

The provisions of this bill require an ongoing General Fund appropriation of \$39,300 to the Insurance Department for additional staff in consumer service operations. One-time funds of \$5,000 would not be needed in FY 2002. The Public Employees Health Program expects no cost increase to implement the provisions of this bill.

|              | <u>FY 01 Approp.</u>   | <u>FY 02 Approp.</u>   | <u>FY 01 Revenue</u> | <u>FY 02 Revenue</u> |
|--------------|------------------------|------------------------|----------------------|----------------------|
| General Fund | \$39,300               | \$34,300               | \$0                  | \$0                  |
| <b>TOTAL</b> | <u><u>\$39,300</u></u> | <u><u>\$34,300</u></u> | <u><u>\$0</u></u>    | <u><u>\$0</u></u>    |

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**Individual and Business Impact**

This legislation will have a small impact on most insurance carriers, less than 0.2 percent. The impact to the insured individual is expected to be minimal. Some providers may have their payments expedited increasing their positive cash flow. The amount cannot be determined.

Any additional insurance benefits or policy change could result in added costs for the changes. The costs may be recovered by: 1) reducing other benefits; 2) increasing premiums; 3) reducing insurance company profits; or 4) increasing insurance company losses.

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