



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill information:

SB0345 – Revise workers' compensation laws relating to evidentiary standards

Status: As Introduced

Sen. Hertz

☐ Significant Local Gov Impact

☐ Needs to be included in HB 2

☐ Technical Concerns

☐ Included in the Executive Budget

☐ Significant Long-Term Impacts

☐ Dedicated Revenue Form Attached

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Other - Proprietary	Unable to Determine	Unable to Determine	Unable to Determine	Unable to Determine
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Other - Proprietary	Unable to Determine	Unable to Determine	Unable to Determine	Unable to Determine
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 345 revises workers' compensation laws providing an evidentiary standard for medical providers. This bill will cause the opinions of medical experts on workers' compensation matters to be granted evidentiary weight based on the qualification of the expert and require reimbursement for specified expenses when a claimant attends an independent medical examination (IME) at the request of an insurer. There is predicted to be an increase in claim costs, but the amount is unable to be determined.

FISCAL ANALYSIS

Assumptions:

Montana State Fund

- The establishment of the "evidentiary standard" in Section 1 of the bill is expected to mitigate issues, resolve some claims more quickly, and reduce some disputes.

- 2. The change is expected to enhance efficiency and reduce the cost of dispute resolutions; however, a fiscal impact cannot be established.
- 3. MSF expects the reimbursement of IME expenses to increase access to IMEs and reduce some claim processing times. However, a fiscal impact cannot be determined.
- 4. MSF expects an indeterminable increase in claim costs as a result of the additional expense reimbursements provided in the bill.
- 5. MSF already reimburses travel and lodgings costs for claimants attending independent medical exams.
- 6. MSF cannot determine the number of claimants that would require reimbursement for childcare, pet care, or lost wages as provided for in the bill.

Department of Labor and Industry

- 7. The addition of the evidentiary standard to Section 1 and the potential costs for the Uninsured Employer Fund associated with amendments made in SB 345 can be covered by existing authority within DLI.

NO SPONSOR SIGNATURE

Sponsor's Initials

2/26
Date

Budget Director's Initials

Date