



# ANNUAL REPORT

fiscal year 2019



Larry Hogan, Governor  
Boyd K. Rutherford, Lt. Governor

R. Karl Aumann, Chairman  
Mary K. Ahearn, Chief Executive Officer

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## MISSION

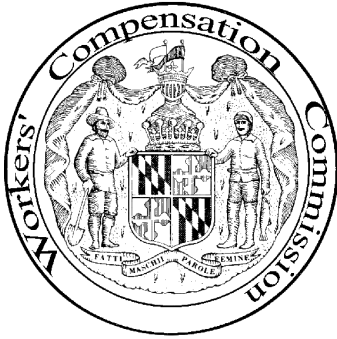
The Maryland Workers' Compensation Commission seeks to secure the equitable and timely administration of the provisions of the Maryland Workers' Compensation law on behalf of its customers, the injured workers and their employers, by providing an efficient forum for the resolution of individual claims.

## 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

**W**ith my fellow Commissioners and our outstanding staff, I am pleased to present the 2019 Annual Report of the Maryland Workers' Compensation Commission. This excellent publication fulfills our legislative mandate in LE 9-312 and covers the fiscal year running from July 1, 2018 through June 30, 2019. It is a privilege to serve the citizens of Maryland; a duty we take seriously as reflected in the work outlined in this report.

The Commission is committed to excellence and our staff is steadfast in its efforts to perform our responsibilities. Without question, the professionalism and technical acumen of our team is a hallmark of the WCC. This smooth and effective operation is the foundation of why Maryland's workers' compensation system is among the finest in the United States.

I believe this comprehensive report is a critical resource for every stakeholder in the workers' compensation community. It is included on our website to maximize its availability to the public. The data collected and presented is extensive and gives excellent insight to the facts and trends affecting Maryland workers, employers, and insurers. Amy S. Lackington and her colleagues deserve enormous credit for their work in making this publication possible.

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,

R. Karl Aumann

## THE COMMISSION AT A GLANCE

The Maryland Workers' Compensation Commission (the "Commission" or "WCC") is an Independent Agency within the Executive Branch of Maryland State Government. *See generally*, Md. Code Ann., Labor and Employment Article ("LE"), §§ 9-101 - 9-1201. Appointed by the Governor with Senate advice and consent, the Commission's ten members serve twelve-year terms. LE § 9-302. The Governor names the chair. LE § 9-303.

Under Administration, work of the WCC is carried out by three offices: Finance, Information Technology, and Operations.

- a. Finance oversees Fiscal Services; Insurance Programs, Compliance and Reporting; Personnel, and Document Processing, and is aided by the Budget Advisory Committee.
- b. Information Technology oversees Software and Database Development, Systems and Networks, Information Security, Datacenters and Technical Customer Support.
- c. Operations oversees Court Reporting, Hearings, Claims/Case Processing, Interpreter Services, Public Service, Appeals and Support Services (Medical Fee Guide Publisher, Vocational Rehabilitation Certification and Registry).
- d. WCC also is aided by the Advisory Committee on the Registration of Rehabilitation Practitioners, and the Medical Fee Guide Revision Committee.

The WCC administers the Workers' Compensation Law and adjudicates claims for compensation arising under the law. *See generally*, Md. Code Ann., Labor and Employment Article ("LE"), §§ 9-301—9-316. Claims are filed and processed by the WCC which hears contested cases throughout the State. Claimants requiring rehabilitation are referred by the Commission to appropriate rehabilitation service providers.

Employers file a First Report of Injury form with the Commission after a qualifying employee injury occurs. If the injured worker files a claim for benefits within the statutory time limits, an Employee Claim file is created. Employee Claims for benefits may also be filed for occupational disease under specialized statutory definitions. Although not directly subject to HIPAA as a

covered entity or trading partner, WCC adheres to strict data privacy protections. Access to non-public data and document images is restricted.

