

# MARYLAND WORKERS' COMPENSATION COMMISSION



## ANNUAL REPORT FISCAL YEAR 2015

LARRY HOGAN, GOVERNOR • BOYD K. RUTHERFORD, LT. GOVERNOR  
R. KARL AUMANN, CHAIRMAN • MARY K. AHEARN, CHIEF EXECUTIVE OFFICER

# MARYLAND WORKERS' COMPENSATION COMMISSION

## TABLE OF CONTENTS

<b>Letter from the Chairman.....</b>	<b>1</b>
<b>Organizational Chart.....</b>	<b>2</b>
<b>Biographies .....</b>	<b>3</b>
<b>Agency Highlights and Process Improvements .....</b>	<b>9</b>
<b>Agency Performance - Tables and Charts .....</b>	<b>13</b>
<b>Insurance/Self-Insurance Tables and Charts .....</b>	<b>23</b>
<b>Revenues/Expenditures .....</b>	<b>26</b>
<b>Regulatory/Legal Update .....</b>	<b>26</b>
<b>Committees .....</b>	<b>29</b>
<b>Contact Information .....</b>	<b>31</b>

## TABLES AND CHARTS

Figure 1	Filed Claims .....	13
Figure 2	Filed Claims by Industry .....	14
Figure 3	Awards According to Weeks of Disability and Body Part .....	15
Figure 4	Permanency Awards According to Weeks of Disability .....	15
Figure 5	Permanency, Fatality and Compromise Awards by Type of Award .....	16
Figure 6	Commission Claims Data .....	16
Figure 7	Fatalities by Industry Grouping .....	17
Figure 8	Filed Claims by Gender and Age .....	18
Figure 9	Source of Appeals .....	19
Figure 10	Hearing Transcripts .....	19
Figure 11	Source of Claims and Appeals by Political Subdivision .....	20
Figure 12	Scheduled Hearing Distribution .....	21
Figure 13	Interpreter Office Program Statistics .....	22
Figure 14	Vocational Rehabilitation Case Management .....	22
Figure 15	Self-Insurance Program .....	23
Figure 16	Workers' Compensation Premium Rate Ranking .....	24
Figure 17	Licensed Insurers Writing Workers' Compensation Insurance .....	25
Figure 18	Insurer Assessments, Safety/Fraud Costs and Commission Expenses .....	25

## MISSION

The Maryland Workers' Compensation Commission seeks to secure the equitable and timely administration of the provisions of the Maryland Workers' Compensation law on behalf of its customers, the injured workers and their employers, by providing an efficient forum for the resolution of individual claims.

## VISION

The Workers' Compensation Commission envisions a state wherein injured workers and employers are empowered to create an equitable partnership to facilitate prompt and fair resolution of workers' compensation matters.

## Equal Opportunity Employer

The Workers' Compensation Commission continues to acknowledge and accept its commitment to equal opportunity for all current and prospective employees as well as its clients.

## LETTER FROM THE CHAIRMAN



It is an honor, in conjunction with my fellow Commissioners and our outstanding staff, to present the 2015 Annual Report of the Maryland Workers' Compensation Commission. This excellent publication is compiled pursuant to the legislative mandate in LE 9-312 and pertains to our fiscal year running July 1, 2014 through June 30, 2015. The privilege we have in serving the citizens of Maryland is one we take seriously and is reflected in the work outlined in this report.

The Commission staff is committed to excellence and is tireless in their efforts to perform their responsibilities. The professionalism and technical acumen of our team is what makes the agency operate smoothly and effectively. It is the foundation of why Maryland's workers' compensation system operates at a level rarely seen elsewhere in the United States.

The information contained in this overview is an amazing resource for every stakeholder in the workers' compensation community. It is available through our website to maximize its distribution to the public. Few copies are actually printed to reduce waste. Regardless, the data included in it is extensive and gives specific insight to the facts and trends affecting the Maryland system. Special thanks go out to Amy S. Lackington and her colleagues for their work on the report.

On behalf of the entire Commission, I extend my gratitude to our indispensable partners and leaders in government. Governor Larry Hogan and the General Assembly have been stalwart supporters. I also appreciate the immeasurable help from the Legislative Oversight Committee, the Maryland Workers' Compensation Educational Association, the Medical Fee Guide Committee, and the Budget Advisory Committee. Collectively, we are able to better serve the entire community.

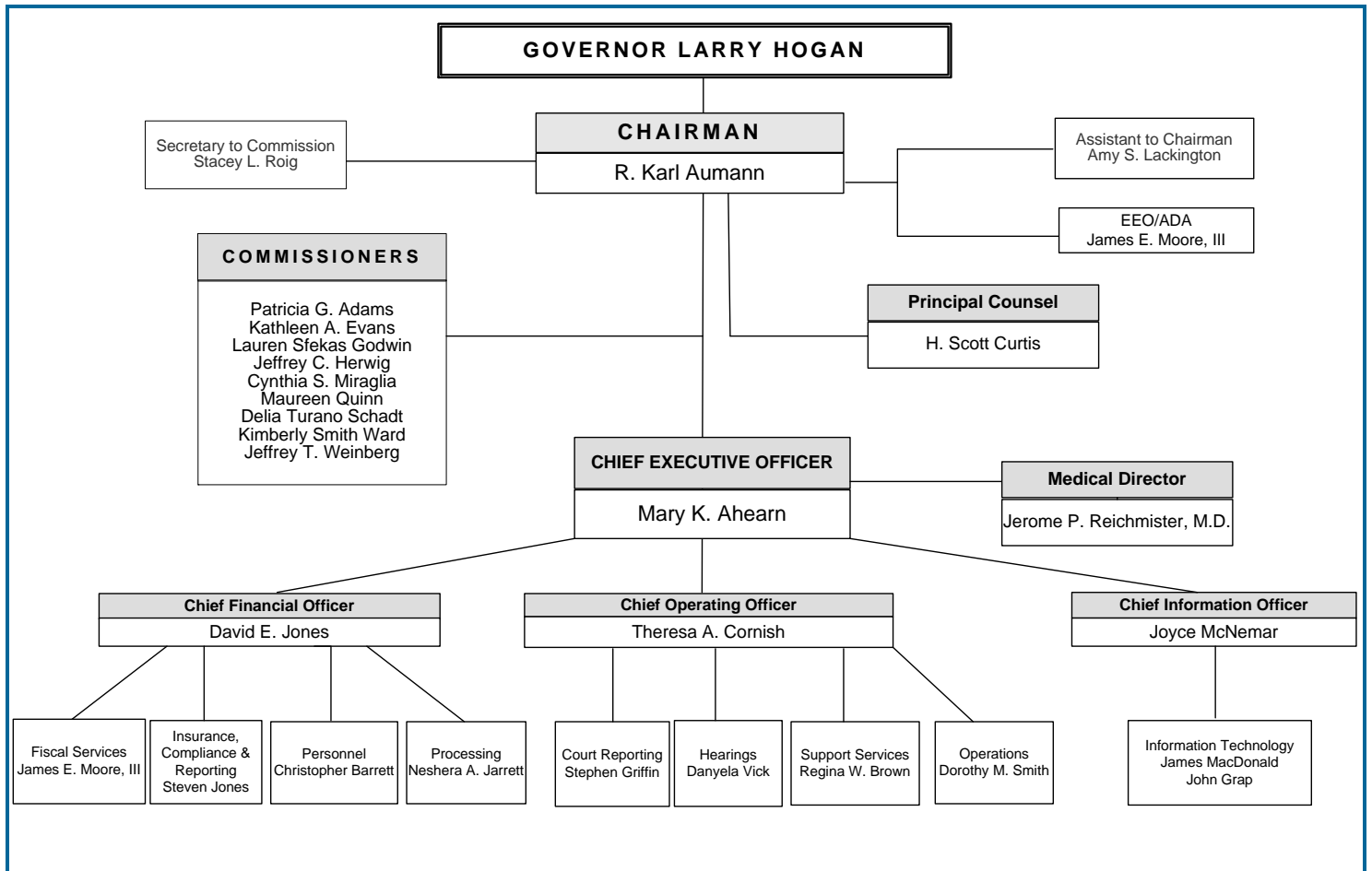
Sincerely yours,

A handwritten signature in black ink, appearing to read "R. Karl Aumann".

R. Karl Aumann

ORGANIZATIONAL CHART

Workers' Compensation Commission



Pictured (left to right) David Jones, Christopher Barrett, Theresa Cornish, Neshera Jarrett, Mary Ahearn, Joyce McNemar, Steven Jones, Amy Lackington, Regina Brown, Danyela Vick, Stephen Griffin, and Stacey Roig.

