

Testimony of  
American Property Casualty Insurance Association (APCIA)  
Senate Finance Committee  
SB725 Workers' Compensation - Occupational Disease Presumptions – COVID-19  
March 9, 2021

**Oppose**

The American Property Casualty Insurance Association (APCIA) is a national trade organization representing nearly 60 percent of the U.S. property casualty insurance market. APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe. APCIA members write 86% of the workers' compensation insurance in Maryland. APCIA appreciates the opportunity to provide written comments about concerns with Senate Bill 725.

APCIA understands and agrees with the need to assist our front-line first responders and public safety workers who contracted COVID-19 as a result of exposure in the workplace. We appreciate the magnitude of the current national emergency and greatly respect all those on the front lines. APCIA and the rest of the workers' compensation industry stand ready to do our part to support both Maryland employers and employees in resolving problems arising from the current crisis. Accordingly, APCIA would support Senate Bill 725 with amendments.

Senate Bill 725 would create a presumption of coverage of COVID-19 as an occupational disease for certain first responders and public safety officials. In view of the drastic nature of presumptions of coverage, which are rarely enacted because they dispense with the fundamental and reasonable requirement that a worker prove that an injury or illness is work-related, we believe that these categories of workers have been thoughtfully identified in order to avoid imposing ruinous and unsupported costs on Maryland's workers' compensation system. However, we also believe that SB 725 must be amended in several important respects to require sufficient proof of disease, permit employers to rebut the presumption, and establish a reasonable sunset date.

**COVID-19 Presumption and Basic Principles of Workers' Compensation**

Workers' compensation is a no-fault system that guarantees injured workers prompt indemnity benefits and unlimited medical care, without any deductibles or co-payments, even in the absence of any fault by the employer. This no-fault system benefits both Maryland employers and Maryland employees. Prior to enactment of workers' compensation in 1913, an injured worker was without remedy for workplace injury or illness unless he or she successfully proved negligence on the part of the employer, and similarly, was without remedy if the employer could prove the employee's own negligence contributed to the injury. In return for no-fault compensation, the employer was free from

the threat of civil litigation. Essential to maintaining this no-fault workers' compensation system, however, *is proof that the covered injury or disease arose out of and in the course of employment.* Requiring Maryland employers to cover injuries on an absence of fault basis without proof that the injury or disease arose out of and in the course of employment violates basic core principles underlying the workers' compensation system.

Senate Bill 725 provides that for purposes of adjudicating workers' compensation claims, specified employees who have been diagnosed with COVID-19 shall be presumed to have contracted the virus as an occupational disease in the line of duty. The presumption that anyone who contracts COVID-19 must have contracted it at the workplace, however, lacks scientific and medical proof. COVID-19 represents a global pandemic, now with over 112 million cases worldwide and almost 2.5 million deaths, precisely because it is not an occupational disease but instead is a disease of ordinary life transmitted between persons who are in close contact with an infected person. Simply put, presumptions create a fiction that all COVID-19 disease for certain categories of workers somehow arise only out of the workplace, even though people are interacting with family and friends, going to restaurants, attending social events or religious meetings, etc.

### **Individuals Eligible for Presumption**

Notwithstanding these strong public policy reasons weighing against presumptions of workers' compensation coverage, APCIA would accept extending a presumption to the categories of workers identified in SB 725, as further refined by the provision establishing that these individuals' duties must **"require them to have direct contact with the public,"** since the nature of many such duties makes social distancing and other safety measures impractical if not impossible. In doing so, we are guided by the principle that the only reasonable justification for granting a presumption for an "ordinary disease of life" that the general public is broadly exposed to is that a small number of workers are at a significantly higher risk of being exposed to the disease than workers in other industries.

### **Proof of Disease**

The standards in SB 725 for proving that an individual has COVID-19 to the point of warranting a presumption of coverage are inadequate, since they call for accepting (i) a mere diagnosis without a test; (ii) a positive result on an undefined test; or (iii) a positive result on a mere antibody test. "Diagnosis" should be defined as a positive PCR test for COVID-19, an incubation period consistent with COVID-19, and symptoms and signs of COVID-19 that require medical treatment.

The most reliable laboratory test for determining whether a person has COVID-19 is a nucleic acid detection test, such as a positive polymerase chain reaction ("PCR") test. Both the Council of State and Territorial Epidemiologists (CSTE) and the Infectious Diseases Society of America (IDSA) have concluded that the most appropriate test to determine whether an individual currently has COVID-19 is the PCR test. These tests are readily available in the United States.

Unlike PCR tests, antibody tests do not tell whether a person has COVID-19 at the time of the test, but only whether an individual may have been exposed to the virus associated with COVID-19 such that the body developed antibodies. A person can test positive for COVID-19 under an antibody test without having the disease and without having any symptoms. Antibody tests have a high prevalence of false positive and false negatives, and medically are not indicated for use in patient management or medical treatment. Medically, the results of an antibody test do not impact decisions in treatment of a workplace injury or disease. Similarly, subjective diagnosis based on mere symptoms, without a PCR test, is not an accurate method of determining whether a person has COVID-19.

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Reliance on inappropriate, and often inaccurate, antibody tests, or a subjective diagnosis without a PCR test, can be detrimental to a worker's health. The high proportion of false positives and false negatives could lead medical providers to prescribe dangerous toxic anti-viral therapeutics with potentially long-term side effects or could cause misdiagnosis and delay treatment of a potentially fatal disease. Toxic antiviral treatments, such as currently used to fight COVID-19, can result in side effects including eye damage, heart arrhythmia, liver toxicity, and impaired kidney function.

### **Ability to Rebut Presumption**

SB 725 does not provide employers any opportunity to rebut a presumption that a proven case of COVID-19 arose in the line of duty and is therefore compensable. If a claim can be brought without any proof, fundamental due process demands that an employer should be able to rebut the presumption by (among other things but not limited to) evidence that the employee was at least equally likely to have been exposed to COVID-19 outside the line of duty.

### **Duration of Presumption**

While it is critical that there be a specific, defined end date to any presumption of coverage, SB 725 is completely lacking in this regard. As the state continues to re-open, there are more opportunities for individuals to move around and interact with others, thus making it more difficult to pinpoint where those infected by COVID-19 had contracted the virus and more illogical and unfair to simply presume that the disease was contracted at the workplace. Accordingly, any presumption law should sunset six months after enactment or upon the expiration of the last consecutive emergency order, whichever occurs sooner.

For these reasons, APCIA urges the Committee to consider these amendments to Senate Bill 725.

Respectfully submitted,

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