

### Fiscal Estimate - 2017 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> 17-3571/1	<b>Introduction Number</b> AB-0434
<b>Description</b> worker's compensation claims by certain public safety employees for post-traumatic stress disorder	
<b>Fiscal Effect</b>	
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue      5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
<b>Agency/Prepared By</b> UWS/ Adrienne Eccleston (608) 262-5850	<b>Authorized Signature</b> Renee Stephenson (608) 263-4422
<b>Date</b> 7/31/2017	

## Fiscal Estimate Narratives

UWS 7/31/2017

LRB Number	17-3571/1	Introduction Number	AB-0434	Estimate Type	Original
<b>Description</b> worker's compensation claims by certain public safety employees for post-traumatic stress disorder					

### Assumptions Used in Arriving at Fiscal Estimate

This bill makes changes to the liability for worker's compensation benefits for law enforcement officers, fire fighters, or members of emergency services personnel (public safety employees) who are diagnosed with post-traumatic stress disorder (PTSD). 23.33(1)(ig) refers to 165.85(2)(c) which specifically includes sworn university police but not security officers therefore this bill would impact the University of Wisconsin (UW) System. The State agencies also operate a shared loss pool for workers compensation, so if any agency's costs increase the UW System would share in that increase.

Currently, a public safety employee must demonstrate that the mental injury was caused by unusual stress, greater than day to day. This requires that a non-traumatic mental injury must have resulted from a situation of greater dimensions than the day-to-day emotional strain and tension all employees must experience.

In the past five years for state fire fighters and law enforcement occupations there have been seventeen claims using the "mental/mental" claim type. Minimal amounts were paid on these claims as they did not meet the current standard of demonstrating that the mental injury was caused by unusual stress. If the standard changes, as the bill proposes, all seventeen claims could have been compensable. We do not have data to support how much these claims would have cost. In addition, it is likely that more claims would have been filed if current law used the bill's proposed standard of compensability.

Although there is not data to demonstrate how much those seventeen claims may have cost had they been fully paid there are examples of cases where a PTSD claim was awarded. In 2002 a "mental/mental" (PTSD) claim was awarded to a DOC corrections officer. The officer was awarded compensation for life of up to \$1.2 million including ongoing medical expenses and wages. The circumstances in this case, i.e. stress related work event resulting in permanent disability, can help outline potential liability if this bill is passed. It is impossible to calculate an average award amount because an award could vary greatly based on the age, salary, and injury of the individual public safety employee. However, the potential liability for UW System is extensive.

Removing the duty to show that the injury was caused by unusual stress, greater than day to day emotional strain and tension experienced by similarly situated employees does create a potentially broad exposure to state, local and municipal employees under their workers compensation programs.

### Long-Range Fiscal Implications