

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

**FISCAL AND POLICY NOTE**

Senate Bill 549  
Finance

(Senator Garagiola)

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

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This bill provides that the Workers' Compensation Commission (WCC) retains jurisdiction over requests for temporary total disability benefits, regardless of whether temporary total disability benefits were awarded in the order. To qualify, a covered employee's claim must have been accepted as compensable by the commission.

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**Fiscal Summary**

**State Effect:** Potential significant increase in special fund expenditures for administration and benefits, offset by increases in special fund revenue from WCC's annual maintenance assessment, including from the Injured Workers' Insurance Fund (IWIF).

**Local Effect:** Potential minimal.

**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 in circuit court provided the appeal is filed within 30 days of the commission's order.

WCC retains jurisdiction pending appeal to consider requests for additional medical treatment and attention or requests for temporary total disability benefits. The request for

temporary total disability must have been granted in the commission'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:** WCC projects that 26,000 claims will be filed in fiscal 2008, resulting in 17,050 commission orders. Approximately 2,260 of these orders will be appealed to circuit court. Under current law, a minority of these appeals are for consideration of issues that remain under the commission's jurisdiction during the appeal process. Expanding the number of cases that remain under the commission's jurisdiction could increase significantly the number of requests for temporary total disability benefits, resulting in additional benefit costs and administrative expenses. These expenses would be recovered through the commission's annual maintenance assessment on insurance companies issuing workers' compensation policies, including IWIF and self-insured employers.

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### **Additional Information**

**Prior Introductions:** HB 668 of 2005, an identical bill, received an unfavorable report from the House Economic Matters Committee.

**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 15, 2007  
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