

Fiscal Estimate - 2009 Session

Original Updated Corrected Supplemental

LRB Number 09-2607/1		Introduction Number AB-0369	
Description Social and financial impact reports			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input checked="" type="checkbox"/> Indeterminate			
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village <input type="checkbox"/> Cities	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
Agency/Prepared By		Authorized Signature	Date
OCI/ Jim Guidry (608) 264-6239		Sean Dilweg (608) 266-3585	9/9/2009

Fiscal Estimate Narratives
OCI 9/9/2009

LRB Number 09-2607/1	Introduction Number AB-0369	Estimate Type Original
Description Social and financial impact reports		

Assumptions Used in Arriving at Fiscal Estimate

Current law requires OCI to produce a social and financial impact statement for any health insurance mandate that is introduced as a bill in the State Legislature. AB 369 would extend this requirement to any amendments that are added to health insurance mandate bills and would require that the impact report be submitted to the presiding officer prior to a public hearing or committee vote if no hearing is held. AB 369 also requires reports to be prepared for any and all amendments to a bill that arise.

There are numerous scenarios that can affect the time frame for OCI to complete the statement. Social and Financial Impact reports must estimate the impact of any health insurance mandate on health insurance premiums, health care costs, the uninsured, current and expected utilization, current and expected availability, who would benefit under the mandate, and the effect on treatment costs among others. Social and Financial Impact reports are highly researched documents that take a considerable amount of time and resources to complete. OCI researches various peer reviewed literature on the proposed mandate and interviews interested parties to compile a report that is accurate and reliable.

Including amendments to the social and financial impact process would greatly increase the amount of resources necessary to devote to the preparation of such reports and the numerous iterations caused by amendments. Currently OCI does not have the resources available to comply with the requirements of this bill. As an executive branch agency, OCI has no input into the legislative calendar therefore it is problematic for OCI at its current resource level to create these impact reports in time for committee hearings or votes. The inclusion of amendments to the process only serves to multiply the resource issues.

OCI does not have staff devoted exclusively to the preparation of Social and Financial Impact Reports and must currently utilize existing staff. OCI is not able to comply with the provisions of AB 369 nor estimate the fiscal effect of reprioritizing staff functions away from important regulatory duties to comply with short time constraints. OCI estimates that it can comply with the requirements of this bill with the addition of four program and policy analysts positions with the associated supplies and services.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-2607/1		Introduction Number AB-0369	
Description Social and financial impact reports			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$253,500	\$
	(FTE Position Changes)	(4.0 FTE)	
	State Operations - Other Costs	33,200	
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$286,700	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS	286,700	
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$286,700	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By			
OCI/ Jim Guidry (608) 264-6239		Authorized Signature	
		Sean Dilweg (608) 266-3585	
			Date
			9/9/2009