BIOGRAPHIES

R. Karl Aumann, *Chairman*



R. Karl Aumann was appointed to the Maryland Workers' Compensation Commission in February 2005, and subsequently named Chairman in October of that year. Immediately prior to this appointment, he served as Maryland's Secretary of State. He earned a B.A. from Loyola University in Maryland in 1982 and his J.D. in 1985 from the University of Baltimore, School of Law. Chairman Aumann was an associate with the Towson firm of Power & Mosner and later with the Baltimore office of Miles & Stockbridge. In 1991, President George H.W. Bush appointed him Counsel and Senior Policy Advisor to the Appalachian Regional Commission. From 1994 until 2003, Chairman Aumann

served as Chief Administrator and District Director for Congressman Robert Ehrlich. He is a Board member and past-president of the Southern Association of Workers' Compensation Administrators and is co-chair of the Dispute Resolution Committee of the International Association of Industrial Accident Boards and Commissions. Elected as a Fellow of the College of Workers' Compensation Lawyers in 2015, he has also served since 2010 on the board of the National Association of Workers' Compensation Judiciary, and since 2006 on the Maryland Workers' Compensation Educational Association board of directors.

Mary K. Ahearn, *Chief Executive Officer*



Mary Ahearn was appointed Executive Director of the Workers' Compensation Commission in 2003, and has been a member since 1999. She graduated summa cum laude from the College of Notre Dame with a Bachelor of Arts in Business with a dual emphasis in Management and Human Resource Management. She was a member of the national graduate honor societies Kappa Gamma Pi and Delta Mu Delta. She is a past president of the Southern Association of Workers' Compensation Administrators

(SAWCA) and is a past president of the International Association of Industrial Accident Boards & Commissions (IAIABC). In 2013, she served on the Governor's Task Force to Study Temporary Disability Insurance Programs & the Process for Assisting Individuals with Disabilities at Local Departments of Social Services. In addition to her years of experience with the Commission, Ms. Ahearn has more than 10 years of management and administrative experience in the public and private sectors.

## BIOGRAPHIES

### Patricia G. Adams, *Commissioner*



Patricia G. Adams was appointed a member of the Maryland Workers' Compensation Commission by Governor Martin O'Malley and confirmed by the State Senate on March 9, 2007. She previously served as a Commissioner from 1999 to 2004. Before her work at the Commission, she was the managing partner of Serio, Tansey and Adams from 1982 to 1999. During her tenure, she managed a large workers' compensation practice, representing primarily injured police officers and firefighters. In April 2003, the Daniel O'Connell Law

Society selected her as Lawyer of the Year for Distinguished Service in the Public Sector. She is also a former Commissioner with the Attorney Grievance Commission of Maryland. Before attending law school, Commissioner Adams worked as a public school teacher in Prince George's County. She is a 1980 graduate of the University of Baltimore School of Law. She graduated magna cum laude with a Bachelor of Science degree from the University of Maryland in 1976.

### Kathleen A. Evans, *Commissioner*



Kathleen A. Evans was appointed a member of the Maryland Workers' Compensation Commission by Governor Lawrence J. Hogan, Jr., in 2015. She received her Bachelor of Arts from the University of Maryland in 1979 and earned her Juris Doctorate from the University of Baltimore Law School in 1982. Commissioner Evans served as a prosecutor in both Anne Arundel County and Prince George's County for 19 years. During her tenure as an Assistant State's Attorney, Commissioner Evans prosecuted all major violent crime felonies occurring throughout Anne Arundel County and Prince George's County including homicides, armed robberies, attempted murders and serious assaults, and related firearms, weapons, and drug felonies. She

served as the Assistant Division Chief of the Homicide and Narcotics Division in Prince George's County, Chief of the District Court Division in Anne Arundel County, and Chief of the Narcotics Unit in Prince George's County. Commissioner Evans is a member of the Maryland State Bar Association, the Maryland State's Attorney's Association, the Anne Arundel County Bar Association, and the Women's Bar Association, to name a few. She actively participates in many business and civic organizations and has been the recipient of numerous federal, state and local level awards for her work as a prosecutor. Commissioner Evans has been a frequent speaker for over 20 years on criminal and law enforcement related matters.

## BIOGRAPHIES

### Lauren Sfekas Godwin, *Commissioner*



Lauren Sfekas Godwin was appointed a member of the Maryland Workers' Compensation Commission in 1996 by Governor Parris N. Glendening. She is a 1978 cum laude graduate of Mount Saint Mary's College. In 1981, she graduated cum laude from the University of Baltimore School of Law, where she served as editor of the *Law Review*. Commissioner Godwin spent 14 years in private practice,

concentrating on workers' compensation law. She serves on the President's Council of Mount Saint Mary's University, is a volunteer driver for the Road to Recovery Program of the American Cancer Society and participates on the scholarship committees of the Ulman Cancer Foundation and the Community Foundation for Howard County. She has published and lectured extensively on workers' compensation matters.

### Jeffrey C. Herwig, *Commissioner*



Jeffrey C. Herwig was appointed a member of the Maryland Workers' Compensation Commission in 2006 by Governor Robert L. Ehrlich, Jr. He graduated from Loyola College in Maryland summa cum laude in 1978 and earned his J.D. from the University of Maryland School of Law in 1981. After clerking for Judge James A. Perrott in the Circuit Court for Baltimore City, he joined Smith, Somerville and Case where he became a partner in 1989. He founded Herwig & Humphreys, LLC, in 1991 with the late Robert L. Humphreys, Jr., and served as managing partner until his appointment to the Commission. Throughout his 25 years in legal practice, Commissioner Herwig has concentrated in the defense of workers' compensation claims in Maryland, the District of Columbia, and in the Federal Longshore and Harbor Workers'

Compensation System. He has been chair of the Maryland State Bar Association's Negligence and Workers' Compensation Section, Chair of the Joint Task Force on Injured Workers' Rehabilitation, President of the District of Columbia Association of Insurance Compensation Attorneys, board member of various civic organizations, and author of the annual supplement to the *Maryland Workers' Compensation Handbook* (Gilbert and Humphreys; Michie Pub.1993), author of articles on vocational rehabilitation issues, and a frequent lecturer on Maryland and District of Columbia workers' compensation law, vocational rehabilitation, Social Security disability and related topics. Commissioner Herwig is an Adjunct Professor at the University of Baltimore School of Law.

BIOGRAPHIES

**Cynthia S. Miraglia, *Commissioner***



Cynthia S. Miraglia was appointed a member of the Maryland Workers' Compensation Commission in January 1999 by Governor Parris N. Glendening. She graduated cum laude with a J. D. from the University of Baltimore School of Law in 1983. Commissioner Miraglia received her bachelor's degree in political science from Goucher College in 1979. She was employed by Allstate Insurance Company as a senior casualty claims adjuster from 1979 until 1980. From 1983 until 1999 she was engaged in the private practice of law, serving as a civil trial attorney for Ashcraft and Gerel, LLP, where she concentrated on workers' compensation, personal injury,

medical malpractice and product liability. Commissioner Miraglia is a past president of the Women's Bar Association of Maryland, Inc., and former board member of the Maryland Chapter of the National Association of Women Law Judges. She has served as a board member of the University of Baltimore Alumni Association and is a current member of The Citizens' Review Board of Maryland for Baltimore County and is a current member of The Board of Trustees for The Caroline Center. Commissioner Miraglia was the recipient of the 2009 Rita C. Davidson award by the Women's Bar Association of Maryland.

**Maureen Quinn, *Commissioner***



Maureen Quinn was appointed a member of the Maryland Workers' Compensation Commission in 2002 by Governor Parris N. Glendening. She graduated from Temple University School of Law with a J.D. in 1987. Commissioner Quinn received her bachelor's degree in 1982 from American University, where she was a recipient of the Stafford Cassell Award for Governmental

Leadership. She was engaged in the private practice of law as a trial attorney from 1987 until 2002. She established her own law firm in 1995 and was primarily focused on general civil litigation. Commissioner Quinn is an adjunct professor at the University of Maryland University College where she teaches Business Ethics.



## BIOGRAPHIES

### **Delia Turano Schadt, *Commissioner***



Delia Turano Schadt, a native of Cumberland, Maryland, graduated from James Madison University with a Bachelor of Science Degree in Political Science in 1989. She earned her Juris Doctor from The University of Dayton School of Law in 1992. She then served as law clerk to The Honorable J. Frederick Sharer and The Honorable Gary G. Leasure in the Circuit Court for Allegany County. She began her

legal career practicing workers' compensation law and was employed by the Injured Workers' Insurance Fund from 1993 until 2000. Following this, she was employed with the Maryland Office of the Attorney General where she served as Board Counsel to health occupation licensing boards until being appointed to the Maryland Workers' Compensation Commission by Governor Martin O'Malley in 2011.

