

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: SB92

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Marsden

3. Committee: Commerce and Labor

4. Title: Workers' compensation; disease presumption for correctional officers.

5. Summary: Provides that correctional officers are entitled to a presumption that hypertension, heart disease, hepatitis, meningococcal meningitis, tuberculosis, MRSA, or HIV causing the correctional officer's death or resulting in his total or partial disability is an occupational disease suffered in the line of duty and is compensable under the Virginia Workers' Compensation Act.

6. Budget Amendment Necessary: Indeterminate – see Item 8.

7. Fiscal Impact Estimates: Preliminary – see Item 8.

8. Fiscal Implications: According to the Department of Human Resource Management's Workers' Compensation Program, the covered conditions included in the proposed legislation are often costly, chronic, and can result in death or long term disability. A review of all heart lung presumption claims filed with Workers' Compensation Program from 2000 to January 2015 showed an average cost of \$74,596 for each hypertension/heart claim. The average cost, excluding denied and record only claims, is \$176,108. Because the Commonwealth's Workers' Compensation Program premiums are experience-based, the Department of Corrections would incur any increased cost for claims covered by the proposed legislation.

According to the Department of Corrections, there were 1,332 new correctional officers hired in fiscal year 2014 and the total new hires for the agency were 1,812. The estimated cost of physicals is \$340 per person. The previous estimated cost for physicals was \$284 per person with almost 1,000 new correctional officers hired. The cost of the physicals would be borne by the agency and not paid by the State Workers' Compensation Program.

9. Specific Agency or Political Subdivisions Affected: Department of Human Resource Management, Workers' Compensation Commission, and Department of Corrections.

10. Technical Amendment Necessary: No.

11. Other Comments: None.