

Fiscal Note

State of Alaska
2017 Legislative Session

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|---------------------|-----------|
| Bill Version: | HB 79 |
| Fiscal Note Number: | 1 |
| (H) Publish Date: | 1/25/2017 |

Identifier: DOA-DRM-01-19-17
 Title: OMNIBUS WORKERS' COMPENSATION
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Governor

Department: Department of Administration
 Appropriation: Risk Management
 Allocation: Risk Management
 OMB Component Number: 71

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

| | FY2018 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|----------------|----------------|----------------|----------------|
| | Appropriation Requested | Governor's FY2018 Request | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
| OPERATING EXPENDITURES | FY 2018 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | 40.0 | | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 40.0 | 0.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 |

Fund Source (Operating Only)

| | | | | | | | |
|------------------------|-------------|------------|-------------|-------------|-------------|-------------|-------------|
| 1007 I/A Rcpts (Other) | 40.0 | | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 |
| Total | 40.0 | 0.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Not applicable; initial version.

Prepared By: Scott Jordan, Director
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 Approved By: Sheldon Fisher, Commissioner
 Agency: Administration

Phone: (907)465-5723
 Date: 01/19/2017 11:05 AM
 Date: 01/19/17

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

Analysis

This bill will clarify, amend, add, repeal and change quite a few statutes within workers' compensation. There are several reporting changes to the Alaska Workers Compensation Board's various forms from a manual process to an Electronic Data Input (EDI) process. The EDI form submittals are through a third party vendor. The cost to submit each form can range from \$3.50 - \$6.00 per form. Risk Management (RM) receives about 1,500 Report of Injury (ROI) forms a year, approximately 1,200 of those forms turn into compensable claims. Each claim can generate approximately 6 forms per claim, with some generating many more. Our Third Party Administrator (TPA) who handles the adjusting for the workers' compensation claim, has estimated a cost of approximately \$40,000 per year to submit the current claim count through the EDI process.