### **Kimberly Smith Ward, *Commissioner***



Kimberly Smith Ward was appointed a member of the Maryland Workers' Compensation Commission in February 2007 by Governor Martin O'Malley. She graduated from the University of Maryland with a bachelor's degree in history and from the Wake Forest University School of Law. Commissioner Ward served as a judicial clerk to the Honorable Dale R. Cathell, Court of Special Appeals of Maryland, and the Honorable Robert M. Bell, Court of Appeals of Maryland. She joined the Office of the Attorney General in 1993 and worked in the Opinions and Advice, Criminal Appeals and Civil Litigation divisions. She served as Principal Counsel to the Maryland Workers' Compensation Commission from 2001 to 2007. She is a member of the Bar of the Court of Appeals of Maryland, the United

States District Court for the District of Maryland, the United States District Court for the District of Columbia, the Court of Appeals for the Fourth Circuit, and the Supreme Court of the United States. She has authored opinions on workers' compensation issues and has lectured on workers' compensation for the Maryland Institute for Continuing Professional Education of Lawyers. Commissioner Ward served on the Task Force for Racial and Ethnicity Fairness in the Courts and is a member of the National Association of Women Law Judges and the International Association of Women Judges. She was named by The Daily Record in 2009 to its list of "Maryland's Top 100 Women." Commissioner Ward is an Adjunct Professor at Coppin State University where she teaches vocational expert witnessing.

BIOGRAPHIES

Jeffrey T. Weinberg, *Commissioner*



Jeffrey T. Weinberg was appointed to the Maryland Workers' Compensation Commission on February 16, 2007 by Governor Martin O'Malley. Commissioner Weinberg was confirmed by the State Senate on March 9, 2007. Jeffrey T. Weinberg attended the University of Maryland at College Park and the University of Baltimore School of Law. Prior to being appointed to the Commission, Mr. Weinberg was in private practice, focusing primarily on workers' compensation matters. Commissioner Weinberg has been a board member and past

president of the Maryland Workers' Compensation Educational Association; past Chairman of the Bar Association of Baltimore City Workers' Compensation Section; past member of the Workers' Compensation Medical Fee Advisory Committee; past member of the Maryland Trial Lawyers Association Workers' Compensation Committee as well as its Vice Chairman 2005-2006 and a past member of its Legislative Committee; and a member of the Maryland State Bar Association.

AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS

PERSONNEL IN THE NEWS

**New Commissioner**

In March 2015 the Commission welcomed its newest Commissioner, Kathleen A. Evans. Commissioner Evans comes to the Commission from the Office of the State's Attorney in Anne Arundel County, Maryland where she served as a prosecutor. She received her Juris Doctorate in 1982 from the University of Baltimore Law School, and is the recipient of numerous awards and recognitions. Mrs. Evans is married with five children. Welcome Commissioner Evans!

**Retirements**

After many years of dedicated service with the State of Maryland and the Workers' Compensation Commission, the following employees retired in fiscal year 2015. We wish them the best of luck in this new chapter of their lives!

	<u>Dates of Service</u>
Joyce Campbell	1/9/1976 – 5/1/2015
Leanne Dotson	6/28/2006 – 1/1/2015
Muriel Taylor	10/16/1967 – 5/1/2015
Betty Walker	10/31/1983 – 5/1/2015
John Webster	1/5/1998 – 1/5/2015
Alice Welsh	11/3/1999 – 9/1/2014

WORKERS' COMPENSATION PROFESSIONAL ASSOCIATIONS

Each year the Commissioners participate in a number of events sponsored by local, national, and international workers' compensation professional associations. This year, the Commissioners presented and participated in the following events:

**International Association of Industrial Accident Boards and Commissions (IAIABC)**

The International Association of Industrial Accident Boards and Commissions (IAIABC), provides information and education on workers' compensation policy, regulation, and administration. It is the largest trade association of workers' compensation jurisdictional agencies in North America. The IAIABC works to improve and clarify laws, identify best practices, develop and implement standards, and provide education and

information sharing. The IAIABC was founded in 1914. <http://www.iaiaabc.org>

- The Forum—April 13-16, 2015, Myrtle Beach, South Carolina.
- Centennial Convention—September 29-October 4, 2014, Austin, Texas

**Maryland Workers' Compensation Educational Association**

The Maryland Workers' Compensation Educational Association (MWCEA) is dedicated to promoting education, communication and collegiality by bringing together the Maryland Workers' Compensation community to provide a forum for employees, employers, insurers, program administrators, medical and rehabilitation providers and attorneys. Their goal is to provide education and support for the strategic continuation and betterment of the Workers' Compensation system to the benefit of all participants. <http://mwcea.com>

- Annual Convention—September 4-7, 2014, Ocean City, Maryland

**National Council on Compensation Insurance**

The National Council on Compensation Insurance (NCCI) gathers data, analyzes industry trends, and prepares objective insurance rate and loss cost recommendations. These activities, together with research, analytical services and tools, and overall commitment to excellence help foster a healthy workers compensation system. <https://www.ncci.com>

- State Advisory Forum—September 23, 2014, Baltimore, Maryland
- Annual Issues Symposium—May 6-8, 2015, Orlando, Florida

**Southern Association of Workers' Compensation Administrators**

The Southern Association of Workers' Compensation Administrators (SAWCA) makes available and presents instruction by means of forums, lectures, meetings, and written material regarding the administration of workmen's laws and to provides an avenue by which those interested in workers' compensation may interact

**AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS**

with one another to share information and address issues common to the jurisdictions that are members of the Association. <http://www.sawca.com>

- All Committee Conference (ACC)—November 11-14, 2014, Hilton Head, North Carolina
- 66<sup>th</sup> Annual Convention—July 14-18, 2014, Sarasota, Florida

**Workers' Compensation Institute**

The Workers' Compensation Institute (WCI) is a nonprofit educational organization that serves as a comprehensive resource to all workers' compensation stakeholders. WCI is an outgrowth of the long-established Florida Workers' Compensation Institute (FWCI). FWCI remains in existence under the WCI umbrella and continues its Florida focus, while the national organization provides a broader outreach across all states.

- Workers' Compensation Educational Conference—August 17-20, 2014, Orlando, Florida

**National Association of Workers' Compensation Judiciary, Inc.**

The National Association of Workers' Compensation Judiciary, Inc. (NAWCJ) is a non-profit organization designed to provide educational forums for the workers' compensation judiciary concerning issues that are unique to this system of justice. Emphasis is placed on providing an educational source and national forum that will enhance the ability of workers' compensation judges on a national scale to deal with a commonality of issues, regardless of the substantive laws of the different states.

- National Workers' Compensation Judiciary College—August 17-20, 2014, Orlando, Florida (in conjunction with WCI's annual Workers' Compensation Educational Conference)

**New Forms, Revisions and Reprinted**

H-44	Claimant's Consent to Pay Attorney and Doctor Fees (rev. 09/14)
H-08	Subpoena (rev. 01/15)
H-07	Settlement Worksheet (rev. 02/15)
A-25	Authorization for Release of Medical Information (rev. 06/15)

**DIVISION UPDATES**

**Insurance, Compliance and Reporting**

In fiscal year 2015, the Commission scheduled Show Cause hearings for those employers whose workers' compensation policies have lapsed and/or cancelled without corresponding new coverage. The Commission scheduled suspected uninsured employers to show cause why they should not be: (1) required to secure compensation for all covered employees of the employer; (2) found in violation of §9-402 of the Labor and Employment Article; and (3) assessed a penalty for noncompliance with §9-402 of the Labor and Employment Article. Thereafter, 109 penalty orders were issued with fines to be paid directly to the Uninsured Employers' Fund totaling \$793,500.00. The goal of the Employer Compliance Program is to enforce the requirement that an employer secure workers' compensation insurance for covered employees, thereby reducing the cost associated with workers' compensation for all stakeholders.

In December, 2014, NCCI implemented the Workers Compensation Coverage Verification (WCCV) mobile app version of the Coverage Verification Service (CVS) web application. For the fiscal year ended June 30, 2015, 1,343 searches were performed using the mobile app and employer details were provided on 1,353 searches.

**Court Reporting**

Fiscal year 2015 has been an eventful year for the Maryland Workers' Compensation Commission court reporters. Since implementing the Transcript Request Form last year, its use is now up to almost 100 %. The form has helped streamline the process of fulfilling and tracking transcript requests.

This year we also saw two of our senior reporters retire and have subsequently brought on board three new, experienced, and highly skilled reporters to fill those positions. Currently the Division has a full staff of 15 reporters.

Finally, we are looking forward to the continuing improvements in reporting technology. On our staff we have three voice writers who use digital transcription and most of our reporters have either switched to paperless stenographic machines or are working towards doing so.

## AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS

The paperless machines now utilize TrueStroke technology, which greatly increases speed and accuracy, allowing seamless reporting without the need for interruptions to change paper. There is a flat-panel display built in to the machine, and they can also be connected to laptop computers with either USB or Bluetooth for real-time translation. Without paper notes everything is stored digitally, increasing storage space and improving record retrieval.

### Processing

In fiscal year 2015, the Commission mailed almost 1,700 appeal cases to the Circuit Courts in Maryland. This resulted in almost 50,000 pages of documents that were printed and mailed to the Circuit Courts. The Court of Appeals amended Maryland Rules of Procedure 7-202 and adopted new Rule 7-206.1 which became effective July 1, 2015. As a result of the new Rules, the Commission will no longer print and mail cases to the Circuit Courts unless ordered to do so. The Commission anticipates a savings of more than \$11,000 annually in mail costs alone.

