

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 1255
Economic Matters

(Delegates Manno and Schuler)

Workers' Compensation - Regulatory Power of Commission - Forensic Services

This bill gives the Workers' Compensation Commission (WCC) the authority to regulate fees for forensic medical services paid by either party involved in a workers' compensation claim. The bill defines forensic medical services as a medical exam of a covered employee or the preparation of a report, evaluation, or testimony related to a workers' compensation claim. The bill does not apply to fees for forensic medical services related to an appeal of a WCC decision.

Fiscal Summary

State Effect: Limiting the amount of fees that parties may spend for forensic medical services does not materially affect State government finances.

Injured Workers' Insurance Fund Effect: Limiting fees paid for forensic medical services has no material effect on the finances of the Injured Workers' Insurance Fund (IWIF). IWIF advises that the bill may lessen the quality of forensic medical services in workers' compensation cases; the extent to which this limit impacts the quality of decisions, or the finances of IWIF, cannot be determined.

Local Effect: Limiting fees for forensic medical services does not materially affect local government finances.

Small Business Effect: Potential minimal. Small businesses involved in a workers' compensation case may pay less for forensic medical services. The impact on small businesses in the State is expected to be minimal.

Analysis

Current Law: Parties involved in a workers' compensation case are currently able to pay for forensic medical services without limitation from WCC. WCC has the authority to adopt regulations regarding payment of medical services. The fee for medical services is based on the average cost for similar treatment of a person with a comparable standard of living to that of the covered employee involved in the case. WCC reviews its guide of medical and surgical fees every two years and makes appropriate revisions as needed.

Background: IWIF advises that the ability of employers and insurers, including IWIF, to pay for forensic medical services in appropriate cases is important to the settlement of claims and awards. The agency contends that, by allowing WCC to limit fees, the number of available high quality experts may be reduced.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene, Maryland Insurance Administration, Injured Workers' Insurance Fund, Subsequent Injury Fund, Uninsured Employers' Fund, Workers' Compensation Commission, Department of Legislative Services

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