

Workers compensation-limiting state funded appeals.

18LSO-0241, 1.1

**FISCAL NOTE**

	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Expenditure Decrease			
INDUSTRIAL ACCIDENT FUND	(\$244,817)	(\$244,817)	(\$244,817)

Source of Expenditure Decrease:

A decrease in legal fees paid for appeals.

Assumptions:

Average legal fees per year (FY15, FY16, FY17): \$4,952,832

Average number of claims per year (FY15, FY16, FY17): 11,884

Average number of appeals per year (FY15, FY16, FY17): 39

Department of Workforce Services Workers Compensation averages 789 referrals per year so the cost per referral is \$6,277.35. ( $4,952,832/789 = 6,277.35$  per referral)

The expenditure decrease to the Industrial Accident Fund is a result of the cost per referral times the average number of appeals which is around \$244,817 per year. ( $6,277.35 \times 39 = 244,816.65$ )

This assumes the judge denies appeal requests.

The fiscal impact is indeterminable to the judicial system.

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