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sSB-164

AN ACT INCLUDING CERTAIN MENTAL OR EMOTIONAL
IMPAIRMENTS WITHIN THE DEFINITION OF "PERSONAL
INJURY" UNDER THE WORKERS' COMPENSATION STATUTES.

AMENDMENT

LCO No.: 9712

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OFA Fiscal Note

See Fiscal Note Details

The amendment strikes the underlying bill and its associated fiscal impact and results in the impact described below.

Sections 1 to 3 of the bill will result in a cost to the state's workers' compensation program to provide coverage for any claims arising out of the bill's expanded definition of personal injury to include mental-mental injuries (a mental injury without an accompanying physical injury) as of July 1, 2019 which are the result of a qualifying event as defined in the amendment. The cost will depend on various factors, including (1) the anticipated frequency of claims and (2) the anticipated severity of the claims, which are both unknown and highly variable. By way of example, a basic claim for the state with lost wage (TTD) assuming the average base salary for a state trooper and the maximum duration of medical services would be approximately \$95,000 over the life of the claim.¹ The amendment limits the benefit to 52 weeks from the date of diagnosis and excludes claims made beyond

¹ The estimate is based on temporary total disability (TTD) cost of \$95,000 (\$64,000 in lost wages and \$31,000 medical (\$100-300 per visit for approximately 2 visits per week)). Medical costs refer only to mental health related out-patient services and exclude any other medical care related to the claim. Under current law, a TTD generally has no cap on treatment or duration, the bill limits treatment to 52 weeks.

four years from the date of the qualifying event. In addition the amendment precludes an individual from being eligible for partial incapacity benefits (CGS § 31-308) and partial permanent disability benefits (CGS § 31-308a). Lastly, it is important to note that once an injury is identified as a work related injury and covered under the workers' compensation program any subsequent injury or impairment which can be causally linked to the initial injury is also covered by workers' compensation, resulting in a wide range of potential per claim costs.

In addition, the amendment will result in increased contract costs for the state with regards to its third party administrator (TPA) related to additional administrative expenses to calculate the benefit payable to the injured worker in accordance with the parameters in the amendment. Current law bases the benefit on the actual employee's average weekly wage. For reference an additional 1% increase in the current annual contract costs is approximately \$50,000.

The amendment's coverage applies to various state and municipal public safety personnel, including police officers, firefighters (including volunteer firefighters), and parole officers. There are approximately 26,800 firefighters, 8,180 police officers, 958 sworn state police officers and 140 parole officers (total population is approximately 36,078 people).²

Municipal Impact

The amendment will result in a cost to municipalities to provide coverage for workers' compensation claims made in accordance with the provisions of the amendment. The impact will be reflected in premiums for policies effective on and after July 1, 2019 and for self-insured plans based on (1) the cost of claims and (2) additional TPA or other administrative expenses, including staff related to the benefit calculation for injured workers in accordance with the amendment.

² Member statistics based on information from the Connecticut State Firefighters Association for 2017.

Section 4 results in a cost to the Department of Emergency Services and Public Protection (DESPP) and municipalities. This section requires law enforcement departments to request a psychiatric examination be performed on an officer prior to them returning to duty. This requirement may result in additional overtime costs to law enforcement units if officers that are subject to such examinations are not deemed fit for duty. For context, DESPP spends approximately \$400 per day, per officer on overtime wages and fringe.

Sections 5 and 6 of the amendment limit instances where a person can be charged with criminal possession of a firearm and results in a potential minimal savings from fewer instances of incarceration or probation supervision. On average, the marginal cost to the state for incarcerating an offender for the year is \$1,800^[1] while the average marginal cost for supervision in the community is less than \$700^[2] each year.

Section 7 does not result in a fiscal impact to the state or municipalities as it is within the scope of the state and municipal agency expertise and consistent with current practice.

Section 8 to 10 require the Department of Emergency Services and Public Protection (DESPP), the Department of Corrections, the State Fire Marshal, and municipalities, in consultation with the Department of Mental Health and Addiction (DEMHAS) Services, to provide self-care and resiliency training during basic training for various emergency personnel. This is not expected to result in a cost, as DEMHAS has training specialists who can provide such training at no additional cost to state agencies.

^[1] Inmate marginal cost is based on increased consumables (e.g. food, clothing, water, sewage, living supplies, etc.) This does not include a change in staffing costs or utility expenses because these would only be realized if a unit or facility opened.

^[2] Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

Section 11 does not result in a cost to the Workers' Compensation Commission to report on the number of claims filed for post-traumatic stress disorder in accordance with the bill as it is within the agency's expertise.

Section 12 repeals section 2 of sSB 921 of the current session which does not result in a fiscal impact.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.