

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

House Bill 384
Economic Matters

(Delegate Krysiak, *et al.*)

Finance

Workers' Compensation - Evaluation of Permanent Impairments

This bill specifies that if a permanent impairment for a workers' compensation claim involves a behavioral or mental disorder, either a licensed psychologist or qualified physician must: (1) perform an evaluation of only the mental or behavioral portion of the permanent impairment; and (2) report the evaluation to the Workers' Compensation Commission (WCC) in accordance with commission regulations.

Fiscal Summary

State Effect: None. The bill would not materially affect State government operations.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Current law provides that a physician must evaluate a permanent impairment and report the evaluation to the commission. The evaluation is required to include information about atrophy, pain, weakness, and loss of endurance, function, and range of motion. There are no specific provisions in current law related to behavioral or mental disorders. Psychologists are not specifically permitted to perform evaluations.

Background: The Injured Workers' Insurance Fund and other carriers use licensed psychiatrists to evaluate mental disorders, comporting with the general rule that a

physician must evaluate impairments. This bill extends this authority to licensed psychologists.

The Workers' Compensation Oversight Committee reviewed this issue in 2000. Representatives of the Maryland Psychological Association and the Maryland Psychiatric Society addressed the committee concerning current law which requires that a physician perform an evaluation of permanent impairment. Psychological Association representatives explained that psychologists are qualified to perform these evaluations. Psychologists have been able to provide testimony at WCC hearings; however, WCC evaluates the testimony's merit on a case-by-case basis. When psychologists do an evaluation, they follow the American Medical Association guidelines for testing and standards.

Additional Information

Prior Introductions: HB 760 of 2004, a similar bill, was heard in the Economic Matters Committee but no further action occurred. SB 401 of 2004, a similar bill, was passed by the Senate, heard in the Economic Matters Committee, and no further action was taken. HB 298 of 2001, a similar bill, received an unfavorable report from the Economic Matters Committee.

Cross File: SB 264 (Senator Exum, *et al.*) – Finance.

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

Fiscal Note History: First Reader - February 14, 2005
n/jr Revised - Clarification - March 7, 2005

Analysis by: Karen S. Benton

Direct Inquiries to:
(410) 946-5510
(301) 970-5510