### Personnel

The State of Maryland mandated the use of a new Personnel System. Workday is a cloud-based application for human resources, benefits, and time tracking. Workday will help the State of Maryland and the Workers' Compensation Commission manage our complex operating environment.

### Fiscal

The Commission renewed leases at its La Plata and Beltsville hearing sites. The leases for both facilities were renewed for a 10 year period and came with significant cost savings over prior leases. In the first year of the new leases, the Commission realized a reduction in rent expense of approximately \$24,000.

The Commission was approved for a \$400,000 budget amendment in FY15 to cover the costs of hiring a consulting firm to examine its business processes in order to identify areas for efficiency improvement and to develop requirements for a new enterprise management system. The Commission is excited to be completing a total redesign and upgrade to its computer system over the next few years with the business evaluation and analysis as the first step in the process.

### Information Technology

The Information Technology Development team has completed many projects to improve the online services to the workers' compensation community. The most notable ones are:

- Enhanced the current eNotification System to include award orders and appeal notices, as well as making the system easier and more practical to use for the subscribers. The eNotification System allows subscribers to the WCC Online System to receive various WCC documents, notices and other forms via e-mail instead of postal mail. The process allows subscribers to access these communications immediately instead of waiting for mail delivery.
- Developed a process to allow the Maryland Occupational Safety and Health (MOSH) unit of the Division of Labor and Industry to inquire, view and query all the First Report of Injury forms (FROI) that are filed with the Commission. This process allows employers and insurers to submit only one copy of the FROI to the Commission, eliminating the need to submit a duplicate to the Division of Labor and Industry.
- Enhanced the System to allow web subscribers to attach a wider range of attachments to any online form.
- Upgraded the Commission's web server to a more modern platform and included virtualization technologies to increase reliability and recoverability.

### Operations Division - Restructuring

In April 2015 Governor Larry Hogan passed an Executive Order whereby eligible state employees were given the opportunity to voluntarily separate from State service with certain incentives. Three of the four employees who took advantage of the program worked in the Operations Division. As a result of the retirements there was a need to reorganize the Operations Division in order to maintain the high level of production the community has come to expect.

The interpreter program has been linked with the Hearings Division to provide better service to

## AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS

individuals requiring interpreter services. Also, the Appeals Department was relocated to the Public Services area in order to facilitate in-person inquiries. As a result of this reorganization, the Support Services division now focuses solely on the medical and vocational rehabilitation services of the injured worker.

### **Weather Event and Unrest in Baltimore**

Similar to last year's winter blasts, along with other unexpected events that took place in Baltimore City, the Commission was forced to cancel 41 dockets during the months of January through April 2015. As a result, the Commission continued and reset over 550 cases on an expedited basis.

### **Report on Fraud Unit**

Labor and Employment Article, § 9-310.2, Annotated Code of Maryland, requires the Commission to refer to the Insurance Fraud Division of the Maryland Insurance Administration any case in which it is established by a preponderance of the evidence, after a hearing, that a person knowingly affected or knowingly attempted to affect the payment of compensation benefits, fees or expenses under the Workers' Compensation Act by means of a fraudulent representation. During fiscal year 2015, the Commission continued to review cases for possible referral to the Insurance Fraud Division and referred twelve (12) files for investigation.

Additionally, the Commission receives frequent anonymous allegations of fraudulent activity including the improper collection of benefits and failure to maintain workers' compensation insurance. In such instances there is generally insufficient information to positively identify the individual allegedly committing fraud. If sufficient information does exist, the matter is forwarded to all of the parties in the claim or to the Insurance Fraud Division.

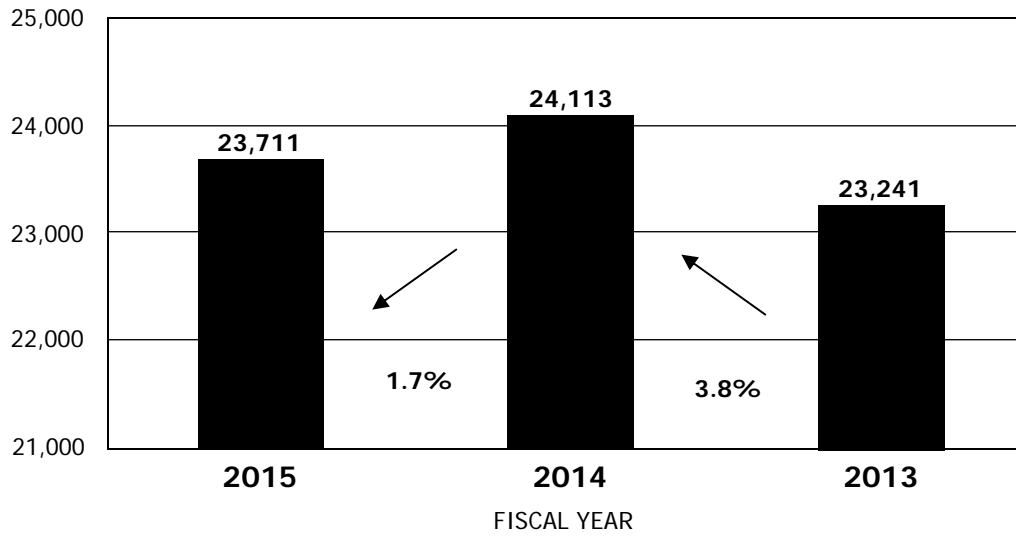
### **Reminders and Tips**

- Attorneys please remember that requests to be placed first or last on a particular docket should be accompanied by a valid reason. If the request is being made based on conflict of location, the claim number of the other case(s) must be provided.
- Please remember to file an employee questionnaire on non-insured cases.
- When filing issues for "set with" cases, please remember to provide complete information for all claims. Issues **must** be pending in all cases in order for the cases to be set together.
- All changes, additions, and/or subtractions to body parts must be filed on the Claim Amendment form not the Request for Document Correction form.

AGENCY PERFORMANCE

TABLES AND CHARTS

FIGURE 1 • Filed Claims



# MARYLAND WORKERS' COMPENSATION COMMISSION

## FIGURE 2 • Filed Claims by Industry

INDUSTRIES WITH MORE THAN 100 FILED CLAIMS	FISCAL YEAR					
	2015		2014		2013	
	Count	Percent	Count	Percent	Count	Percent
Policemen - Security	2,309	9.7%	2,478	10.3%	2,445	10.5%
Hospitals - All Other Employees	1,126	4.7%	1,020	4.2%	1,079	4.6%
Colleges Or Schools Incl. Day Care	1,641	6.9%	1,916	7.9%	1,709	7.4%
<b>TOP 3 INDUSTRIES IN FILED CLAIMS</b>	<b>5,076</b>	<b>21.3%</b>	<b>5,414</b>	<b>22.4%</b>	<b>5,233</b>	<b>22.5%</b>
Building, Raising Or Moving - General Construction	696	2.9%	683	2.8%	661	2.8%
Truckmen N.O.C.	1,005	4.2%	1,124	4.7%	1,124	4.7%
Hotels, Restaurants, Bars & Nightclubs	872	3.7%	871	3.6%	877	3.8%
Firemen Incl. Volunteer Dept & Ambulance Service	754	3.2%	799	3.3%	769	3.3%
Meat Combined Grocery And Provision Stores Retail	497	2.1%	569	2.4%	574	2.5%
Automobile Garages Or Repair Shops Inc. Dealers	463	2.0%	573	2.4%	486	2.1%
Taxicab And Bus Companies	688	2.9%	768	3.2%	765	3.3%
Convalescent Or Nursing Homes All Employees	663	2.8%	813	3.4%	737	3.2%
Carpentry N.O.C. - Renovations	254	1.1%	353	1.5%	320	1.4%
Clothing Or Dry Goods Stores Retail	186	0.8%	313	1.3%	232	1.0%
Municipal Township County Or State Employees N.O.C.	635	2.7%	382	1.6%	404	1.7%
Storage Warehouses General Merchandise N.O.C.	486	2.0%	472	2.0%	461	2.0%
Clerical Office Employees N.O.C.	233	1.0%	182	0.8%	182	0.8%
Charitable Organizations (Goodwill)	311	1.3%	332	1.4%	317	1.4%
Plumbing-Steam Fitting	145	0.6%	184	0.8%	181	0.8%
Store Risks Wholesale Or Combined N.O.C. K-MART	306	1.3%	332	1.4%	350	1.5%
Sheet Metal Work Incl. Air Conditioning & Refrigeration	177	0.7%	193	0.8%	161	0.7%
Buildings Operation By Contractors	342	1.4%	243	1.0%	222	1.0%
Landscape & Tree Surgery	242	1.0%	229	0.9%	256	1.1%
Unclassified (Insufficient Data)	305	1.3%	218	0.9%	225	1.0%
Electrical Wiring In Buildings	158	0.7%	219	0.9%	216	0.9%
Housing Authorities - Apts & Condos Incl. Real Estate	228	1.0%	276	1.1%	232	1.0%
Employment Agencies	201	0.8%	208	0.9%	203	0.9%
Physicians Incl. Clerical	263	1.1%	283	1.2%	248	1.1%
Telephone or Telegraph Companies	N/A		117	0.5%	N/A	
Garbage Refuse Collecting	173	0.7%	140	0.6%	144	0.6%
Public Health Nursing Association All Employees	131	0.6%	N/A		110	0.5%
Aircraft Operation	194	0.8%	219	0.9%	N/A	
Mail & Parcel Delivery Employees, Salespersons & Drivers	103	0.4%	N/A		N/A	
Street or Road Construction Paving or Repaving	109	0.5%	118	0.5%	N/A	
<b>Industries With More Than 100 Filed Claims</b>	<b>10,820</b>	<b>45.6%</b>	<b>11,213</b>	<b>46.8%</b>	<b>10,457</b>	<b>45.1%</b>
<b>Number Of Industry Groups Represented</b>	<b>32</b>		<b>31</b>		<b>29</b>	
<b>All Other</b>	<b>7,815</b>	<b>33.0%</b>	<b>7,486</b>	<b>31.0%</b>	<b>7,551</b>	<b>32.4%</b>
<b>TOTAL</b>	<b>23,711</b>	<b>100.0%</b>	<b>24,113</b>	<b>100.0%</b>	<b>23,241</b>	<b>100.0%</b>

