

Department of Legislative Services  
Maryland General Assembly  
2004 Session

FISCAL AND POLICY NOTE  
Revised

Senate Bill 401

(Senator Exum, *et al.*)

Finance

Economic Matters

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**Workers' Compensation – Evaluation of Permanent Impairments**

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This bill specifies that if permanent impairment for a workers' compensation claim involves only a behavioral or mental disorder, either a licensed psychologist or qualified physician must: (1) perform an evaluation of the permanent impairment; and (2) report the evaluation to the Workers' Compensation Commission (WCC) in accordance with commission regulations.

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**Fiscal Summary**

**State Effect:** None. The bill would not materially affect State government operations.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Current law provides that a physician must evaluate a permanent impairment and report the evaluation to the commission. The evaluation is required to include information about atrophy, pain, weakness, and loss of endurance, function, and range of motion. There are no specific provisions in current law related to behavioral or mental disorders. Psychologists are not specifically permitted to perform evaluations.

**Background:** The Workers' Compensation Oversight Committee reviewed this issue in 2000. Representatives of the Maryland Psychological Association and the Maryland Psychiatric Society addressed the committee concerning current law which requires that a

physician perform an evaluation of permanent impairment. Psychological Association representatives explained that psychologists are qualified to perform these evaluations. Psychologists have been able to provide testimony at WCC hearings; however, WCC evaluates the testimony's merit on a case-by-case basis. When psychologists do an evaluation, they follow the American Medical Association guidelines for testing and standards.

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### **Additional Information**

**Prior Introductions:** HB 298 of 2001, a similar bill, received an unfavorable report from the House Economic Matters Committee.

**Cross File:** HB 760 (Delegate Wood) – Economic Matters.

**Information Source(s):** Uninsured Employers' Fund, Workers' Compensation Commission, Injured Workers' Insurance Fund, Subsequent Injury Fund, Department of Legislative Services

**Fiscal Note History:** First Reader - February 26, 2004  
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