde
Alaska State Senate
State Capitol, Room 506
Juneau, Alaska 99801

Dear Senator Bunde,

I'm writing to express my continued support for a primary seat belt law in Alaska.

My support is based on twenty-six years of service as an Alaska State Trooper, where I personally investigated a large number of motor vehicle crashes resulting in death or serious injury. In the accidents where no seatbelt was being utilized, one can only speculate that the sustained injuries may have been less severe and the loss of life would have been reduced had a seat belt been worn by all of the occupants.

The mission of the Department of Public Safety is in part, to protect life and property. As the commissioner of this department, I am committed to doing everything in my power to ensure the safety of all Alaskans. Plain and simple, study after study reports that seat belts save lives. Any legislation that will enhance the ability of law enforcement to advance safety in this state should be endorsed wholeheartedly.

I believe that primary seat belt legislation, coupled with the ongoing education efforts that are being promoted, will produce results that should reduce the alarming number of serious injuries and deaths on our roadways. If this department can be of assistance to you with any proposed seat belt legislation, please don't hesitate to contact my office.

Sincerely,

William Tandeske
Commissioner

Alaska Injury
Prevention Center



Alaska Injury Prevention Center

PO Box 210736
Anchorage, AK 99521-0736
Tel. 907-929-3941
FAX 907-929-3940
Email: asc1@alaska.net

February 10, 2005

Senator Con Bunde
State Capitol, Room 506
Juneau, AK 99801-1182

Dear Senator Bunde,

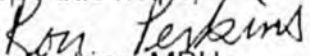
I would like to take this opportunity to offer my expertise and experience if necessary to advance your efforts on a primary seat belt law for Alaska. I'm the author and primary researcher for a study funded by a non-profit group called the Automotive Coalition for Traffic Safety. This research project, *Alaska Seat Belt Cost Analysis*, compiled and analyzed the hospital costs associated with seat belt use in Alaska. The research has gotten a good deal of statewide recognition as an argument to be used for primary enforcement of seat belt laws. The study shows that from 1996 through 1999, medical costs for unbelted occupants totaled more than \$13 million dollars of which, 50% were paid with public funds. I've attached the Executive Summary, but if you would like a complete copy, please contact me.

Fairbanks was the first city in Alaska to pass an ordinance giving police the authority to stop someone for not wearing a seat belt – primary enforcement. There was considerable public backlash over the new ordinance and it was eventually repealed, but the fine for the existing law was significantly increased. Anchorage also considered a similar municipal ordinance that would allow primary enforcement of seat belt use within the city limits and asked for a copy of the research findings.

Alaska has been chosen by the National Highway Traffic Safety Administration as one of 13 states to receive special initiatives to reduce our DUI deaths, and to increase our seat belt usage. At 77%, Alaska's seat belt usage rate has improved tremendously over previous years, but there are still a significant number of non-users in the state. If we are able to get a primary enforcement law passed, we would expect to see the seat belt usage rate climb to around 90%.

As the evaluator for the recent Click It or Ticket enforcement campaigns, we conducted random telephone surveys on 1,600 Anchorage residents. One of the questions asked was if they were in favor or opposed to police stopping someone for not wearing a seat belt. Sixty-seven (67%) percent said they were in favor of such a law.

I hope this helps,


Ron Perkins, MPH
Executive Director, AIPC



Mayor Mark Begich

Municipality of Anchorage

P.O. Box 196650 • Anchorage, Alaska 99519-6650 • 825 "L" Street • <http://www.muni.org>



Department of Health and Human Services

February 9, 2005

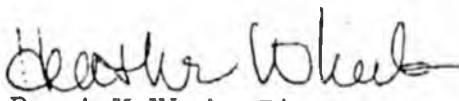
Senator Con Bunde
State Capitol, Room 506
Juneau, Alaska 99801-1182

The Municipality of Anchorage, Department of Health and Human Services strongly supports your effort to pass a primary seatbelt law this session. The passage of a Primary seatbelt Law is one of DHHHS' 2005 legislative priorities. Primary seatbelt enforcement allows a law enforcement officer to stop a vehicle and issue a citation when the officer observes an unbelted driver or passenger. It has been 13 years since a (secondary) seatbelt law was introduced allowing an officer to cite for non-seatbelt use only if the vehicle was stopped for another infraction. According to the National Highway Traffic Safety Administration, primary seatbelt laws increase seatbelt use by 9 to 14 percentage points. We presently have a 72% usage rate.

