

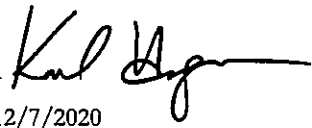
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MEMORANDUM

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**TO:** MAYOR JENSEN AND BOROUGH ASSEMBLY  
**FROM:** KARL HAGERMAN, EOC INCIDENT COMMANDER   
**SUBJECT:** EOC RESPONSE TO SARAH REID QUESTIONS OF 12/7/2020  
**DATE:** 12/16/2020  
**CC:** STEVE GIESBRECHT, BOROUGH MANAGER  
DEBRA THOMPSON, BOROUGH CLERK

Please find answers to Mrs. Reid's transcribed questions that she posed during the Assembly meeting on December 7, 2020.

**1) It is known to be true that PCR testing is nearly 100% accurate when it is run at 17 cycles. It is also known that PCR testing at 35 cycles is wildly inaccurate. Of the 3% of the positive cases that PCR tests test positive for, of that 3%, 97% are false positives. Essentially meaning that the PCR testing run at 35 cycles is 97% inaccurate. So, why on earth are we subjecting the citizens of Petersburg and now possibly mandating the workers at Mountain View Manor to be subjected to the testing at PMC at 45 cycles?**

Answer:

The question is based upon assumptions that are not correct. PCR is an incredibly accurate test, and the technology has been used since the early 1990's to detect disease. These tests will not give a positive result unless the target sequence (in this case, COVID-19) is present in the specimen. The cycle threshold (Ct) value for the same amount of virus can vary between PCR platforms currently in use, so assigning a specific Ct value as a cutoff across all tests is not possible. There are currently no diagnostic PCR tests under the FDA's Emergency Use Authorization (EUA) that have been approved for quantitative use (i.e., using Ct values to determine a person's viral load). There are ongoing studies to evaluate the utility of the cycle threshold, but at this time, assumptions about Ct values should not be made.

The test platform that PMC uses is approved for qualitative (presence/absence) use under the EUA and looks for two separate targets of the COVID-19 virus, which further reduces the chance of a false positive; both targets must be present for the test to be positive. The 45-cycle threshold was established during the validation process by the manufacturer to prevent false negatives. The test also includes an Early Assay Termination function so if there is a high viral load and the viral signal passes the background signal before 45 cycles have been completed, the positive test result will be available much sooner.

PMC has provided an additional sheet of specific information in regard to PCR testing, which is attached, that should help to clear up the misunderstandings in regard to PCR testing, including a section on cycle thresholds.

Please also review the CDC's FAQ about Coronavirus (COVID-19) for Laboratories – Interpreting Results of Diagnostic Tests at <https://www.cdc.gov/coronavirus/2019-ncov/lab/faqs.html#Interpreting-Results-of-Diagnostic-Tests>.

**2) (a) How much money does PMC receive, and from who, for every COVID test they take? (b) How much money is received, and from who, for every positive result that they get? (c) How much money is received, and from who, for our town for being under a declaration of emergency?**

Answers:

2(a): For the airport traveler testing contract, and the Memorandum of Agreement that exists between the Borough and PMC, the PMC is reimbursed \$50/hr for each testing personnel and is reimbursed \$100 for each test taken. They can also claim a reimbursable PPE cost of \$50 per day for testing services and reimbursement for packaging and shipping costs of \$100 per day. The hospital pays for testing materials, test analysis, packing materials, shipping costs, PPE and employee time at the airport and then is reimbursed these rates through the Borough agreement (ultimately by the State of Alaska). As this is not a sustainable model of reimbursement, the testing at the airport is also being subsidized by the Federal CARES act received by the PMC. The testing is being provided to meet the State's mandate and to protect the community from traveler spread, but it has proven to be a complicated staffing burden for the hospital in a time when the agency's main focus is on providing quality health care to Petersburg during the pandemic.

For other testing at the clinic not associated with the airport or supplied by the state, the cost for patients to test are \$250. This is often billed to insurance and covers the costs of the employee time, testing materials and test analysis at commercial labs.

There is no subsidy, payment or standardized revenue per test received from the State or federal government for testing services.

2(b): PMC, or the Borough, does not receive any compensation from any source for identifying a positive test result for COVID-19 other than the costs charged for services rendered under answer 2(a) above.

2(c): The Borough doesn't automatically receive any funding if we declare a local emergency disaster.

**3) (a) Whose definition of an emergency are we going by? (b) How long can an emergency last?**

3 (a): The local definition of emergency is found in Municipal Code, Chapter 3.72 under definitions: "Civil Emergency" means a "Disaster" as defined in Alaska Statute 26.23.900.

Alaska Statute 26.23.900 Definitions:

(2) "disaster" means the occurrence or imminent threat of widespread or severe damage, injury, loss of life or property, or shortage of food, water, or fuel resulting from

(A) an incident such as storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, avalanche, snowstorm, prolonged extreme cold, drought, fire, flood, epidemic, explosion, or riot;

(B) the release of oil or a hazardous substance if the release requires prompt action to avert environmental danger or mitigate environmental damage;

(C) equipment failure if the failure is not a predictably frequent or recurring event or preventable by adequate equipment maintenance or operation;

(D) enemy or terrorist attack or a credible threat of imminent enemy or terrorist attack in or against the state that the adjutant general of the Department of Military and Veterans' Affairs or a designee of the adjutant general, in consultation with the commissioner of

public safety or a designee of the commissioner of public safety, certifies to the governor has a high probability of occurring in the near future; the certification must meet the standards of AS 26.20.040 (c); in this subparagraph, "attack" has the meaning given under AS 26.20.200 ; or

(E) an outbreak of disease or a credible threat of an imminent outbreak of disease that the commissioner of health and social services or a designee of the commissioner of health and social services certifies to the governor has a high probability of occurring in the near future; the certification must be based on specific information received from a local, state, federal, or international agency, or another source that the commissioner or the designee determines is reliable;

Additionally:

(3) "disaster emergency" means the condition declared by proclamation of the governor or declared by the principal executive officer of a political subdivision to designate the imminence or occurrence of a disaster;

3(b): Based on the definitions of "Disaster" printed above, the question of a length of an "emergency" is dependent upon the existence of the disease outbreak or credible threat of an imminent outbreak of disease that has been recognized by the Commissioner of the department of health and social services and certified as such to the Governor of Alaska.

End of memorandum.