

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-4563/1	Introduction Number SB-665	
Description various changes to the worker's compensation law, modifying administrative rules related to worker's compensation, extending the time limit for emergency rule procedures, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.445(1)(ra), 20.445(1)(rc)		
Agency/Prepared By DWD/ Thomas Goodwyn (608) 267-9058	Authorized Signature BJ Dernbach (608) 261-4599	Date 1/31/2018

Fiscal Estimate Narratives

DWD 1/31/2018

LRB Number	17-4563/1	Introduction Number	SB-665	Estimate Type	Original
Description various changes to the worker's compensation law, modifying administrative rules related to worker's compensation, extending the time limit for emergency rule procedures, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Worker's Compensation Division to develop a benefits fee schedule. One-time costs to develop the fee schedule are projected at \$500,000 for the initial development; \$100,000 to obtain the data for the fee schedule; and \$30,000 for IT integration of the fee schedule with the claim database.

This bill requires the Worker's Compensation Division to make adjustments to their management of claims. Estimated one-time absorbable IT programming cost to update the Division's Integrated Management Claims System to facilitate this change is \$48,240.

This bill increases the benefits and compensation paid to employees, which the Worker's Compensation Division indicates will have a fiscal effect on self-insurers (including the State of Wisconsin), but that the fiscal impact to the State is indeterminate at this time.

This bill creates the SEG annual appropriation s.20.445(1)(rc) Worker's compensation funds; supplemental benefits, to administratively align the dispersal of payments with the revenues collected. While establishing \$5,000,000 of budget authority therein, revenues collected per s.102.75(lg) are limited to \$5,000,000 annually, resulting in a net fiscal effect of zero.

Long-Range Fiscal Implications

Projected ongoing IT maintenance and data updates will cost \$100,000 annually.

Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

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Description various changes to the worker's compensation law, modifying administrative rules related to worker's compensation, extending the time limit for emergency rule procedures, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): One-time costs of \$630,000 to obtain data for the fee schedule, to develop the fee schedule, and IT integration. One-time absorbable IT programming costs of \$48,240 to update the DWD WC Division's Integrated Management Claims System.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$	\$
	(FTE Position Changes)		
	State Operations - Other Costs	100,000	
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$100,000	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S (20.445 (1)(ra))	100,000	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$100,000	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By Authorized Signature Date			
DWD/ Thomas Goodwyn (608) 267-9058		BJ Dernbach (608) 261-4599	1/31/2018