

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 182 (Delegates Mitchell and Fulton)

Economic Matters

**Workers' Compensation - Benefits for Permanent Partial Disability -
Repeal of Sunset Provision for Benefit Payments for Certain Scheduled Members**

This bill repeals the January 1, 2001, termination date for the benefit structure for permanent partial disability that exempts from the lower tier of benefits and requires the payment of benefits at the middle tier of benefits for the loss of thumbs, fingers, or great toes.

Fiscal Summary

State Effect: None. State workers' compensation payments for the loss of thumbs, fingers, and great toes would continue at the current rate. The number of claims is not expected to be affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Permanent partial disability benefits for loss of thumbs, fingers, and great toes are paid at the rate for the middle tier. The provisions terminate at the end of January 1, 2001, when benefits for these injuries will be at the lower tier level.

Background: The Injured Workers' Insurance Fund (IWIF), which administers the State's workers' compensation program, advises that the maximum lower tier benefit for calendar 1996 through 1998 was \$94.20. The maximum middle tier benefit was \$180.00 in 1996, \$185.00 in 1997, and \$191.00 in 1998. IWIF paid \$164,700 in 1996, \$83,100 in 1997, and \$95,600 in 1998 for permanent partial disability benefits at the middle tier level due to the

loss of thumbs, fingers, and great toes. Costs for 1999 are not yet available. Although not all cases were paid at the maximum rate for the middle tier, it is estimated that the cost of paying at the middle tier level is approximately 40% higher than paying at the lower tier level.

Additional Information

Prior Introductions: None.

Cross File: SB 117 (Senators Dorman and Roesser) - Finance.

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

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jir/jr

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