It is estimated that \$12 million, 71 major injuries, and 6 lives would be saved in Alaska each year if a primary seatbelt law was passed (BELTUSE software program, NHSTA). Motor vehicle crashes are the leading cause of injury death to people between the ages of 10-34 years of age (Alaska Bureau of Vital Statistics, 2002).

A primary seatbelt law would save not only lives, but would save significant amount of public money. Over 50% of the medical costs for people unrestrained at the time of the crash are paid by public funds ("Alaska Seatbelt Analysis", Sept. 2003, Alaska Injury Prevention Center). Studies show that patients who were not buckled up at the time of a motor vehicle crash were twice as likely to sustain a serious head injury and over one and one half times more likely to be discharged with a permanent disability (Alaska Trauma Registry, 1991-2000 10 year data report). Considering that a crash costs 55 percent more when a crash victim is unbelted, it is in the state's interest to reduce the cost of health care to enact a primary seat belt law. Twenty-one states and Washington D.C. (July 2004) have passed primary seatbelt laws.

Action requested: Support passage of SB 87, a Primary Seatbelt Law.


for Beverly K. Wooley, Director

Community, Security, Prosperity

LESSMEIER & WINTERS

LAWYERS - LLC

VINTAGE BUSINESS PARK
3000 VINTAGE BOULEVARD
SUITE 100
JUNEAU, ALASKA 99801

MICHAEL L. LESSMEIER
GREGORY W. LESSMEIER
SHELDON E. WINTERS

TELEPHONE: (907) 796-4999
FACSIMILE: (907) 796-4008
E-MAIL: hw@gd.net

By Telefax and Mail

February 14, 2005

Senator Con Bunde
State Capitol, Room 506
Juneau, Alaska 99801

Re: Senate Bill 87

Dear Senator Bunde:

On behalf of State Farm Insurance Companies, I would like to express support for SB 87. State Farm has long supported mandatory seatbelt laws and primary enforcement. This legislation will undoubtedly save lives. If there is any information we can provide to you, or anything else we can do in support of this bill, please let me know.

Sincerely,



Sheldon E. Winters

SEW/caf

SenBunde01.NFW.wpd



ALPHA

ALASKA PUBLIC HEALTH ASSOCIATION

Committed To Advancing Alaska's Public Health Since 1978

February 17, 2005
(S) STA SB 87

IN SUPPORT OF SB 87 "PRIMARY SEAT BELT LAW"

On behalf of the Alaska Public Health Association, representing two hundred and twenty public health professionals who are deeply committed to developing sound public health policy to improve the health of all Alaskans, **we encourage you to vote YES on SB 87.**

The Alaska Public Health Association and our national organization, the American Public Health Association, have long established resolutions in support of the use of seat belts to save lives, including the attached resolution our members adopted at our 2004 Annual Meeting.

APHA's first resolution in support of seat belt legislation is from 1958 - before statehood! Then, as now, public health professionals have been strong advocates of the effectiveness of seat belts in minimizing the degree of injury and death resulting from traffic accidents.

Seat belts are the single most effective safety device in preventing injuries and fatalities. Enacting a primary seat belt law, SB 87, will save lives and money.

Based on research by the National Highway Traffic Safety Administration, **enacting a primary seat belt law contributes to a 10-15% increase in seat belt use.** Similar results of close to a 15% increase in seat belt use have been observed in Fairbanks this past year following the recent increase in fines by the borough for seat belt violations.

To quote Senator Bunde in his sponsor letter, **"Enacting a primary seat belt law may save more lives than any other single piece of legislation before you this session."**

As important public health legislation, we encourage you to support SB 87 and pass it out of the (S)State Affairs Committee.

Thank you.

Marie J. Lavigne, Executive Director
Alaska Public Health Association

Attachment: 2004-2 ALPHA Resolution

*Thank you
Senator Bunde!!
for introducing SB87.*