BILL # HB 2399 **TITLE:** workers' compensation; infectious exposures

SPONSOR: Wagner **STATUS:** House Engrossed

REQUESTED BY: Senate **PREPARED BY:** Steve Grunig

FISCAL ANALYSIS

Description

This bill provides that a significant exposure to HIV, AIDS, or Hepatitis C constitutes an "injury by accident" and enables a workers' compensation claim to be filed by employees who may be exposed to blood or bodily fluid during work. Currently, workers' compensation claims can only be filed once it has been established that an individual has actually contracted HIV, AIDS, or Hepatitis C viruses. The bill enables public and private employers who currently pay for testing and treatment related to potential exposure incidents, to have these procedures paid through workers' compensation.

Estimated Impact

The bill would potentially increase the state's worker compensation costs by an undetermined amount. The bill may result in two potential cost increases. Under current law, testing and treatment are paid for by state agencies from their operating budgets. The bill would shift these costs to the state's workers' compensation program. This shift may increase worker compensation charges but the bill does not reduce agency budgets by a corresponding amount. Second, current law does not cover an exposed worker's cost for personal injury or lost income related to testing and treatment for potential exposure incidents. The bill would shift these costs from the employee to the state's workers' compensation program.

Due to data limitations, the Department of Administration Risk Management Division is not able to quantify the cost for this bill.

Analysis

State Occupational Safety & Health Administration (OSHA) standards require every employer to provide prompt evaluation and treatment to workers who have a needle stick or other exposure to blood or infectious material. OSHA requires employers to follow the Centers for Disease Control and Prevention (CDC) guidelines with regard to acceptable post-exposure testing, treatment, and follow-up.

Under this bill, state agencies would still be subject to OSHA requirements. The costs of testing and treatment would continue to be borne by each agency in its role of employer, but each agency would be able to have these costs paid through state workers' compensation instead of using their operating budgets. The state provides workers' compensation to state employees through a self-insurance program that charges each agency a rate based on its number of FTE Positions and the risk associated with the jobs performed by various agency employees.

Although the costs of testing and treatment would remain the same, employee medical bills and income lost as a result of undergoing these procedures is currently uncompensated, but would be covered under the bill. Employees would be able to be compensated for lost wages or medical problems related to adverse reactions to post-exposure prophylaxis (treatment designed to prevent full development of the disease) or testing procedures. There would be an unknown potential cost increase resulting from these changes.

Agencies employing health care professionals which could be affected by this bill include the State Department of Corrections, Department of Economic Security, Department of Juvenile Corrections, Department of Health Services, Arizona Pioneers' Home, and Department of Veterans' Services. The number of potential increased employee claims is unknown.

Local Government Impact

Cannot be determined from available information. There is a potential for increased cost from higher workers' compensation premiums that could result from the addition of previously uncovered claims for personal injury and lost income from testing and treatment issues.

4/5/04