

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 450** HLS 13RS 1033

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 30, 2013 7:59 AM	Author: IVEY
Dept./Agy.: Workforce Commission	Analyst: Patrice Thomas
Subject: Use of Alternate Medical Director If Conflict of Interest Exist	

WORKERS COMPENSATION RE +\$210,000 SD EX See Note Page 1 of 1
Provides with respect to the medical treatment schedule

Proposed law defines and provides for the qualification of "associate medical director" and "medical director" in the Office of Workers' Compensation Administration (OWCA) within the Louisiana Workforce Commission (LWC). Proposed law provides that if the medical director or the associate medical director believes that a potential conflict of interest exists in a case, they shall inform the director of OWCA who shall make the determination as to whether a conflict of interest exists and notify, in writing, all parties involved in the case of his decision within 48 hours. Proposed law provides that when treatment is not covered by the medical treatment schedule and the medical director deems treatment is appropriate (demonstrated by a preponderance of scientific evidence), the employer is liable to pay. Proposed law authorizes the director of OWCA to hire an associate medical director.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$210,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,010,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$210,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,010,000

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed legislation is anticipated to increase Office of Workers' Compensation Administration Fund statutory dedication expenditures in the Louisiana Workforce Commission (LWC) by \$210,000 in FY 14 and a total increase of \$1,010,000 over 5 years as result of hiring an associate medical director in the Office of Workers' Compensation Administration (OWCA). The table below reflects statutory dedication expenditures associated with the new position. In addition, the proposed legislation provides for a procedure within the Office of Workers' Compensation Administration (OWCA) when a conflict of interest exists with the medical director or the associate medical director.

Associate Medical Director	FY 14	FY 15
Salary	\$130,000	\$130,000
Related Benefits*	\$70,000	\$70,000
Acquisitions (furniture, equip, etc.)	\$10,000	\$0
Total	\$210,000	\$200,000

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	

Evan Brasseaux
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Staff Director