

HB

41

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Mary Pagenkopf

Senate Rules Committee 2/25/97 10:35 am

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS:

LABOR & COMMERCE, CHAIRMAN
JUDICIARY, MEMBER
OIL AND GAS, MEMBER



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Representative Norman Rokeberg

SPONSOR STATEMENT REPRESENTATIVE NORMAN ROKEBERG COMMITTEE SUBSTITUTE HOUSE BILL 41 (L&C)

CS HB 41 (L&C) - "AN ACT RELATING TO IMPAIRMENT RATING GUIDES USED IN EVALUATION OF CERTAIN WORKERS' COMPENSATION CLAIMS"

CSHB 41 (L&C) provides that the most recently published edition of the American Medical Association Guides to the Evaluation of Permanent Impairment ("Guides") shall be used in determining eligibility for benefits under the Alaska Worker's Compensation Act. It provides that the Board shall begin using the new edition not later than 90 days after the last day of the month in which the new edition is published and that the Board, at an open meeting, will select a date within that time frame for use to begin.

Reasons for adopting this legislature are:

- **Cost of Adopting Regulations** –
Decrease both the hard and soft costs of adopting regulations.
- **Reduce Time Lag** –
Fourth edition published June 1993; regulation approved in April 1996.
New edition published; older editions hard to come by.
- **New Science** --
Adopting the latest "state of medical arts".

This bill will not change the current process used but will make it more efficient and less costly. The vote on the House floor on this legislation was 38-0.

I would encourage your support of this legislation.

Ed3.1:2/20/97

FISCAL NOTE

No. 2

Bill Version: CSHB 41 (I&C)

(H) Publish Date: 1/24/97

STATE OF ALASKA

1997 LEGISLATIVE SESSION

Revision Date: _____
 Title: "An Act relating to impairment rating guides used in evaluation of certain workers' compensation claims."
 Sponsor: Rokeburg
 Requestor: (H) L&C

Department Affected: Administration
 BRU: Risk Management
 Component: Risk Management
 COMPONENT SERIAL NO. 0071

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
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	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES	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						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 97) cost: \$ None

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

This bill requires the use of the most recently published edition (including supplements) of the American Medical Association Guides to the Evaluation of Permanent Impairment — when determining the existence and degree of permanent impairment compensable under the workers' compensation act.

Agency "Cost of Risk" premium allocations (inter-agency receipts collected by Risk Management) reflect average of 5 prior years of actual claims costs. Any incremental cost increase realized by applying newer rating guideline will be included in the claims experience - and reflected in future workers' compensation premium allocations to each agency.

There is no direct fiscal impact on the ~~Division of Risk Management~~.

Prepared by: J. Brad Thompson, Director
 Division: Risk Management

Phone: 465-5723
 Date: _____

Approved by Commissioner: Mark Boyer
 Agency: Department of Administration

Date: 1/24/97

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FISCAL NOTE

N 1
 Bill Version: CSHB 41 (L&C)

STATE OF ALASKA
 1997 LEGISLATIVE SESSION

BILL (H) Publish Date: 1/24/97

Revision Date: _____
 Title: Impairment rating guides for
 Workers' Comp
 Sponsor: Representative Rokebera
 Requestor: House L&C

Department Affected: Labor
 SFU: Workers' Compensation
 Component: Workers' Compensation
 COMPONENT SERIAL NO. 344

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
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						
CHANGE IN REVENUE FUND SOURCE #						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY97) impact: \$ None

ANALYSIS: (Attach a separate page if necessary.)

This bill proposes amending AS 23.30.190(b) to use the most recent published editions of the American Medical Association Guides, including supplementary materials, for the Evaluation of Permanent Impairment. This bill results in a zero fiscal note for the Workers' Compensation Division.

Prepared by: Paul Grossi, Director *Paul Grossi* Phone: 465-2790
 Division: Workers' Compensation Date: 1/16/97
 Approved by Commissioner: Tom Cashen, Commissioner *Tom Cashen*
 Agency: Department of Labor Date: 1/16/97

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