FISCAL NOTE
Requested by Legislative Council
01/09/2009

Bill/Resolution No.:   HB 1073

1A.   **State fiscal effect:**   *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B.   **County, city, and school district fiscal effect:**   *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	**Cities**	**School Districts**	**Counties**	**Cities**	**School Districts**	**Counties**	**Cities**	**School Districts**

2A.   **Bill and fiscal impact summary:**   *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

New section 37-17.3-11 of Section 2 of the proposed legislation extends workers' compensation coverage to emergency voluntary health practitioners.

   B.   **Fiscal impact sections:**   *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

WORKFORCE SAFETY & INSURANCE
2009 LEGISLATION
SUMMARY OF ACTUARIAL INFORMATION

BILL NO: HB 1073

BILL DESCRIPTION: Coverage for Emergency Volunteer Health Practitioners

SUMMARY OF ACTUARIAL INFORMATION: Workforce Safety & Insurance, together with its actuary, Glenn Evans of Pacific Actuarial Consultants, has reviewed the legislation proposed in this bill in conformance with Section 54-03-25 of the North Dakota Century Code.

New section 37-17.3-11 of Section 2 of the proposed legislation extends workers' compensation coverage to emergency voluntary health practitioners.

Premium Rate Level Impact: As we understand the proposed legislation, it will extend workers' compensation coverage to "voluntary health practitioners" while an "emergency declaration" is in effect. The expansion of coverage would occur only if the injured voluntary health practitioner is not currently eligible for workers' compensation benefits.

It would be extremely difficult to determine the rate level impact of the proposed legislation because Workforce Safety and Insurance does not have an appropriate historical base of experience to make such estimates possible. Exacerbating the pricing difficulty:

•   The exposure group (the type and number of workers that may be eligible for benefits) is not known at this time. The exposure group could easily be extended to out-of-state and possibly international, volunteers.

•   The range of possible costs is extremely large. The potential for a very high cost incident, though unlikely, is very real.

•   The potential for significant additional costs, and associated premium increases, will likely fall to a comparatively small group of classes.

The possibility of significant, but non-quantifiable, costs provides additional support for WSI's practice for maintaining a funding margin on its financial statement in addition to provision for the expected discounted costs of claims.

DATE: January 12, 2009

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

   C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

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