
By: Delegates Workman and Frank

Requested: November 4, 1996

Introduced and read first time: January 8, 1997

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

11 BY repealing and reenacting, with amendments,
12 Article - Labor and Employment
13 Section 9-664
14 Annotated Code of Maryland
15 (1991 Volume and 1996 Supplement)

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

18 **Article - Labor and Employment**

19 9-664.

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

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

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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, 1997.