Source: Commission Data, July 2015

Note: Chart represents filed claims in which an award has been ordered.

NOC: Not Otherwise Classified



FIGURE 3 • Awards According to Weeks of Disability and Body Part

FISCAL YEAR 2015					
TOP TEN BODY PARTS DISABLED					
BODY PART	1–74 Weeks	75–249 Weeks	Greater than 249 Weeks	Total	Percent of Total
Thorax-Lower (Back)	1,537	471	54	2,062	26.1%
Shoulder	661	667	16	1,344	17.0%
Knees	863	321	14	1,198	15.2%
Neck	576	188	16	780	9.9%
Hands	445	98	4	547	6.9%
Legs	269	186	10	465	5.9%
Spinal Cord	317	108	7	432	5.5%
Ankle or Ankle and Leg	306	72	4	382	4.8%
Feet	266	78	2	346	4.4%
Arms	209	116	7	332	4.3%
<b>TOTAL</b>	<b>5,449</b>	<b>2,305</b>	<b>134</b>	<b>7,888</b>	<b>100.0%</b>
<b>PERCENT OF TOTAL</b>	<b>69.1%</b>	<b>29.2%</b>	<b>1.7%</b>	<b>100.0%</b>	

Source: Commission Data, July 2015

FIGURE 4 • Permanency Awards According to Weeks of Disability

FISCAL YEAR	1–74 Weeks	75–249 Weeks	Greater than 249 Weeks	Total
2015	6,936	2,767	183	9,886
	70.2%	28.0%	1.8%	100.0%
2014	7,059	3,005	210	10,274
	68.7%	29.3%	2.0%	100.0%
2013	7,369	3,447	281	11,097
	66.4%	31.1%	2.5%	100.0%

Source: Commission Data, July 2015



# MARYLAND WORKERS' COMPENSATION COMMISSION

**FIGURE 5 • Permanency, Fatality, and Compromise Awards by Type of Award**

TYPE	FISCAL YEAR								
	2015			2014			2013		
	Count	Amount	Average	Count	Amount	Average	Count	Amount	Average
<b>Permanent Total</b>	45	\$4,065,561	\$90,346	59	\$4,913,717	\$83,283	93	\$7,112,568	\$76,479
<b>Percent Change - Prior Year</b>	-23.7%	-17.3%	8.5%	-36.5%	-30.9%	8.9%	20.8%	10.1%	-8.8%
<b>Permanent Partial</b>	9,833	180,637,285	18,371	10,274	194,310,608	18,913	11,025	216,749,637	19,660
<b>Percent Change - Prior Year</b>	-4.3%	-7.0%	-2.9%	-6.8%	-10.3%	-3.8%	-5.2%	-1.0%	4.5%
<b>Fatality</b>	45	7,231,937	160,710	41	6,688,330	163,130	36	4,146,554	115,182
<b>Percent Change - Prior Year</b>	9.7%	8.1%	-1.5%	13.9%	61.3%	41.6%	-16.3%	22.6%	46.4%
<b>Compromise</b>	6,139	156,140,777	25,434	6,290	158,716,626	25,233	5,822	166,806,864	28,651
<b>Percent Change - Prior Year</b>	-2.4%	-1.6%	1.0%	8.0%	-4.8%	-11.9%	9.0%	4.4%	-4.2%
<b>Total</b>	16,062	348,075,560	21,671	16,664	364,629,281	21,881	16,976	394,815,623	23,257
<b>Percent Change - Prior Year</b>	-3.6%	-4.5%	-1.0%	-1.8%	-7.6%	-5.9%	-0.1%	1.6%	2.3%
<b>Compromise as a Percent of Permanent Partials</b>		86.4%	138.4%		81.7%	133.4%		76.9%	145.7%

Source: Commission Data, July 2015

**FIGURE 6 • Commission Claims Data**

COMMISSION CLAIM ACTIONS	FISCAL YEAR					
	2015		2014		2013	
	Count	Percent	Count	Percent	Count	Percent
First Reports of Injury	96,579		105,081		111,895	
Total Filed Claims	23,711	100.0%	24,113	100.0%	23,241	100.0%
Disputed Accidental Injury Claims	8,626	36.4%	8,447	37.1%	8,624	37.1%
Temporary Total Awards	13,494	56.9%	14,060	58.9%	13,700	58.9%
Claims Settled	6,139	25.9%	6,348	25.3%	5,899	25.3%
Claims Deferred	6,909	29.1%	6,905	28.0%	6,513	28.0%
Claims Disallowed by Commission	584	2.5%	645	2.6%	612	2.6%

Source: Commission Data, July 2015



# MARYLAND WORKERS' COMPENSATION COMMISSION

**FIGURE 7 • Fatalities by Industry Grouping**

INDUSTRY GROUP	Employment <sup>(1)</sup>	FISCAL YEAR		
		Fatalities <sup>(2)</sup>		
		2015	2014	2013
STATE GOVERNMENT	100,451	2	5	1
LOCAL GOVERNMENT	253,013	19	14	12
<b>GOVERNMENT SECTOR TOTAL</b>	<b>353,464</b>	<b>21</b>	<b>19</b>	<b>13</b>
<b>GOOD PRODUCING</b>				
Natural Resources and Mining	6,363	0	0	0
Construction	152,722	8	7	3
Manufacturing	103,525	1	2	2
<b>SERVICE PROVIDING</b>				
Trades, Transportation, and Utilities	462,223	4	3	5
Information Technology	38,660	0	0	0
Telecommunications	15,761	0	0	0
Financial Activities	137,847	1	0	1
Professional and Business Services	428,905	1	0	4
Education and Health Services	414,291	1	0	0
Leisure and Hospitality	256,795	0	1	0
Other Services	89,619	2	1	3
UNCLASSIFIED	0	28	25	25
<b>PRIVATE SECTOR TOTAL ALL INDUSTRIES</b>	<b>2,106,711</b>	<b>46</b>	<b>39</b>	<b>43</b>
<b>TOTAL EMPLOYMENT/FATALITIES</b>	<b>2,460,175</b>	<b>67</b>	<b>58</b>	<b>56</b>

Source: <sup>(1)</sup> DLLR 4th Quarter 2014

<sup>(2)</sup> Commission Data, July 2015



**FIGURE 8 • Filed Claims by Gender and Age**

FISCAL YEAR 2015			
Gender	Age Group	Claims Filed	Percent
Male	Unknown	7	0.0%
Male	10 - 19	176	0.7%
Male	20 - 29	2,547	10.7%
Male	30 - 39	3,385	14.3%
Male	40 - 49	3,682	15.5%
Male	50 - 59	3,416	14.4%
Male	60 - 69	1,257	5.3%
Male	70 - 79	174	0.7%
Male	80 - 89	15	0.1%
		<b>Total 14,659</b>	<b>61.8%</b>
Female	Unknown	3	0.0%
Female	10 - 19	119	0.5%
Female	20 - 29	1,333	5.6%
Female	30 - 39	1,691	7.1%
Female	40 - 49	2,170	9.2%
Female	50 - 59	2,625	11.1%
Female	60 - 69	971	4.1%
Female	70 - 79	128	0.5%
Female	80 - 89	12	0.1%
		<b>Total 9,052</b>	<b>38.2%</b>
		<b>Total Filed Claims 23,711</b>	<b>100.0%</b>

Source: Commission Data, July 2015



FIGURE 9 • Source of Appeals

SOURCE	FISCAL YEAR		
	2015	2014	2013
Claimant	1,190	1,206	1,200
Employer/Insurer	737	783	774
Subsequent Injury Fund	36	19	27
Uninsured Employers' Fund	12	10	13
<b>TOTAL</b>	<b>1,975</b>	<b>2,018</b>	<b>2,014</b>

