



OHIO LEGISLATIVE SERVICE COMMISSION

Terry Steele

Fiscal Note & Local Impact Statement

Bill: S.B. 118 of the 132nd G.A.

Status: As Introduced

Sponsor: Sens. LaRose and Brown

Local Impact Statement Procedure Required: Yes

Subject: Requires workers' compensation coverage of PTSD without an accompanying injury

State & Local Fiscal Highlights

- Allowing peace officers, firefighters, and emergency medical workers diagnosed with post-traumatic stress disorders (PTSDs) caused by their jobs to receive wage-loss and medical benefits for up to one year will increase the number of claims filed and benefits paid by the Bureau of Workers' Compensation (BWC). The costs would be borne by the State Insurance Fund or be paid directly by the employer if self-insured.
- As of 2016, there were approximately 34,000 peace officers, 42,000 firefighters, and approximately 42,000 emergency medical workers employed by public entities statewide.
- Treatment for the spectrum of conditions under PTSD can involve mental health counseling that could result in possible time off from work (wage-loss benefits) and ongoing, long-term prescription medication (medical claims).
- The bill could ultimately result in increased premium costs for public employers that pay into the State Insurance Fund, as well as self-insured public employers. The total impact of such a rate increase on State Fund public employers will depend on the volume of allowed PTSD claims and their severity.

Detailed Fiscal Analysis

Overview

The bill allows a peace officer, firefighter, or emergency medical worker who is diagnosed with post-traumatic stress disorder (PTSD) resulting from his or her employment to be eligible to receive up to one year of medical and lost-time benefits under Ohio's Workers' Compensation Law. This benefit would apply regardless of whether the PTSD is connected to a compensable physical injury. Offering these benefits will likely increase both the number of claims filed and amount of medical benefits and lost time paid by the Bureau of Workers' Compensation (BWC) from the State Insurance Fund. There will be similar impacts on self-insured public employers. Ohio Peace Officer Training Academy (OPOTA) statistics show that there were 33,678

peace officers in Ohio during FY 2016. The Ohio Department of Public Safety's 2016 Annual Report shows that there were 41,424 emergency medical technicians statewide. Finally, the National Fire Department Census Database shows that there were approximately 42,000 firefighters in Ohio in 2016.

Lost-time claims

Depending on the severity of the PTSD diagnosis, treatment may require time off from work. Consequently, a major factor in determining the fiscal impact of the bill on state and local public employers of peace officers and firefighters is the amount of additional lost-time claims that would be paid by BWC or would be self-insured. Lost-time benefits are based on an eligible claimant's wages. The National Bureau of Labor Statistics (BLS) data for 2016 indicate that the median peace officer salary in Ohio was \$57,850¹ and the median firefighter salary in Ohio was \$44,670.² BLS data for 2016 indicate that the median emergency medical technician salary in Ohio was \$31,070.³ Ultimately, the amount of compensation paid for lost wages related to PTSD claims allowed under the bill is related to a claimant's wages and depends on how long the claimant would be unable to work as a result of a PTSD diagnosis.

Medical costs

Because of the wide spectrum of conditions suffered by individuals with PTSD, quantifying the additional cost of medical benefits that the State Insurance Fund or a self-insured public employer would incur under the bill is difficult. A February 2012 Congressional Budget Office (CBO) study of PTSD and traumatic brain injury cases examined costs among combat veterans treated by the Veterans Health Administration (VHA) from 2004 through 2009.⁴ Specifically, the CBO study found that the first year of treatment for a combat veteran with PTSD cost approximately \$8,300. These costs escalate to \$13,800 in the first year for individuals that are diagnosed with PTSD and a traumatic brain injury (TBI). However, caution should be used in applying these figures to the potential costs of treatment for peace officers, firefighters, and emergency medical workers, since PTSD injuries suffered by public safety personnel may differ in severity and scope of treatment from such injuries suffered by combat veterans.

Typically, the VHA provides PTSD treatment that includes a combination of psychotherapy and pharmacology. The CBO study mentioned above indicated that PTSD patients who undergo some form of psychotherapy generally require at least nine

¹ https://www.bls.gov/oes/2016/may/oes_oh.htm#33-0000 (accessed April 13, 2018).

² https://www.bls.gov/oes/2016/may/oes_oh.htm#33-0000 (accessed April 13, 2018).

³ https://www.bls.gov/oes/2016/may/oes_oh.htm#00-0000 (accessed April 13, 2018).

⁴ *The Veterans Health Administration's Treatment of PTSD and Traumatic Brain Injury Among Recent Combat Veterans*. Congressional Budget Office, February 2012.

such treatment sessions,⁵ with the average case including 11 sessions. The report also indicated that approximately 5% of all PTSD diagnoses involved psychiatric hospitalization. Overall, the U.S. Department of Veterans Affairs indicates that approximately 7% to 8% of the total population will have PTSD at some point in their lives.⁶

For purposes of this bill, it can reasonably be assumed that police and firefighters would likely have a PTSD occurrence rate higher than that of the general population, but possibly lower than that of combat veterans. Recent data in fact suggests that the PTSD rate for peace officers can range from 4% to 14%.⁷ If eligible police, fire, and emergency medical employees were diagnosed with PTSD at a rate of 10%, given the approximate 117,100 total peace officers, firefighters, and emergency medical workers statewide in 2016, then there could be as many as 11,710 PTSD diagnoses in a given year. If the rate of diagnosis was 15% for these individuals, there could be as many as approximately 17,565 such diagnoses in a given year. It should be noted however, that not every PTSD claim that arises in a given year would result in a new claim to BWC. In many cases, PTSD is accompanied by a compensable injury, in which case the claim would be covered under current law.

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⁵ *Journal of Traumatic Stress*, vol. 23, no. 1 (February 2010), pp. 5-16.

⁶ <https://www.ptsd.va.gov/public/ptsd-overview/basics/how-common-is-ptsd.asp>.

⁷ <https://www.officer.com/training-careers/article/12156622/2015-police-suicide-statistics>.