

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE
Revised

Senate Bill 592
Finance

(Senator Della)

Economic Matters

Workers' Compensation Insurers and Self-Insurers - Office and Personnel Requirements

This bill requires a workers' compensation insurer, self-insurer, or governmental self-insurance group to have in the State competent individuals who: (1) handle and adjust each contested workers' compensation claim in the State; and (2) have the knowledge and experience to handle and adjust each disputed claim.

The bill requires the Workers' Compensation Commission to report to the Senate Finance Committee and the House Economic Matters Committee by November 30, 2002 on: (1) the number and types of complaints regarding the bill that the commission receives from October 1, 2001 through November 1, 2002; (2) the number and types of violations of the bill identified by the commission from October 1, 2001 through November 1, 2002; and (3) any recommendations for changes to the law.

Fiscal Summary

State Effect: Enforcement could be handled with the existing budgeted resources of the Workers' Compensation Commission. Any decrease in fine revenue is assumed to be minimal.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: An insurer that provides worker's compensation insurance must: (1) have an office in the State run by a competent individual who handles all the workers' compensation work in the State for the insurer; and (2) establish a toll-free telephone number through which an insured or claimant may make direct telephone inquiries during regular business hours. Violators are subject to a \$1,000 fine.

Additional Comments: The Workers' Compensation Commission advises that if the bill does not pass, the commission would require four additional employees at a cost of \$149,000 to fulfill the regulatory requirements of Chapter 468 of 2000.

Additional Information

Prior Introductions: A substantially similar bill, HB 1257, was introduced in the 2000 session. As amended, HB 1257 became Chapter 468 of 2000.

Cross File: HB 1223 (Delegate McClenahan) – Economic Matters.

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

Fiscal Note History: First Reader – March 6, 2001
ncs/jr Revised – Clarification – March 12, 2001
Revised – Senate Third Reader – March 30, 2001
Revised – Enrolled Bill – April 26, 2001

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