



July 9, 2018

The Honorable Thomas E. Limbaugh  
The Honorable Thomas P. Baskin  
The Honorable Aaron White  
Idaho State Industrial Commission  
P.O. Box 83720  
Boise, ID 83720-0041

RE: Negotiated Rulemaking – IDAPA 17.0209.1801, Medical Fees

Dear Commissioners,

I write on behalf of the nearly 600 member firms of the Idaho Associated General Contractors (Idaho AGC) and the tens of thousands of hardworking Idahoans they employ across every county of our great state regarding the Commissions' current review of medical fees.

Idaho AGC member firms are concerned that the current negotiated rulemaking referenced above may yield an unnecessary increase in medical fees under Idaho's workers' compensation system, resulting in continued increases in the fees employers pay for workers' compensation rates. We strongly believe that no increase in medical fees is merited for the current year.

According to the study completed Milliman in late June 2018, the current Idaho fees range from 109% to 134% of comparable allowances in the Idaho marketplace. In addition, while rates were lowered by the legislature this past year, Idaho's rates remain above the regional and national averages for coverage. Unnecessarily increasing medical fees at this time will further exacerbate this inconsistency.

According, the Idaho AGC believes that all workers' compensation medical fees should remain at current levels. Continuing to inflate the amount of money providers are paid has a direct impact on the premium rates paid by employers and diminishes their ability to continue to provide high paying jobs here in Idaho.

Furthermore, we believe inflating rates at this time would conflict with the intent of Executive Order No. 2017-06, signed by Acting Governor Brad Little on May 19, 2017, which directs all agencies of state government to examine ways to reduce regulatory burdens – not increase them.

We greatly appreciate your willingness to consider the input from employers in this process and welcome the opportunity to continue to work with you to make Idaho a great place to live and work.

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Sincerely,

A handwritten signature in blue ink, appearing to read "Wayne L. Hammon". The signature is fluid and cursive, with a large initial "W" and "H".

Wayne L. Hammon  
CEO, Idaho AGC

CC: The Honorable C.L. "Butch" Otter, Governor – State of Idaho  
The Honorable Brad Little, Lieutenant Governor – State of Idaho  
Mindy Montgomery, Director, Idaho State Industrial Commission