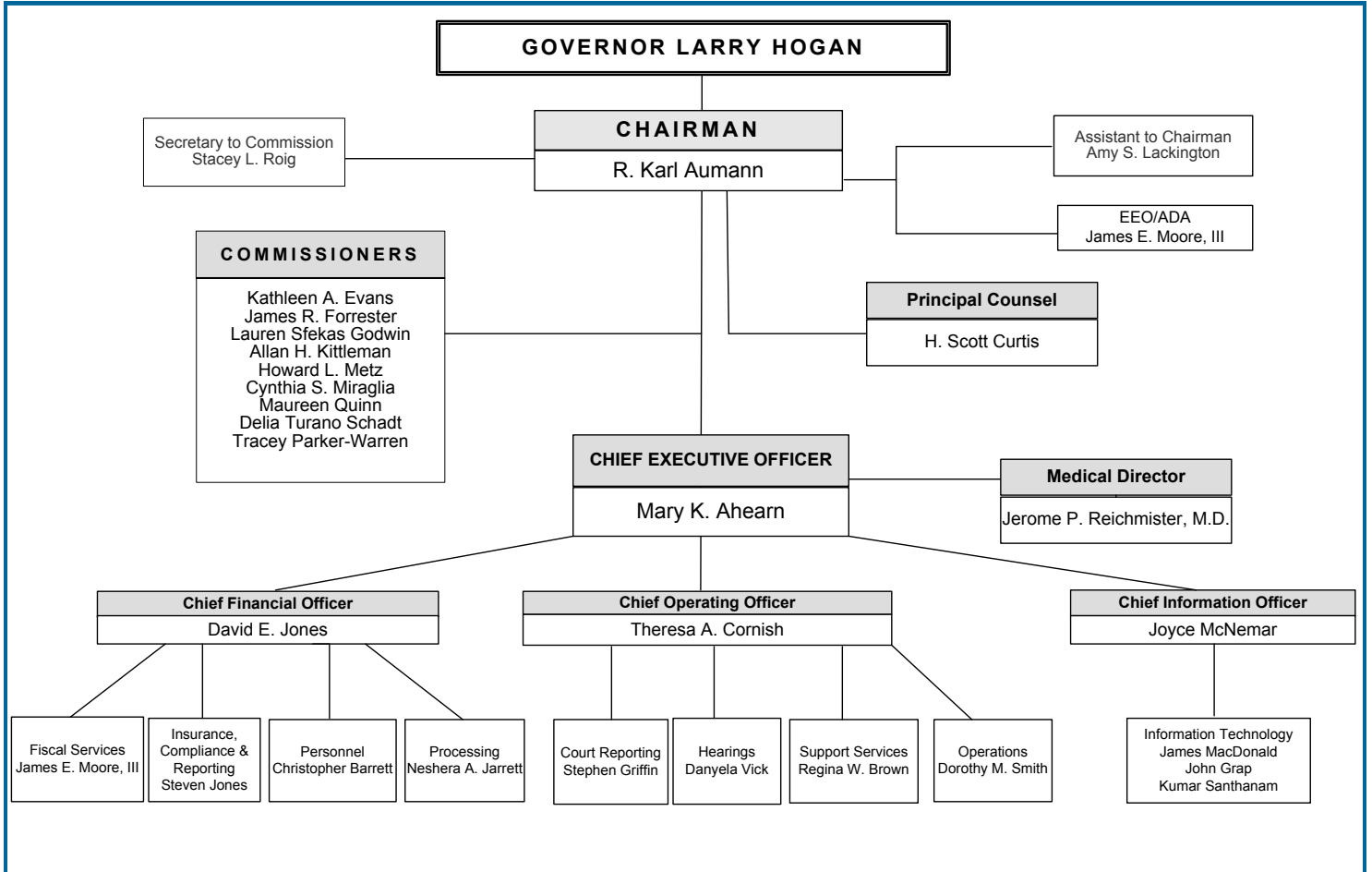
The Commission functions similarly to a judicial system in adjudicating the disputed claims of injured workers in Maryland. A case may be set for one or more hearings before a Commissioner. The Commissioner makes decisions based on issues raised and creates Commission orders. Appeals of Commission decisions are sent to one of Maryland's 24 county or municipal circuit courts. The WCC is required to provide certain notifications to parties and, on request, case related documents to the circuit courts.

The WCC schedules and conducts hearings at multiple hearing sites strategically located across the State. Hearing sites are located in Abingdon, Baltimore City, Beltsville, Cambridge, Cumberland, Frederick, and LaPlata. Commissioners rotate among the hearing locations. The WCC coordinates and schedules language and hearing interpreters for case hearings. The interpreter service is available upon request by a party in the case at no charge to the parties. Interpreters are sourced from a combination of in-house and outside services.

