

Department of Legislative Services  
Maryland General Assembly  
2006 Session

**FISCAL AND POLICY NOTE**

Senate Bill 494  
Finance

(Senator Kelley, *et al.*)

Economic Matters

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**Workers' Compensation - Evaluation of Permanent Impairments - Social  
Workers**

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This bill specifies that if a permanent impairment for a workers' compensation claim involves a mental, emotional, or behavioral disorder, a licensed certified social worker-clinical may evaluate only the mental or behavioral portion of the impairment and report the evaluation to the Workers' Compensation Commission (WCC) in accordance with commission regulations.

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**Fiscal Summary**

**State Effect:** The bill is not expected to materially affect State government operations.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** A qualified physician must evaluate a permanent impairment and report the evaluation to the commission. A physician must perform a medical evaluation, which is required to include information about atrophy, pain, weakness, and loss of endurance, function, and range of motion. A licensed psychologist may evaluate the mental or behavioral portion of a permanent impairment. Under WCC regulations, a physician must use the format and numerical ratings used in the fourth edition of the *AMA Guidelines to the Evaluation of Permanent Impairment*.

In order to determine the extent of an injured worker's permanent injury, an impairment rating assigned by a physician based on a percentage of the loss of the use of a particular body area or part is converted into a benefit amount based on the pre-injury wage. Methods for determining the degree of a disability and the amount of benefit to be paid to a worker who is entitled to a permanent partial benefit are complex and differ among states.

**Additional Comments:** The National Council on Compensation Insurance, Inc. (NCCI) advises that, overall, the bill's impact is uncertain and could vary widely depending on the case. NCCI cautions that it is particularly difficult to predict if evaluations by licensed certified social workers-clinical would differ in their conclusions from evaluations performed by qualified physicians or licensed psychologists and how that would affect the final impairment ratings decided by WCC.

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### **Additional Information**

**Prior Introductions:** SB 856 of 2005, a similar bill, received an unfavorable report from the Finance Committee. HB 1289 of 2005, a similar bill, was withdrawn.

**Cross File:** HB 713 (Delegate McHale, *et al.*) – Economic Matters.

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

**Fiscal Note History:** First Reader - February 16, 2006  
ncs/jr

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