Source: Commission Data, July 2015

FIGURE 10 • Hearing Transcripts

CATEGORY	FISCAL YEAR		
	2015	2014	2013
Non Appeal Transcripts	1,381	1,572	1,448
Appeal Transcripts	1,810	1,824	1,831

Source: Commission Data, July 2015



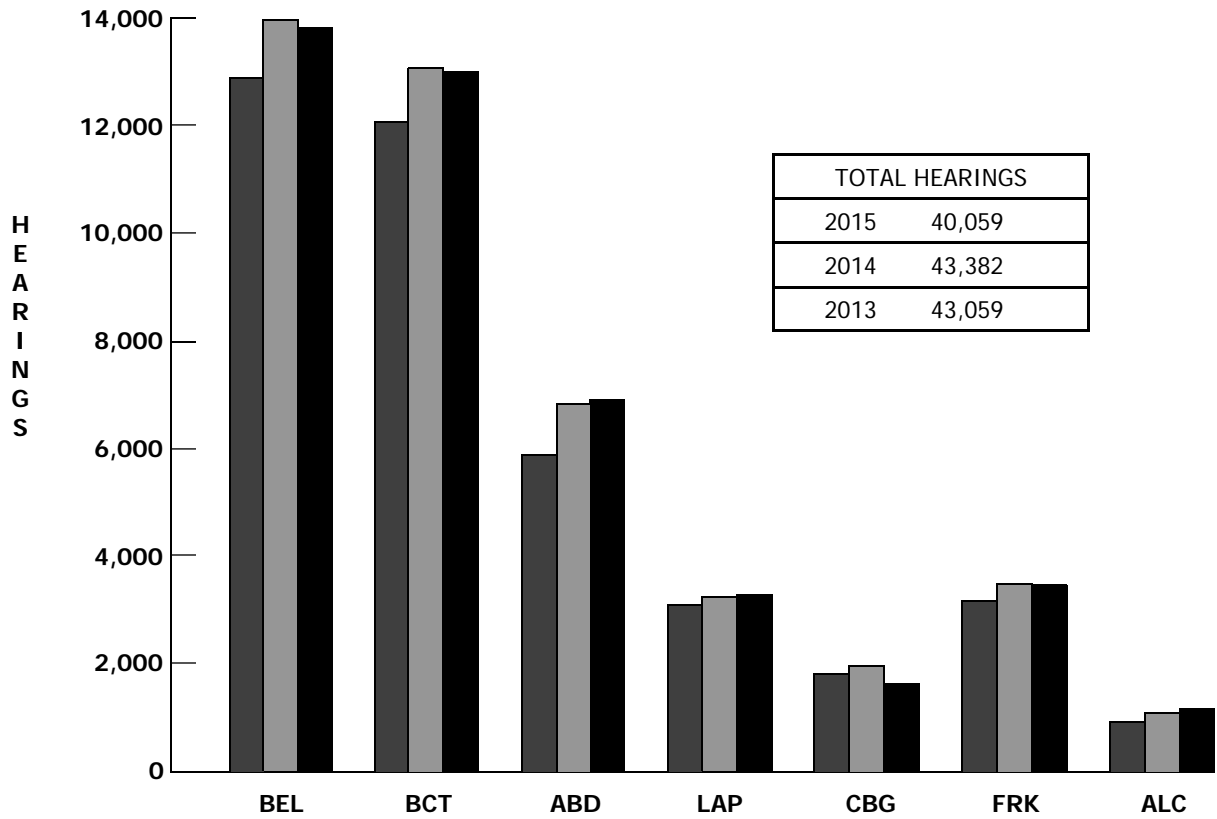
# MARYLAND WORKERS' COMPENSATION COMMISSION

**FIGURE 11 • Source of Claims and Appeals by Political Subdivision**

JURISDICTIONS	FISCAL YEAR					
	2015		2014		2013	
	Claims	Appeals	Claims	Appeals	Claims	Appeals
Baltimore County	3,982	298	4,178	317	4,004	290
Baltimore City	3,754	229	3,671	213	3,601	228
Prince George's County	3,136	355	3,215	369	3,009	386
Montgomery County	2,402	207	2,141	174	2,069	190
Anne Arundel County	1,979	123	1,991	153	1,962	167
Harford County	961	90	1,013	78	966	75
<b>SIX MAJOR METRO AREAS - COUNT</b>	<b>16,214</b>	<b>1,302</b>	<b>16,209</b>	<b>1,304</b>	<b>15,611</b>	<b>1,336</b>
<b>Percent of Total Filed Claims</b>	<b>68.4%</b>	<b>65.9%</b>	<b>67.2%</b>	<b>64.6%</b>	<b>67.2%</b>	<b>66.3%</b>
Frederick County	838	65	873	55	787	43
Washington County	568	42	644	62	704	51
Carroll County	471	39	617	38	586	33
Charles County	536	66	523	63	487	58
Howard County	531	42	588	43	582	49
Wicomico County	342	19	354	18	358	18
Allegany County	256	30	330	27	276	32
Cecil County	311	19	333	21	283	18
Calvert County	338	36	328	50	296	37
St. Mary's County	328	22	270	37	268	36
Caroline County	319	24	346	21	304	18
Queen Anne's County	211	15	163	12	172	16
Dorchester County	150	6	171	5	159	4
Worcester County	162	8	168	12	186	14
Talbot County	87	14	102	13	98	10
Garrett County	109	5	105	4	98	7
Somerset County	86	1	81	8	112	2
Kent County	76	2	72	3	54	8
<b>EIGHTEEN NON-METRO AREAS - COUNT</b>	<b>5,719</b>	<b>455</b>	<b>6,068</b>	<b>492</b>	<b>5,810</b>	<b>454</b>
<b>Percent of Total Filed Claims/Appeals</b>	<b>24.1%</b>	<b>23.0%</b>	<b>25.2%</b>	<b>24.4%</b>	<b>25.0%</b>	<b>22.5%</b>
<b>OUT OF STATE CLAIMS - COUNT</b>	<b>1,778</b>	<b>218</b>	<b>1,836</b>	<b>222</b>	<b>1,820</b>	<b>224</b>
<b>Percent of Total Filed Claims</b>	<b>7.5%</b>	<b>11.0%</b>	<b>7.6%</b>	<b>11.0%</b>	<b>7.8%</b>	<b>11.1%</b>
<b>TOTAL</b>	<b>23,711</b>	<b>1,975</b>	<b>24,113</b>	<b>2,018</b>	<b>23,241</b>	<b>2,014</b>
<b>PERCENT OF CLAIMS APPEALED</b>		<b>8.3%</b>		<b>8.4%</b>		<b>8.7%</b>

Source: Commission Data, July 2015

FIGURE 12 • Scheduled Hearing Distribution



REGIONAL SITES							
	BELTSVILLE	BALTIMORE CITY	ABINGDON	LA PLATA	CAMBRIDGE	FREDERICK	CUMBERLAND
	BEL	BCT	ABD	LAP	CBG	FRK	ALC
<b>2015</b>	12,881	12,044	5,959	3,147	1,907	3,263	858
<b>2014</b>	13,972	12,847	6,839	3,291	1,976	3,556	901
<b>2013</b>	13,710	12,783	6,886	3,384	1,817	3,537	942

FIGURE 13 • Interpreter Office Program Statistics

ITEM	FISCAL YEAR		
	2015	2014	Change
Requests	3,062	2,751	11.3%
Interpretations Provided	2,117	1,861	13.8%
Requests Continued or Withdrawn	945	889	6.3%
Spanish Interpretations	1,819	1,665	9.2%
All Other Interpretations	298	196	52.0%
Percent Spanish	85.9%	89.5%	-4.0%
Number Of Languages Provided	35	35	0.0%

Source: Commission Data, July 2015

FIGURE 14 • Vocational Rehabilitation Case Management

FISCAL YEAR 2015		
	Count	Percent
<b>Return to Work</b>		
Same Employer, Same Job	657	49.4%
Same Employer, Different Job	105	7.9%
New Employer, Same Occupation	48	3.6%
New Employer, Different Occupation	226	17.0%
Self-Employment	4	0.3%
Medical Issues, Not Employed	125	9.4%
<b>Subtotal</b>	<b>1,165</b>	<b>87.5%</b>
<b>Employment Status Unknown</b>		
Rehabilitation Services Declined	82	6.2%
Rehabilitation Program Dropout	61	4.6%
Claimant Moved Out of State	11	0.8%
Claimant Declined Job Offers	12	0.9%
<b>Subtotal</b>	<b>166</b>	<b>12.5%</b>
<b>Total Vocational Rehabilitation Case Dispositions</b>	<b>1,331</b>	<b>100.0%</b>

Source: Commission Data, July 2015



FIGURE 15 • Self-Insurance Program

ITEM	FISCAL YEAR		
	2015	2014	2013
Individual Self-Insurers and 1 Group	101	102	104
Covered Self-Insured Employees <sup>(1)</sup>	432.8 k	430.5 k	428.3 k
Covered Self-Insured Payroll <sup>(1)</sup>	\$22.8 B	\$22.1 B	\$20.8 B
Self-Insured Payroll as Percent of All Covered Payroll	16.1%	16.2%	15.3%
Security Held <sup>(1)</sup>	\$237.1 M	\$227.9 M	\$230.7 M
Commission Orders <sup>(2)</sup>	28	34	15

k = Thousand, M = Million, B = Billion

<sup>(1)</sup> Source: A-01/IC-1 Report 2012 - 2014 Note: Security includes active self-insurers only.

