

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 1042 (Delegate Sophocleus. *et al.*)
Economic Matters

**Workers' Compensation - Presumption of Occupational Disease -
Hepatitis C and Liver Cancer**

This bill provides that a paid or volunteer firefighter, sworn fire marshal, or paid police officer is presumed to have an occupational disease that was suffered in the line of duty and is compensable under workers' compensation law if the employee develops liver cancer or hepatitis C resulting in the individual's partial or total disability or death as a result of regular exposure, in incidents arising out of and in the course of employment, to: (1) the bodily fluids of other individuals; (2) inadvertent needle punctures; or (3) biotoxins or other hazardous biological materials. Any workers' compensation benefits paid under this proposal would be in addition to any disability retirement benefit, although the combined weekly benefit cannot exceed the employee's weekly wage.

Fiscal Summary

State Effect: Minimal. State police and fire personnel are currently covered by workers' compensation for occupational diseases. Most hepatitis C or liver cancer cases of these employees would already be covered by workers' compensation.

Local Effect: Minimal. Local police and fire personnel are currently covered by workers' compensation for occupational diseases. Most hepatitis C or liver cancer cases of these employees would already be covered by workers' compensation. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law: A firefighter or police officer is presumed to have a compensable occupational disease if the individual has heart disease or hypertension. A firefighter is presumed to have a compensable occupational disease if the individual has lung disease; leukemia; or pancreatic, prostate, rectal, or throat cancer caused by contact with a toxic substance that the individual has contacted in the line of duty.

An individual has a compensable occupational disease if: (1) the disease is due to the hazardous nature of the employment or if the disease has manifestations that are consistent with those known to result from exposure to a biological, chemical, or physical agent that is attributable to the type of employment; and (2) on the weight of the evidence, it may be reasonably concluded that the occupational disease was incurred as a result of the employment.

Background: Approximately four million people in the United States have some form of hepatitis. If left untreated, hepatitis C can cause cirrhosis, cancer, or other forms of liver failure. Because hepatitis C is blood borne, firefighters, police officers, and emergency medical personnel can become exposed through pricks from infected needles and other instruments, and bites by infected individuals.

State Expenditures: Currently, there are approximately 2,500 police officers, firefighters, and fire marshals employed by the State. All are currently covered employees for workers' compensation purposes. Many claims under this bill would also be compensable under current law. The bill creates a presumption that liver cancer or hepatitis C was the result of job-related activities, increasing the likelihood of the success of the claim.

For illustrative purposes, if there were two such claims per year that were not currently compensable but compensable under this bill, the potential cost to the State could be \$38,000 annually based on an average annual cost per claim of \$19,000. (Claims involving liver cancer or hepatitis C are potentially more costly than the \$12,500 average if the disease goes undiagnosed for a period of time.) If total disability or death would occur, the individual claim cost is likely to exceed \$180,000. These costs would be reflected in higher State workers' compensation expenditures.

Local Expenditures: There are approximately 31,100 local paid and volunteer firefighters and police officers in the State. Most volunteer and all paid employees are covered employees for workers' compensation purposes. Many claims under this provision would also be compensable under current law. An increase in the number of cases would cause an

increase in workers' compensation costs to local governments.

Additional Information

Prior Introductions: None.

Cross File: SB 22 (Senators DeGrange and Teitelbaum) - Finance.

Information Source(s): Department of State Police; Department of Transportation; Injured Workers' Insurance Fund; Subsequent Injury Fund; Uninsured Employers' Fund; Baltimore City; Allegany, Montgomery, and Prince George's counties; Department of Legislative Services

Fiscal Note History: First Reader - February 29, 2000

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