The Commission also:

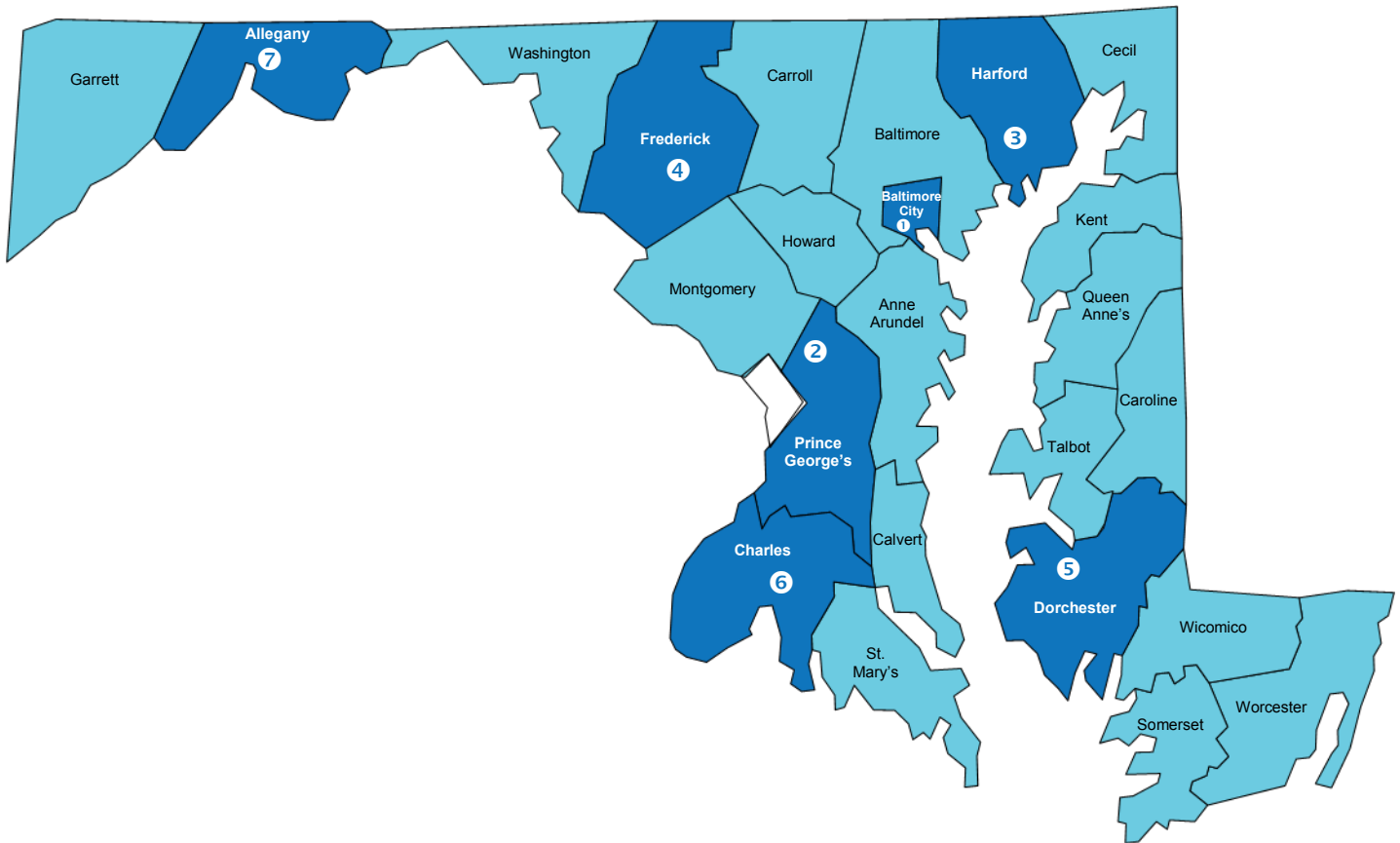
- Tracks and orders employer compliance with workers' compensation insurance requirements.
- Processes attorney registrations for admission to worker's compensation law practice in Maryland.
- Assesses insurers for amounts based on the size of employer payrolls in Maryland for which they have written workers' compensation insurance policies.
- Oversees the self-insurance program and tracks the financial health of self-insured employers and establishes security deposit requirements.
- Registers and certifies vocational rehabilitation practitioners and providers, and tracks their continuing education.
- Updates and publishes an annual medical fee guide and handles medical fee dispute resolution. The Commission maintains internal subject matter expertise and internal consultative services on workplace injury related medical topics.

