

FISCAL NOTE

October 23, 2019

Bill No:	HB 432	Printer's No:	2568	Sponsor:	Barrar (R)
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COST / (SAVINGS)

Fund (s)	2019-20	2020-21
General Fund	See "FISCAL IMPACT"	"See "FISCAL IMPACT"
SWIF	See "FISCAL IMPACT"	\$6 million -\$20 million

SUMMARY: HB 432 amends the Worker's Compensation Act to lower the burden of proof for claimants seeking compensation for Post-Traumatic Stress Disorder (PTSD).

ANALYSIS: HB 432 amends the Worker's Compensation Act to lower the burden of proof for claimants seeking compensation for Post-Traumatic Stress Disorder (PTSD). Currently, a claimant must prove that PTSD was caused by "preponderance of the substantial competent evidence of an objective reaction to an abnormal working experience." HB 432 reduces this burden to "substantial competent evidence" that the injury was caused by "a direct exposure to a normal or abnormal working condition."

HB 432 covers volunteer and paid first responders, telecommunicators, Pennsylvania State Police officers, certified police officers, and Department of Corrections officers.

This bill takes effect immediately.

FISCAL IMPACT: HB 432 lowers the burden of proof a claimant must meet to receive worker's compensation benefits. Therefore, it will significantly increase the State Workers Insurance Fund (SWIF)'s annual payout for PTSD claims. The Department of Labor and Industry estimates this payout will cost SWIF between \$6 million and \$20 million each year.

Additionally, this bill carries catastrophic costs to the Department of Corrections and the Pennsylvania State Police. One worker's compensation claim of PTSD can cost upwards of \$400,000 over five years based on a claim that is currently being paid out. The table below demonstrates the cost to the commonwealth if just one employee at each of the state's 24 prison and in each state police's 16 troop claim's worker's compensation benefits due to PTSD.

Number of employees claiming worker's compensation for PTSD	Cost per claim	Total Cost
40	\$400,000	\$16 million