

---

**By: Delegate Workman**

Introduced and read first time: January 31, 1996

Assigned to: Economic Matters

---

A BILL ENTITLED

1 AN ACT concerning

**2 Workers' Compensation - Timely Payment for Treatment and Services - Penalty**

3 FOR the purpose of altering the circumstances under which an employer or its insurer  
4 shall pay for certain treatment or services rendered to certain employees under the  
5 workers' compensation law; providing that an employer or its insurers shall pay a  
6 provider for treatment or services rendered to certain employees within a certain  
7 time period after the receipt of an itemized statement under certain circumstances;  
8 providing for an exception; and generally relating to the timely payment by an  
9 employer or its insurer of the costs of certain treatment or services rendered to  
10 certain employees under certain circumstances and the penalties relating thereto  
11 for the failure so to do.

12 BY repealing and reenacting, with amendments,

13 Article - Labor and Employment  
14 Section 9-664  
15 Annotated Code of Maryland  
16 (1991 Volume and 1995 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Labor and Employment**

20 9-664.

21 (a) (1) [If] UNLESS THE EMPLOYER OR ITS INSURER FILES ISSUES WITH  
22 THE COMMISSION STATING THE REASON FOR THE DENIAL OF PAYMENT, IF the  
23 Commission finds that the employer or [its] insurer has failed, without good cause, to  
24 pay for treatment or services required by § 9-660 of this Part IX of this subtitle within 45  
25 days after the [Commission, by order, finally approves] RECEIPT OF AN ITEMIZED  
26 STATEMENT FROM THE PROVIDER REQUESTING PAYMENT OF the fee or charge for  
27 the treatment or services RENDERED, the Commission may impose a fine on the  
28 employer or insurer, not exceeding 20% of the amount of the approved fee or charge.

29 (2) The employer or insurer shall pay the fine to the Commission to be  
30 deposited in the General Fund of the State.

2

1 (b) (1) Interest, payable to the provider of the treatment or services, shall  
2 accrue at the rate specified in § 11-107(a) of the Courts Article on any amount owed to  
3 the provider that:

4 (i) is due and payable; and

5 (ii) remains unpaid more than 45 days after notice of the payment due  
6 has been mailed.

7 (2) Interest shall accrue beginning on the 46th day after the later of:

8 (i) the day the payment becomes due; or

9 (ii) the day the notice of the payment due is mailed.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
11 October 1, 1996.