**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.

HEARING SITE LOCATIONS



1. BALTIMORE CITY  
Commission Offices and Hearing Rooms  
10 East Baltimore Street, 4th Floor  
Baltimore, MD 21202

2. CENTRAL REGIONAL  
4780 Corridor Place, Suite D  
Beltsville, MD 20705

3. NORTH EAST REGIONAL  
3465 Box Hill Corporate Center Drive, Suite E  
Abingdon, MD 21009

4. NORTH WEST REGIONAL  
1890 N. Market Street, Suite 200  
Frederick, MD 21701

5. EASTERN REGIONAL  
828 Airpax Road, Building B, Suite 400  
Cambridge, MD 21613

6. SOUTHERN REGIONAL  
403 East Charles Street  
La Plata, MD 20646

7. WESTERN MARYLAND  
Comfort Inn & Suites  
1216 National Highway  
Lavale, MD 21502

**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. Initially appointed by Governor Robert Ehrlich, in 2017 he was reappointed by Governor Larry Hogan. 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 SAWCA and is chair of the International Committee of the IAIABC. 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

### **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.

### **James R. Forrester, *Commissioner***



James R. Forrester was appointed a member of the Maryland Workers' Compensation Commission in 2018 by Governor Lawrence J. Hogan, Jr. He is a graduate of Randolph-Macon College and the University of Baltimore's Merrick School of Business and School of Law. He earned a Master of Business Administration in 1995 and a Juris Doctor in 1998, with honors. In 1999, he joined the Law Offices of Ileen M. Ticer as an Associate Claims Attorney. Thereafter, he joined Semmes Bowen & Semmes, P.C. in the firm's Workers' Compensation and Employers' Liability Department, having

been elected a Principal in 2009. Throughout his years in legal practice, Commissioner Forrester has concentrated in the area of workers' compensation, appearing before all levels of the judiciary in the State of Maryland. He is also licensed and practiced in the District of Columbia. He served as President and Member of the Executive Board of the Baltimore Claims Association as well as the Co-Chair of the Workers' Compensation Section of the Maryland Defense Counsel. He also serves in a leadership role with several civic organizations.



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.

**Allan H. Kittleman, *Commissioner***



On November 28, 2018 Governor Larry Hogan announced the appointment of Allan H. Kittleman to the Maryland Workers' Compensation Commission. Commissioner Kittleman graduated with honors from the University of Maryland School of Law with a J.D. in 1988. He received his bachelor's degree in political science from the University of Maryland, Baltimore County in 1981. After receiving his J.D. degree, he joined Smith, Somerville & Case. In 1991, he joined Herwig & Humphreys where he

became a partner. Subsequently, he became "of counsel" at Godwin, Erlandson, Vernon and Daney. Throughout his 25 years in legal practice, Commissioner Kittleman concentrated his practice in the defense of workers' compensation claims in Maryland and the District of Columbia. Commissioner Kittleman also previously served on the Howard County Council (1998-2004), in the Maryland State Senate (2004-2014) and as the Howard County Executive (2014-2018).

**BIOGRAPHIES**

**Howard L. Metz, *Commissioner***



On November 28, 2018 Governor Larry Hogan announced the appointment of Howard L. Metz to the Maryland Workers' Compensation Commission. Commissioner Metz graduated from the State University of New Jersey School of Law in 1985. He received his bachelor's degree from The American University in 1982. Mr. Metz has over 30 years of experience in workers' compensation and as a litigation attorney representing clients in trials before the Maryland Circuit and District Courts and U.S. District Court including courts in Pennsylvania and New Jersey. He has briefed and argued cases before the Maryland

Court of Appeals, Court of Special Appeals and U.S. Court of Appeals for the Fourth Circuit. In addition to practicing before the Maryland Workers' Compensation Commission, Mr. Metz has appeared before the Social Security Administration and other State and Federal Agencies. He has been a court appointed mediator for the Circuit Court for Frederick County since 2000 and for the Circuit Court for Washington County since 2008. He frequently lectures and is a continuing legal education instruction in the areas of Workers' Compensation law and mediation practice.

