

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 717
Judiciary

(Delegate Cardin)

**Health Care Alternative Dispute Resolution Office - Authority of Director -
Dispositive Issues of Law**

This bill repeals an existing statutory provision prohibiting the Director of the Health Care Alternative Dispute Resolution Office (HCADRO) from ruling on dispositive issues of law under specified circumstances. Thus, the bill authorizes the Director of HCADRO to rule on all issues of law arising prior to hearing, including the assessment of costs, if a panel chairman has not been appointed or is temporarily unable to serve and the Director is admitted to the Maryland Bar.

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State finances or operations, as discussed below.

Local Effect: The bill is not anticipated to materially affect local finances or operations.

Small Business Effect: None.

Analysis

Current Law: Except for a claim seeking damages within the limit of the District Court's concurrent civil jurisdiction (\$30,000 or less), a claim for medical injury against a health care provider is required to be filed with the Director of HCADRO (although the parties may elect mutually or unilaterally to waive arbitration of the claim).

For claims that proceed through the arbitration process, a panel of three arbitrators (including one attorney, one health care provider, and one person from the general public),

are selected from a list prepared by the Director and mutually agreed upon by both parties, unless both parties agree to have only one arbitrator. The attorney member of the panel serves as the chairman. The director must refer all issues of law to the chairman and refer all issues of fact to the panel. Where a panel chairman has not been appointed or is temporarily unable to serve, and the Director is admitted to the Maryland Bar, the Director may rule on all issues of law arising prior to hearing that are not dispositive of the case and must include the assessment of costs.

The arbitration panel first determines the issue of liability, and if the health care provider is liable, the panel determines the issue of damages and costs. Either party may reject an award of damages or the assessment of costs and appeal to the circuit court to nullify the award or assessment.

State Fiscal Effect: While the bill is not expected to materially affect State finances, it may allow for more efficient operations in HCADRO by updating the statute to allow the Director to make certain decisions without appointing a panel chairman. HCADRO advises that the bill applies to approximately 10 to 15 cases per year.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts); Office of Administrative Hearings; Maryland Health Care Alternative Dispute Resolution Office; Department of Legislative Services

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