<sup>(2)</sup> Commission Data 2013 - 2015



## MARYLAND WORKERS' COMPENSATION COMMISSION

FIGURE 16 • Workers' Compensation Premium Rate Ranking

2014 Ranking	2012 Ranking	2010 Ranking	State	Median Index Rate	State % of Median
1	3	5	California	3.48	188%
2	2	6	Connecticut	2.87	155%
3	7	7	New Jersey	2.82	152%
4	5	13	New York	2.75	148%
5	1	13	Alaska	2.68	145%
6	6	4	Oklahoma	2.55	137%
7	4	3	Illinois	2.35	127%
8	14	18	Vermont	2.33	125%
9	30	34	Delaware	2.31	125%
10	15	25	Louisiana	2.23	120%
11	8	1	Montana	2.21	119%
12	9	10	New Hampshire	2.18	118%
13	10	8	Maine	2.15	116%
14	19	29	Idaho	2.01	109%
17	13	26	Washington	2.00	108%
17	16	12	South Carolina	2.00	108%
17	12	14	Pennsylvania	2.00	108%
20	27	32	New Mexico	1.99	108%
20	20	28	Rhode Island	1.99	107%
20	17	16	Minnesota	1.99	107%
21	36	33	Missouri	1.98	107%
22	19	20	Tennessee	1.95	105%
23	12	19	Wisconsin	1.92	104%
24	25	36	Iowa	1.88	101%
25	23	28	South Dakota	1.86	100%
27	35	40	Hawaii	1.85	100%
27	25	23	North Carolina	1.85	100%
28	29	40	Florida	1.82	98%
29	21	10	Alabama	1.81	97%
30	33	30	Nebraska	1.78	96%
31	31	37	Wyoming	1.76	95%
32	27	24	Georgia	1.75	95%
33	28	17	Ohio	1.74	94%
34	32	23	Michigan	1.68	91%
<b>35</b>	<b>34</b>	<b>42</b>	<b>Maryland</b>	<b>1.64</b>	<b>88%</b>
36	38	12	Texas	1.61	87%
37	37	38	Arizona	1.60	86%
38	42	31	Mississippi	1.59	85%
39	41	43	Kansas	1.55	83%
40	22	15	Kentucky	1.51	82%
41	43	47	Colorado	1.50	81%
42	40	35	West Virginia	1.37	74%
43	39	41	Oregon	1.37	74%
45	45	45	Utah	1.31	71%
45	47	48	District of Columbia	1.31	70%
46	46	21	Nevada	1.26	68%
48	44	44	Massachusetts	1.17	63%
48	48	47	Virginia	1.17	63%
49	49	49	Arkansas	1.08	58%
50	50	50	Indiana	1.06	57%
51	51	51	North Dakota	0.88	47%

Source: Research and Analysis Section, Oregon Department of Consumer and Business Services (Rev. 10/2014)

Notes: 1. Starting with the 2008 study, when two or more states' Index Rate are the same, they now are assigned the same ranking.

FIGURE 17 • Licensed Insurers Writing Workers' Compensation Insurance

Fiscal Year	Licensed Insurers <sup>(1)</sup>	Licensed Insurers Billed	Percentage of Licensed WC Insurers
2015	677	340	50.2%
2014	658	337	51.2%
2013	658	320	48.6%

Source: Commission Data, July 2015

<sup>(1)</sup> Includes Self-Insurers

FIGURE 18 • Insurer Assessments, Safety/Fraud Costs and Commission Expenses

Fiscal Year	Assessment Base Insured Payroll	Total Insurer Assessments	Safety and Fraud Program Cost	WCC Cost	Assessment per \$1000 of Payroll
2015	\$123,788,020,927	\$24,742,542	\$11,332,540	\$14,281,727	0.200
2014	\$121,027,528,186	\$25,684,112	\$12,157,148	\$13,898,109	0.212
2013	\$113,830,536,789	\$24,923,537	\$11,660,527	\$13,736,289	0.219

Source: Commission Data, July 2015



## REVENUES/EXPENDITURES

The Commission collects an assessment from licensed workers' compensation insurers and self-insurers for the operating budget of the Commission as well as the Occupational Safety and Health Program and the Workplace Fraud Act within the Department of Labor, Licensing and Regulation (DLLR). During this fiscal year, \$24,742,542 was assessed and collected with \$11,332,540 being transferred to DLLR for its safety program and workplace fraud initiative. The remaining funds were retained in the Workers' Compensation Fund and were disbursed as Commission operating expenditures as appropriated. The fiscal year 2015

Legislative Appropriation for the Commission's operating expenditures totaled \$14,514,727. Approximately 75.3 percent of this budget provided for the Commission's allotment of 121.0 full-time equivalent permanent position salaries and 11.25 full-time equivalent contractual position salaries, 11.8 percent for fixed costs to include lease agreements and lease escalations, 6.8 percent for contractual services to include computer software and hardware maintenance contracts, 3.5 percent for communications and postage, and 2.5 percent for travel expenses, supplies and equipment.

## REGULATORY/LEGAL UPDATE

### Legislation

#### **HB 219/Chapter 89**

##### **Workers' Compensation — Issuance of Subpoenas**

Requires the Workers' Compensation Commission to issue subpoenas and authorizes the Commission to assess costs and fees under certain circumstances.

(Effective Date: July 1, 2014)

#### **SB 1099/Chapter 374**

##### **Workers' Compensation—Occupational Disease Presumptions—Paid Rescue Squad Members and Paid Advanced Life Support Unit Members**

Extends the presumption of compensability under the workers' compensation law to include paid rescue squad members and paid advanced life support unit members who suffer from heart disease, hypertension, or lung disease resulting in partial or total disability or death. Extends the presumption of compensability under the workers' compensation law to include paid rescue squad members and paid advanced life support unit members who suffer from certain cancers.

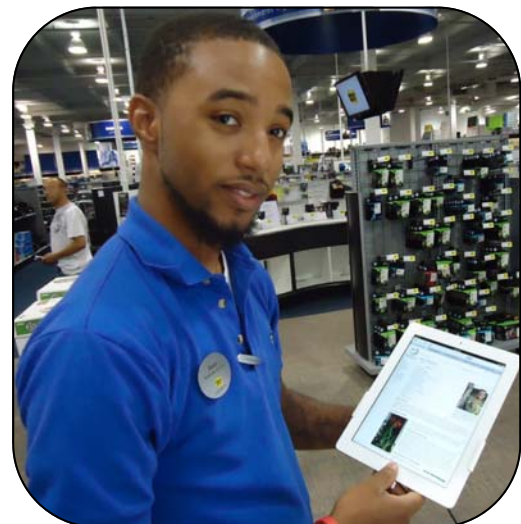
(Effective Date: October 1, 2014)

#### **HB 977/Chapter 629**

##### **Maryland—National Capital Park and Planning Commission Park Police—Workers' Compensation—Lyme Disease Presumption—Repeal of Termination Date**

Repeals the termination date of certain provisions of the law relating to an occupational disease presumption under the workers' compensation law for Maryland-National Capital Park and Planning Commission park police officers who contract Lyme disease.

(Effective Date: October 1, 2014)



REGULATORY/LEGAL UPDATE

**Regulatory Updates**

**14.09.01 General Administrative  
.11—,17, ,26, and .27 (Repealed)**

**14.09.02 Requirements for Filing and Amending  
Claims**

**.01-1 (Repealed)**

This action was taken to repeal obsolete and redundant regulations.

(Effective Date: August 4, 2014)

**14.09.03 Hearing Procedures**

**.05**

This action was taken to conform this regulation to changes to Labor and Employment Article, § 9-311.

(Effective Date: September 15, 2014)

**14.09.15 Open Meetings**

**.04**

**14.09.16 Public Information Act Requests**

**.03 and .13**

This action was taken to update now-obsolete COMAR references contained in the regulations.

(Effective Date: March 16, 2015)

**Appellate Opinions**

Mark G. Hranicka v. Chesapeake Surgical, Ltd., et al.  
443 Md. 289

**Workers' Compensation – Md. Code Ann., Labor & Empl. (1991, 2008 Repl. Vol.) § 9-709(b)(3) – Statute of Limitations – Claim for Benefits – Electronic Submission – Filing** – Court of Appeals held that an employee's claim was time-barred under Md. Code Ann., Labor & Empl. (1991, 2008 Repl. Vol.) § 9-709(b)(3) where a claim was electronically submitted to the Workers' Compensation Commission ("Commission") before expiration of the two-year period, but not filed on paper until after expiration of the two-year period. Stated otherwise, the Court of Appeals held that, under relevant statutes and regulations, electronic submission of a claim does not constitute "filing" pursuant to Code of Maryland Regulations 14.09.02.02A, and the Commission erred in ruling that the date of the claim could, for purposes of statute of limitations, be the date of the claim's electronic submission.

