

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. **Bill Number:** HB1226

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** Rasoul

3. **Committee:** Labor and Commerce

4. **Title:** Workers' compensation benefits; post-traumatic stress disorder, anxiety disorder.

5. **Summary:** Removes the provision in the Virginia Workers' Compensation Act that benefits for post-traumatic stress disorder, anxiety disorder, or depressive disorder incurred by law-enforcement officers and firefighters acting in the line of duty shall be provided for a maximum of 52 weeks from the date of diagnosis.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** Indeterminate – see Item 8.

8. **Fiscal Implications:** The proposed legislation will remove the 52-week limit on benefits under the post-traumatic stress disorder (PTSD) provision. According to the Department of Human Resource Management (DHRM), the Virginia Workers' Compensation Commission has held that § 65.2-107, Code of Virginia, "limits the medical and compensation benefits a qualifying claimant may receive for post-traumatic stress disorder in exchange for a relaxed evidentiary burden". In review of DHRM's Office of Workers' Compensation files, the average cost for the accepted claims for PTSD to law-enforcement professionals was \$194,821 with the 52-week cap. If the 52-week cap is removed, the number of workers' compensation claims and claim payments are expected to increase. The increase in claim payments may increase the workers' compensation premium paid by state agencies for coverage through DHRM's workers' compensation program. Those agencies will be impacted as they would need to have the appropriate funding to pay their experience-based premium for workers' compensation coverage; however, the premium increase for the affected agencies cannot be determined.

According to the Virginia Retirement System (VRS), the fiscal impact for the proposed legislation cannot be determined. Removing the 52-week maximum workers' compensation coverage may potentially decrease Virginia Sickness and Disability Program (VSDP) costs; however, any such decrease cannot be estimated at this time. VSDP covers PTSD with no cap on the duration a member may remain on a claim, so currently a workers' compensation claim for PTSD can continue under VSDP after the workers' compensation claim has ended at the 52-week maximum. VRS does not expect the proposed legislation will impact the Line of Duty Act.

According to the Virginia Workers' Compensation Commission, the proposed legislation is expected to have minimal or no fiscal impact on the agency.

9. Specific Agency or Political Subdivisions Affected: Department of Human Resource Management, Virginia Retirement System, Virginia Workers' Compensation Commission, state agencies that employ law-enforcement officers and firefighters, and all state agencies.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is identical to SB 593, as introduced.