

**Department of Legislative Services**  
 Maryland General Assembly  
 2007 Session

**FISCAL AND POLICY NOTE**

House Bill 480 (Delegate McHale)  
 Economic Matters

**Workers' Compensation - Appeals - Evidence**

This bill authorizes an appellee responding to an appeal of a ruling of the Workers' Compensation Commission to introduce certain writings or records of a health care provider or health care facility without supporting testimony. These records may be used as evidence of the existence of a health condition, a health care provider's opinion, the health care provided, or the necessity of this care.

This evidence must have been introduced in the proceeding prior to the appeal, be otherwise admissible, and notice and copies of the evidence must be filed with the clerk of the court within a specified time period. The appellant is then able to file objections to the introduction of this evidence for good cause. This bill may not be construed to limit the rights of parties to introduce new evidence or witnesses at trial.

**Fiscal Summary**

**State Effect:** Special fund expenditures by the Injured Workers' Insurance Fund could increase by \$59,250 in FY 2008 accounting for the bill's October 1 effective date. Future years reflect annualization and inflation. Other agencies could experience a minimal increase in expenditures.

(in dollars)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	59,300	79,800	80,600	81,400	82,200
Net Effect	(\$59,300)	(\$79,800)	(\$80,600)	(\$81,400)	(\$82,200)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** Minimal.

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## **Analysis**

**Current Law:** A decision of the Workers' Compensation Commission may be appealed to a circuit court within 30 days of issuance of the order. In the event of an appeal, a circuit court must consider whether the commission considered all relevant facts, exceeded its statutory authority, or misconstrued applicable laws. The decision of a circuit court may be appealed to the Court of Special Appeals as provided for other civil cases.

Written medical records and bills for health care expenses are admissible in certain District Court and circuit court cases that involve personal injury damages or certain insurance benefits. The record may be admitted without the oral testimony of the health care provider to substantiate the condition of the claimant or the necessity of providing health care. These provisions do not currently apply to workers' compensation proceedings

### **State Fiscal Effect:**

#### *Injured Workers' Insurance Fund (IWIF)*

IWIF advises that its expenditures will increase by an estimated \$59,250 in fiscal 2008, accounting for the bill's October 1 effective date. Future year expenditures reflect annualization and inflation. IWIF estimates that it will need to take video depositions in 66 additional cases annually due to the burden-shifting effect on evidence procedures in this bill, at a cost of \$1,200 per case.

#### *Workers' Compensation Commission (WCC)*

WCC advises that this bill will have an insignificant fiscal impact, although it could see a minimal increase in expenditures due to an increase in the number of medical records filed with the commission, and the associated costs of transmitting records to the court.

#### *Uninsured Employers' Fund (UEF) and Subsequent Injury Fund (SIF)*

UEF and SIF indicate that this bill will have no significant fiscal effect on their operations.

*Administrative Office of the Courts*

The Judiciary advises that this bill could either result in a slightly reduced workload or slightly increased workload for the courts, depending on several factors, but such an effect is speculative and probably insignificant.

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**Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 550 (Senator Garagiola) – Finance.

**Information Source(s):** Workers' Compensation Commission, Injured Workers' Insurance Fund, Uninsured Employers' Fund, Subsequent Injury Fund, Judiciary (Administrative Office of the Courts), Department of Legislative Services

**Fiscal Note History:** First Reader - February 12, 2007  
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