Baltimore County, Maryland et al. v. Carroll

Thiergartner; Jeffrey Walters v. Baltimore County, Maryland

442 Md. 518

**Workers' Compensation Benefits - Presumption Accorded Public Safety Employees—Offset for Retirement Benefits - Deferred Retirement Option Benefits.**

The State Workers' Compensation Act includes a special presumption for public safety employees that certain medical conditions are the result of an occupational disease and are compensable under the Act. Benefits paid as a result of that presumption, however, are capped such that the weekly total of those benefits and any retirement benefits received by the individual do not exceed the individual's average weekly salary; if the total exceeds the average weekly salary, the workers' compensation benefits are reduced by the amount of the excess. One form of retirement benefits available to long-time employees of Baltimore County was the Deferred Retirement Option Program ("DROP"), under which an employee delayed retirement in return for benefits that could be received as a lump sum upon retirement or as part of an enhanced monthly retirement payment. A lump sum DROP payment must be converted to a weekly amount for purposes of the offset computation in the Workers' Compensation Act. The method adopted by the Workers' Compensation Commission in one of these cases – using the higher recurring benefits figure that would have been paid if the individual had made a different election with respect to the DROP – was a reasonable way of doing so. Maryland Code, Labor & Employment Article, §9-503; Baltimore County Code, §5-1-302.

Injured Workers' Insurance Fund v. Subsequent Injury Fund, et al.; Baltimore County, Maryland v. Subsequent Injury Fund, et al.

222 Md.App. 347

Md. Code (1991, 2008 Repl. Vol.), Labor & Employment Article, requires employers to pay the 6.5% assessment to the Subsequent Injury Fund based on the full amount of all permanent disability awards regardless of any offset for retirement benefits.

REGULATORY/LEGAL UPDATE

W.R. Grace & Co., et al v. Andrew P. Swedo, Jr.  
439 Md. 441

**Md. Code (1991, 2008 Repl. Vol.), § 9-633 of the Labor and Employment Article—Award for Permanent Partial Disability Reversed or Modified on Appeal—Credit for Compensation Previously Awarded and Paid.** Because the Workers' Compensation Act clearly defines compensation as money, an Employer/Insurer should be credited for the total dollars previously paid under an award when that award is modified on appeal. This differs from the credit given in a reopening case, which is measured by weeks.

Luther Gales, III v. Sunoco, Inc. and American Zurich Insurance  
440 Md. 358

An appellant in a *de novo* workers' compensation jury trial is not required to move the Commission decision into evidence.

Richard A. Elms v. Renewal By Andersen  
43 Md. 381

In a workers' compensation case, the first inquiry is whether a common law employer/employee relationship exists between the injured worker and his or her direct employer. When making this inquiry, the most important and decisive factor is whether the alleged employer has the right to control the employee in the manner of the employment. If it is determined that the injured worker is a "covered employee," but the injured worker is unable to recover compensation benefits through his or her direct employer, we then look to Maryland Code (1991, 2008 Repl. Vol., 2013 Cum. Supp.), § 9-508 of the Labor and Employment Article. Under § 9-508, when certain conditions are met, a principal contractor is a "statutory employer," and is therefore liable to the employee of a subcontractor for injuries sustained during the course of the work undertaken by the principal contractor and subcontractor(s). Where an employer/employee relationship is established under the traditional common law test, application of § 9-508 is inappropriate.



COMMITTEES

**Maryland General Assembly Workers' Compensation Benefit and Insurance Oversight Committee**

Chapters 590 and 591 of the Acts of 1987 established the Maryland General Assembly Workers' Compensation Benefit and Insurance Oversight Committee. Chapter 5 of the Acts of 2011 expanded the membership to include a representative from a self-insured local government entity. The Oversight Committee was developed to:

- Examine and evaluate the condition of the workers' compensation benefit and insurance structure in Maryland and the impact these laws have on that structure.
- Review, with respect to adequacy and appropriateness, the changes made to the permanent partial benefits laws and make recommendations for necessary changes.
- Report to the Governor and the Legislative Policy Committee on December 31 of each year.
- Monitor, review and comment on salient workers' compensation issues for the Maryland Legislature.

The Oversight Committee membership includes representatives from the legislative, medical, legal, labor sectors, and self-insured local government, as well as the general public. The Committee is co-chaired by an appointed State Senator and a House of Delegates member.

**2015 Committee Roster**  
 Katherine A. Klausmeier, Senate Chair  
 Kriselda Valderrama, House Chair  
 Senator Brian J. Feldman  
 Delegate Cheryl D. Glenn

**Representative of Maryland Business Community:**  
 Mary Anne Reuschling

**Representative of the Maryland Labor Organization:**  
 Craig Simpson

**Representative of Maryland Building and Construction Labor Organization:**  
 Tom P. Hayes

**Two Members of the Public:**  
 Debora Fajer-Smith  
 Michael G. Comeau

**Member of the Insurance Industry:**  
 Thomas J. Phelan

**Member of a Workers' Compensation Rating Organization:**  
 David Benedict

**Member of Medical and Chirurgical Faculty of Maryland:**  
 Kenneth R. Lippman, M.D.

**Members of the Bar:**  
 Rudolph L. Rose, Defense Lawyer  
 P. Matthew Darby, Plaintiff Lawyer

**Maryland Certified Rehabilitation Service Provider:**  
 Kathy M. Stone

**Self-Insured Local Government Entity**  
 Ronald J. Travers

**Workers' Compensation Commission—Ex Officio:**  
 Maureen Quinn

**Committee Staff:**  
 Tami Burt  
 Laura Atas  
 Department of Legislative Services

**Governor's Advisory Committee on Budget of State Workers' Compensation Commission**

Pursuant to the requirements of Labor and Employment Article §§ 9-317 and 9-318, a Budget Advisory Committee was established to review the annual proposed operating budget of the Workers' Compensation Commission and make recommendations to the Commission. The Budget Advisory Committee will perform this review and make its recommendations by November 1 of each year. The Committee submits its annual report and recommendations to the Governor and Legislature by December 1 of each year.

**2015 Committee Roster**

Michael G. Comeau, Chairman	Ricardo Loaiza
Sandra Dorsey	Adrienne M. Ray
Kevin P. Foy, Esq.	Patrick A. Roberson, Esq.
Melinda Hayes	Matthew D. Trollinger, Esq.
Mary C. Larkin	

COMMITTEES

**Advisory Committee on the Registration of Rehabilitation Practitioners**

The Advisory Committee on the Registration of Rehabilitation Practitioners was formed by the Workers' Compensation Commission in 1997. The Committee's role is to review, evaluate and provide recommendations to the Commission regarding a vocational rehabilitation practitioner's application where questions or clarifications are needed. Members are appointed to a three-year term by the Workers' Compensation Commission. The Committee consists of seven members who are certified rehabilitation practitioners (Labor and Employment Article, Section 9-6A-05).

**2015 Committee Roster**

- Charles Smolkin, MS, LCPC, CRC, CVE, MSRP  
*Committee Chair*
- Susan Budden, MS, CRC, MCRSP
- Mary Sevinsky, MS, CRC, CCM, MCRSP
- Janet Spry, Ph.D., CRC, LPC, MCRSP
- Kathy M. Stone, MS, CDMS, CCM, MCRSP
- Carole Stole-Upman, MA, RN, CCM, CRC, CDMS, CNLCP, WCCM, MCRSP
- Cathryn Winslow, RN, WCCM, MCRSP

**Medical Fee Guide Revision Committee**

The Medical Fee Guide Revision Committee (MFGRC) was established in response to Labor and Employment Article § 9-663(b)(3). It reviews medical and surgical fees for completeness and reasonableness as well as provides a forum for discussing the fee guide. Recommendations are then made to the full Commission. The MFGRC, whose membership consists of an equal number of payers and receivers of workers' compensation medical benefits, engages in an ongoing analysis of reimbursement rates and recommends modifications to the Commission. In 2008, the Medical Fee Guide was fully incorporated into COMAR and was updated to include an annual adjustment factor that will help reimbursement rates stay current. In fiscal year 2015, the MFGRC met on September 11, 2014.

**2015 Committee Roster**

- Commissioner Jeffrey C. Herwig, Committee Chair
- Jerome P. Reichmister, M.D., Physician Adviser, WCC
- Timothy Bailey, Committee Secretary, WCC

**Payers**

- Edward J. Bernacki, M.D.
- Dennis Carroll, Esq.
- Antonio R. Lopez, Esq.
- Rudolph Rose, Esq.
- Craig J. Ross, M.D.
- Bruce Wood, Esq.

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