

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: March 25, 2010
POSITION: Oppose
SPONSOR: Hanna Brophy Law Firm

BILL NUMBER: SB 1213
AUTHOR: G. Cedillo

BILL SUMMARY: Electronic Access to Claims Information

This bill would require the Division of Workers' Compensation (DWC) within the Department of Industrial Relations (DIR) to provide a party to a claim with single sign-on portal real-time electronic programmatic access, at no charge, to the party's data contained within the Electronic Adjudication Management System (EAMS).

FISCAL SUMMARY

This bill would result in unknown, but potentially significant costs to make the EAMS available for external access. The EAMS is designed for internal use only. However, in response to requests to make the information on EAMS externally available, the department is conducting a stress test to ascertain whether the current EAMS could withstand the additional demands placed on the system by making it accessible to external users. Until the stress test is completed, the data necessary to estimate the cost of this system change is not available; thus, the costs are currently unknown. However, cost components would include additional software licenses, enhanced security, and possibly additional hardware and software for EAMS. The licensing costs, while unknown at this time, may make providing this service at no cost to external users cost prohibitive.

The stress test currently in progress was approved as a part of the 2009 Budget Act. Expansion of this system could be achieved through the regular budget development process and through required information technology (IT) review processes.

COMMENTS

The Department of Finance is opposed to this bill due to the potential, but undetermined costs. The DIR is currently stress testing EAMS in order to estimate the costs of such an expansion. The provisions in this bill would require EAMS services to be provided externally at no cost to the user. Similar to nearly every IT system in use by the state, licenses are required for use of the system. The licensing costs may be prohibitive if the state is not permitted to charge a fee for system use.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)								Fund Code			
	(Dollars in Thousands)											
	SO	LA	CO	PROP	FC	2009-2010	FC	2010-2011		FC	2011-2012	
7350/DIR	SO	No								See Fiscal Summary		0001

Analyst/Principal (0250) _____ Date _____ Assistant Program Budget Manager _____ Date _____

Department Deputy Director _____ Date _____

Governor's Office: _____ By: _____ Date: _____ Position Approved _____
 Position Disapproved _____

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)