

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 1006 (Delegate McHale, *et al.*)
Economic Matters

Workers' Compensation - Occupational Diseases - Compensation for Certain Contagious Diseases

This bill provides that a paid or volunteer firefighter, paid fire fighting instructor, or sworn fire marshal is presumed to have the potential of developing an occupational disease that is compensable under workers' compensation law if the employee has been exposed to any of the following diseases: human immunodeficiency virus (HIV), meningococcal meningitis, tuberculosis, mononucleosis, liver cancer, any form of viral hepatitis, diphtheria, hemorrhagic fevers, and hydrophobia (rabies). An individual filing a claim for compensation under the bill has the burden of demonstrating occupational exposure to the disease incurred.

Fiscal Summary

State Effect: Minimal. State fire personnel are currently covered by workers' compensation for occupational diseases. Most diseases due to occupational exposure of these employees would already be covered by workers' compensation.

Local Effect: Minimal. Most volunteer and all paid fire personnel are currently covered by workers' compensation for occupational diseases. Most diseases due to occupational exposure of these employees would already be covered by workers' compensation.

Small Business Effect: None.

Analysis

Current Law: A firefighter is presumed to have a compensable occupational disease if the individual has heart disease or hypertension; or 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: Firefighters may become exposed to various blood borne and airborne diseases while treating injured persons. Blood borne diseases, like HIV or hepatitis, can be contracted through pricks from infected needles and other instruments, and bites by infected individuals. Airborne diseases, like tuberculosis, can be contracted through exposure.

State Expenditures: Currently, there are approximately 120 firefighters and fire marshals employed by the State. All are currently covered employees for workers' compensation purposes. The Injured Workers' Insurance Fund (IWIF), which administers the State's workers' compensation coverage, advises that many claims under this provision would also be compensable under current law. The bill creates a presumption that the potential of developing a compensable disease exists. State workers' compensation costs would increase only to the extent that claims for these diseases would not be currently covered.

For illustrative purposes, if there were two such claims per year that were not currently compensable but compensable under the 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, hepatitis, HIV, meningitis, or tuberculosis are potentially more costly than the \$7,000 average cost for all claims including those not filed with the Workers' Compensation Commission.) 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 23,100 local paid and volunteer firefighters 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: An identical bill, SB 419, was introduced in the 2000 session. It was amended and passed in the Senate but was not reported from the House Economic Matters Committee.

Cross File: SB 677 (Senator DeGrange, *et al.*) – Finance.

Information Source(s): Department of Legislative Services

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