

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 797 (Delegate Valderrama)
Economic Matters

Workers' Compensation - Medical Benefits - Reimbursement for Medical
Mileage

This bill generally establishes a time limit of 12 months for an employee receiving workers' compensation benefits to submit any request for reimbursement for medical mileage. In addition, any request for reimbursement must be in the form adopted by the Workers' Compensation Commission (WCC).

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances. WCC can develop the form required by the bill using existing budgeted resources.

Chesapeake Employers' Insurance Company (Chesapeake) Effect: The bill does not materially affect Chesapeake's operations or finances.

Local Effect: The bill does not materially affect local governmental operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: A covered employee who seeks reimbursement for medical mileage must submit his or her request for reimbursement to the employer or it's insurer within 12 months after the later of the date (1) the employee received medical service or treatment; (2) the claim for compensation was accepted by the employer or the employer's insurer; or (3) the claim for compensation was determined to be compensable by WCC.

Current Law/Background: If an employee covered under workers' compensation insurance has suffered an accidental personal injury, compensable hernia, or occupational disease, the employee is entitled to compensation benefits paid by the employer, its insurer, the Subsequent Injury Fund, or the Uninsured Employers' Fund, as appropriate. Workers' compensation benefits including wage replacement, medical treatment, death and funeral costs, and vocational rehabilitation expenses.

Specifically, an employer or its insurer has to pay for specified medical care and treatment for an injured employee who experiences a compensable injury or occupational disease. This includes (1) medical, surgical, or other attendance or treatment; (2) hospital and nursing services; (3) medicine; (4) crutches and other apparatus; and (5) artificial arms, feet, hands, and legs and other prosthetic appliances. This medical care and treatment must be provided for an appropriate time period, depending on the nature and type of personal injury, compensable hernia, or occupational disease.

Chesapeake advises that an employer or its insurer must reimburse a claimant for the reasonable cost of transportation to and from medical treatment that is necessitated by an injury on the job. This requirement is established in case law, specifically, *Breitenbach v. N.B. Handy Co.*, 366 Md. 467 (2001). There are currently no time limits as to when submissions can be made and no official form that claimants are required to use.

Chesapeake further advises that it does not receive submissions for mileage on most claims. In 2018, it received 976 mileage reimbursement submissions for about 8,000 cases. The average number of days between the claimant's travel date and the date the mileage claim was submitted was 302 days (which is about two months prior to the one-year timeframe established by the bill).

Established by Chapters 567 and 568 of 2017, and similar to the timeframe established by the bill for medical mileage reimbursement, a medical provider must generally submit any bill for service or treatment to the employer or its insurer within 12 months from the later of the date (1) the employee received medical service or treatment; (2) the claim for compensation was accepted by the employer or the employer's insurer; or (3) the claim for compensation was determined to be compensable by WCC. WCC may excuse a late submission for good cause.

State/Chesapeake/Local/Small Business Effect: Even though the bill may result in reduced expenditures for employers when a covered employee fails to make a timely request for reimbursement, the total effect is expected to be negligible due to the substantial timeframe for submission established by the bill and the generally low cost of mileage reimbursements.

Additional Information

Prior Introductions: None.

Cross File: SB 348 (Senator Klausmeier) - Finance.

Information Source(s): Chesapeake Employers' Insurance Company; Workers' Compensation Commission; Department of Legislative Services

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md/ljm

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