Doug Nichols February 5, 2015 471-0052

LB 363

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	16-17					
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS							
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS							

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill would provide time limits and penalties for late medical payments under the Nebraska Workers' Compensation Act.

The Workers' Compensation Court estimates no fiscal impact from this bill.

AS Risk Management is unable to determine a fiscal impact.

The city of Omaha states that the costs of this bill could be significant, but they are unable to determine a cost at this time.

The city of Lincoln estimates increased costs of \$58,210 per year.

Please complete \underline{ALL} (5) blanks in the first three lines.

LB ⁽¹⁾	363								FISCAL NOTE	
State Agency OR Political Subdivision Name: ⁽²⁾		2)	Nebraska Workers' Compensation Court							
Prepared by: ⁽³⁾ Glenn Morton			Date Pre	pared: ⁽⁴⁾	01/20/15	Phone: (5)	402-471-3602			
		E	STIMATE PRO	VIDED I	BY STAT	TE AGEN	CY OR POI	LITICAL SUBDIVISI	ON	
			<u>EXPENDITUR</u>	<u>FY 2015</u> <u>ES</u>			EXI	<u>FY 2010</u> PENDITURES	<u>6-17</u> <u>REVENUE</u>	
GENERAI	L FUNE	S								
CASH FUI	NDS									
FEDERAL		S								
OTHER F		~								
TOTAL F										
Explanatio		timato								
Explanatio	on or Es	timate:								
No fiscal	impact									
	mpuot									
Personal S	ervices		<u>BREAKD</u>	<u>OWN BY</u>	<u>Y MAJO</u>	<u>R OBJECT</u>	<u>IS OF EXP</u>	<u>ENDITURE</u>		
						OSITION		2015-16	2016-17	
1	POSITI	ON III		<u>15-1</u>	<u>6</u>	<u>16-17</u>	<u>EA</u>	<u>PENDITURES</u>	EXPENDITURES	
Benefits										
Operating										
Travel										
Capital out	tlay									
-										
ТОТА	L									

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Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾	363					FISCAL NOTE		
State Age	ency OR P	olitical Subdivision Name: ⁽²⁾	Administrative Services – Risk Management					
Prepare	d by: ⁽³⁾	Shannon M. Anderson	Date Prepared: ⁽⁴⁾	January 20, 2015	Phone: (5)	402-471-4436		
		ESTIMATE PROVIDE	D BY STATE AGEN	CY OR POLITICAL	SUBDIVIS	ION		
		FY 201	1 <u>5-16</u>		FY 2016-	-17		
		EXPENDITURES	REVENUE	EXPENDITU	RES	REVENUE		
GENER	AL FUN	DS						
CASH F	UNDS							
FEDER	AL FUNI	DS						
OTHER	FUNDS							
TOTAL	FUNDS	0	0	0		0		

Explanation of Estimate:

LB363 requires that all medical payments under the Nebraska Workers' Compensation Act shall be payable within thirty days after notice has been given or within thirty days after the entry of a final order, award, or judgment of the compensation court. The bill provides further that if a medical payment is delinquent by thirty days or more, fifty percent shall be added to the amount payable and shall be paid to the employee.

The State is not able to predict which bills will be ready for payment within 30 days or would be outside the 30 day limit and thus incur a penalty. Therefore, we are not able to determine a fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE							
Personal Services:							
	NUMBER OF	F POSITIONS	2015-16	2016-17			
POSITION TITLE	<u>15-16</u>	<u>16-17</u>	EXPENDITURES	EXPENDITURES			
Benefits							
Operating							
Travel							
Capital outlay							
Aid							
Capital improvements							
TOTAL							

2015 SCAL Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 363					FISCAL NOTE
State Agency OR Po	litical Subdivision Name: ⁽²⁾	City of Omaha			
Prepared by: ⁽³⁾	Sheri Larsen	Date Prepared: ⁽⁴⁾	01/23/2015	Phone: ⁽⁵⁾	402-444-5477
	ESTIMATE PROVIDE	ED BY STATE AGEN	ICY OR POLITIC	AL SUBDIVIS	ION
	<u>FY 20</u> <u>EXPENDITURES</u>	<u>15-16</u> <u>REVENUE</u>	EXPENDI	<u>FY 2016</u> FURES	<u>-17</u> <u>REVENUE</u>
GENERAL FUND CASH FUNDS FEDERAL FUNDS OTHER FUNDS TOTAL FUNDS					

Explanation of Estimate:

The fiscal impact of LB 363 on the City of Omaha would be significant. At this time it is difficult to assess a dollar amount due to the uncertain number of judgments that may be affected which is an unknown.

BREAKI	DOWN BY MAJ	IOR OBJECTS O	F EXPENDITURE	
Personal Services:				
	NUMBER OF	POSITIONS	2015-16	2016-17
POSITION TITLE	<u>15-16</u>	<u>16-17</u>	EXPENDITURES	EXPENDITURES
				·
Benefits	•			
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 363				FISCAL NOTE
State Agency OR P	olitical Subdivision Name: ⁽²⁾	City of Lincoln		
Prepared by: ⁽³⁾	Steve Hubka/Bill Kostner	Date Prepared: ⁽⁴⁾	1/25/15 Phone: (5) 402 441-7412
	ESTIMATE PROVIDE	<u>D BY STATE AGENO</u>	<u>CY OR POLITICAL SUBDIVIS</u>	SION
	FY 20	15-16	FY 201	16-17
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNI	DS +\$29,105		+\$29,105	
CASH FUNDS	+\$29,105		+\$29,105	
FEDERAL FUNI	DS			
OTHER FUNDS				
TOTAL FUNDS	+\$58,210		+\$58,210	

Explanation of Estimate:

BREAKD	OWN BY MA.	JOR OBJECTS O	F EXPENDITURE	
Personal Services:				
	NUMBER O	F POSITIONS	2015-16	2016-17
POSITION TITLE	<u>15-16</u>	<u>16-17</u>	EXPENDITURES	EXPENDITURES
Benefits			+\$58,210	+\$58,210
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL			+\$58,210	+\$58,210

The City's Risk Management Division anticipates that this bill will increase costs. The above figures are based on an estimated 5% annual increase in costs on \$1,164,212 of claims for 2014. The increase would be due to the fact that bills are not always received in a timely way or cannot be paid within 30 days of final award for reasons beyond the Risk Management Division's control.