

FISCAL NOTE
Requested by Legislative Council
01/21/2009

Bill/Resolution No.: HB 1561

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

As we understand the proposed legislation, it will give controlling weight to the injured employee's treating doctor's opinion if certain criteria is met.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

WORKFORCE SAFETY & INSURANCE
2009 LEGISLATION
SUMMARY OF ACTUARIAL INFORMATION

BILL NO: HB 1561

BILL DESCRIPTION: Treating Doctor's Opinion

SUMMARY OF ACTUARIAL INFORMATION: Workforce Safety & Insurance, together with its actuary, Glenn Evans of Pacific Actuarial Consultants, has reviewed the legislation proposed in this bill in conformance with Section 54-03-25 of the North Dakota Century Code.

As we understand the proposed legislation, it will give "controlling weight to the injured employee's treating doctor's opinion if the treating doctor's opinion on the issues of the nature and severity of the injured employee's medical condition is well-supported by medically acceptable clinical and laboratory diagnostic techniques and is not inconsistent with the other substantial evidence in the injured employee's record."

Actuarial Impact:

It would be extremely difficult to determine the rate and reserve level impact of the proposed legislation because Workforce Safety and Insurance does not have an appropriate historical base of experience to make an actuarially based estimate possible.

We note though, that some of WSI's current controls over medical treatment were introduced as part the reforms introduced in the 1990's. While it is not possible to determine how much of the decrease in costs followed in subsequent years can be attributed to medical control, we understand that WSI views the change as one of the more important included in the reform package.

We wish to emphasize that as actuaries, we are not able to comment on the degree to which medical outcomes changed with the introduction or elimination of such control. We simply wish to emphasize that the proposed change is likely to increase costs from current levels.

DATE: January 27, 2009

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

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