

Department of Legislative Services  
Maryland General Assembly  
2005 Session

FISCAL AND POLICY NOTE

House Bill 668  
Economic Matters

(Delegate Moe)

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Workers' Compensation - Jurisdiction of Commission Pending Appeal -  
Temporary Total Disability

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This bill expands the circumstances under which the Workers' Compensation Commission (WCC) retains jurisdiction pending an appeal to the circuit court of its decision. Specifically, WCC will retain jurisdiction to consider a request for temporary total disability benefits if the covered employee's claim has been found as compensable by the commission.

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Fiscal Summary

**State Effect:** Potential significant increase in special fund expenditures, with a corresponding increase in special fund revenues.

**Local Effect:** None.

**Small Business Effect:** Potential minimal.

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Analysis

**Current Law:** An employer, covered employee, dependent of covered employee, or any other interested person aggrieved by a decision of WCC may file an appeal with the circuit court provided the appeal is filed within 30 days of WCC's order.

WCC retains jurisdiction pending an appeal to consider either a request for additional medical treatment and attention or a request for temporary total disability benefits. The request for temporary total disability must have been granted in WCC's order and

terminated by the insurer pending the appeal. If WCC's decision to award a claim is overturned, the insurer is entitled to an offset or credit for overpayment.

**State Fiscal Effect:** The number of requests for temporary total disability benefits could increase resulting in additional administrative expenses for processing requests and scheduling hearings. WCC's expenditures are recovered through an annual maintenance assessment on insurance companies that issue workers' compensation insurance policies, the Injured Workers' Insurance Fund, and self-insured employers.

During fiscal 2004, about 2,500 WCC decisions were appealed to the circuit courts. Under current law, only a very small number of those appeals requested WCC to consider issues that remained under its jurisdiction during the appeal process. This bill could significantly increase the number of appeals that request consideration under WCC's jurisdiction. The actual increase in expenditures cannot be reliably estimated at this time but could be significant.

The fiscal 2006 Governor's budget allowance for WCC is approximately \$12 million with 44,000 hearings anticipated.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**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  
ncs/jr

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Analysis by: Karen S. Benton

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