

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version:	HB 303
Fiscal Note Number:	2
(H) Publish Date:	1/24/2018

Identifier: DOLWD-WC-12-29-17
 Title: WORKERS' COMP; REHAB/REEMPLOYMENT
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Governor

Department: Department of Labor and Workforce Development
 Appropriation: Workers' Compensation
 Allocation: Workers' Compensation
 OMB Component Number: 344

Expenditures/Revenues

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

	FY2019	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2019 Request	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURES	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Personal Services	95.3		95.3	95.3	95.3	95.3	95.3
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	95.3	0.0	95.3	95.3	95.3	95.3	95.3

Fund Source (Operating Only)

1157 Wrkrs Safe (DGF)	95.3		95.3	95.3	95.3	95.3	95.3
Total	95.3	0.0	95.3	95.3	95.3	95.3	95.3

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) 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? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/19

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Workers' Compensation	Date:	12/29/2017 11:30 AM
Approved By:	Greg Cashen, Acting Commissioner	Date:	12/29/17
Agency:	Department of Labor and Workforce Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

This legislation will result in a number of changes to the Alaska workers' compensation reemployment benefits program intended to reduce reemployment costs to employers and expedite return-to-work of injured employees.

This legislation will modify the reemployment evaluation process to make eligibility evaluations voluntary instead of mandatory; implement a fee schedule for rehabilitation specialist services; increase the reemployment plan maximum cost from \$13,300 (last increased in 2000) to \$19,300 and add an annual CPI adjustment; and add early return to work consultation services to the program. These changes will require the Workers' Compensation Board update affected regulations, and it is anticipated that the process will take through 12/31/2019.

A new Program Coordinator I, range 18, will be needed to provide outreach and consultation services to employers about how to develop early return to work programs at their work sites. A dedicated staff member will be required to institute these services. Workers' Compensation has eliminated seven full-time positions over the last three fiscal years and current staffing is not sufficient to achieve this objective. This new position will be located in Anchorage to be collocated with existing reemployment benefits program staff for more efficient supervision and management. The annual salary of \$57,852 and total cost of \$95,322 for this position will be fully funded by the designated general fund Workers' Safety and Compensation Administration Account.