**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.

## BIOGRAPHIES

### 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.

### 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.

### Tracey Parker-Warren, *Commissioner*



Tracey Warren was appointed a member of the Maryland Workers' Compensation Commission in June 2016 by Governor Lawrence J. Hogan, Jr. Immediately prior to this appointment, she served as an Administrative Law Judge in the Office of Administrative Hearings. She graduated *cum laude* from the University of Baltimore School of Law. Commissioner Warren subsequently clerked for The Honorable Arrie W. Davis (Ret.), Court of Special

Appeals of Maryland, and through the US Attorney General's Honors Program, she served as Attorney Advisor for the Department of Justice. She was also an attorney with the US Department of Veterans Affairs. She is a member of the Board of Regents for Morgan State University and a member of the Appellate Judicial Nominating Commission. She is a member of the bars of Maryland, the District of Columbia, and the Supreme Court of the United States.

## AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS

### PERSONNEL IN THE NEWS

#### **New Commissioners**

In Fiscal Year 2019 the Commission welcomed three new Commissioners:

James R. Forrester, Esq. Commissioner Forrester is a graduate of Randolph-Macon College and the University of Baltimore's Merrick School of Business (1995) and School of Law (1998).

Allan H. Kittleman, Esq. Commissioner Kittleman received his bachelor's degree in political science from the University of Maryland, Baltimore County in 1981, and graduated with honors from the University of Maryland School of Law with a J.D. in 1988.

Howard L. Metz, Esq. Commissioner Metz graduated from Rutgers School of Law in 1985. He received his bachelor's degree from The American University in 1982.

#### **Retirements**

After many years of dedicated service with the State of Maryland and the Workers' Compensation Commission, the following employees are now retired. We wish the best of luck in this new chapter of life!

	<u>Dates of Service</u>
Yolanda Cheatham Agency Buyer II	1980—2018
Priscilla Byrd Mail Services Lead	1988—2018
Christina White Assistant to Commissioner	1988—2018
Jeffrey T. Weinberg Commissioner	2007—2018
Jeffrey C. Herwig Commissioner	2006—2018
Patricia G. Adams Commissioner	2006—2018

### WORKERS' COMPENSATION PROFESSIONAL ASSOCIATIONS

The success of the Maryland Workers' Compensation Commission rests largely on a strong foundation of highly talented and knowledgeable Commissioners and staff. Continuing professional development for both is one of the key elements in the Commission's quest to provide a

smooth process and positive outcome in claims adjudication. Each year the Commissioners and staff are actively involved in educational opportunities sponsored by local, national and international workers' compensation professional associations.

#### **American Bar Association.**

2019 Workers' Compensation Midwinter Conference, co-sponsored by the Tort Trial & Insurance Practice Section and the Section of Labor and Employment Law.  
[www.americanbar.org](http://www.americanbar.org)

#### **College of Workers' Compensation Lawyers**

Each year, the College of Workers' Compensation Lawyers sponsors a Symposium held in conjunction with the ABA Midwinter Conference which hosts some of the Nation's most distinguished and knowledgeable Workers' Compensation practitioners and professionals. Commissioner Cynthia S. Miraglia was inducted as a Fellow in the College on March 16, 2019.  
[www.cwclawyers.org](http://www.cwclawyers.org)

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

Founded in 1914, the IAIABC is the largest trade association of workers' compensation jurisdictional agencies in North America. It is an association of workers' compensation regulators and industry professionals who work to advance the efficiency and effectiveness of workers' compensation systems throughout the world and provides information and education on workers' compensation policy, regulation, and administration. The IAIABC works to improve and clarify laws, identify best practices, develop and implement standards, and provide education and information sharing. <http://www.iaiacb.org>

#### **Maryland Workers' Compensation Educational Association (MWCEA)**

Founded in 1984, the MWCEA promotes education and communication by bringing together the Maryland Workers' Compensation community to provide a forum for employees, employers, insurers, program administrators, medical and rehabilitation providers and attorneys. The goal of MWCEA and its 15 constituent organizations 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>

## AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS

### Alfred M. Port Memorial Award

In 2019 the Alfred M. Port Memorial Award was given *Commissioner Lauren Sfekas Godwin* (ret.) for her generous contributions to the workers' compensation community. The Alfred M. Porth Memorial Award was established by the MWCEA in 2001 to honor select members of the workers' compensation community for outstanding commitment to the fair and honest administration of the Maryland workers' compensation system. The Award is named for Alfred M. Porth (1916 - 1992), with the law firm of Smith, Somerville & Case and one of the foremost practitioners of Maryland workers' compensation law.

### National Association of Workers' Compensation Judiciary, Inc. (NAWCJ)

NAWCJ is a non-profit organization designed to provide educational forums for the workers' compensation judiciary concerning issues that are unique to workers' compensation. It is an educational source and national forum which enhances 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. [www.nawcj.org](http://www.nawcj.org)

### Southern Association of Workers' Compensation Administrators (SAWCA) and Roger L. Williams National Regulators College

Comprised of 21 jurisdictional members, SAWCA is an organization which makes available to its members information and instruction regarding the administration of workers' compensation laws by means of forums, lectures, meetings, and written material. The College, held in association with the National Association of Workers' Compensation Judiciary, provides programs specifically designed for regulators and legislators on topics that cover the full scope of regulatory responsibilities. <http://www.sawca.com>

### NEW FORMS, REVISION, AND REPRINTED

- Subpoena Duces Tecum and Request for WCC Transcript (3/2019)
- Authorization for Disclosure of Health Information (A-25R 05/2019)
- Application for Certificate of Compliance (IC-13 9/2018)

### HIGHLIGHTS AND PROCESS IMPROVEMENTS

#### Employer Compliance Program

In FY19, the Commission scheduled 1,348 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. As a result of these efforts, 600 penalty orders were issued with fines totaling approximately \$4.4 million. The goal of the Employer Compliance Program is to enforce employer compliance with the requirement that an employer secure workers' compensation insurance for covered employees, thereby reducing the cost associated with workers' compensation for all stakeholders.

#### Coverage Verification

Searches may be performed by any party that is interested in determining if a business/employer has (or had) workers' compensation insurance as of a specific date. Details on those searches provides the interested party with the carrier name and locations covered under the policy. In FY19, 202,781 searches were performed using the Coverage Verification app and employer details were provided on 81,397 searches.

#### Self-insured employer audits

Eight self-insured employers were audited to verify the accuracy and validity of their reporting to the Commission. Payroll covered by these audits totaled approximately \$1.2 Billion.

#### Prescription Drug Study

The Commission performed a Prescription Drug Study with assistance of the National Council on Compensation Insurance (NCCI). The Commission received data from approved self-insured employers, self-insured groups and Chesapeake Employers Insurance Company and forwarded the data to NCCI to be combined with insurer data. The study allows the Commission to provide a comprehensive analysis of the cost and prevalence of dispensed drugs in Maryland.

## AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS

### Payroll Report Review

As part of the assessments process, the Commission reviewed payroll reports submitted by insurers and self-insured employers for more than \$126 billion. This payroll is the basis for determining the assessment rate used to levy the annual assessment to insurers and self-insured employers.

### Enterprise Modernization Project Procurement

The Commission completed the procurement for consultant services for an enterprise modernization project that will eventually replace the agency's WFMS online system. The \$16.9 million contract was approved by the Board of Public Works on August 22, 2018 and is a three year base contract with two one-year renewal options.

### Documents Processed

The Commission processed 273,247 documents, scanned 2,014,152 pages, mailed out 615,441 pieces of mail, and opened 81,091 pieces of incoming mail. There was also a conversion of 1,559 microfilm cases into Filenet document images.

### Appeal Cases Processed

The Commission saw a continued reduction in the number of appeal cases printed this year, from 262 cases printed in FY18 to 223 cases printed in FY19. This also reduced the number of pages printed from 73,814 in FY18 to 62,607 in FY19.

### Enterprise Modernization

The WCC Enterprise Modernization Project hit full speed in FY2019. We awarded two contracts to support development and implementation, and now have a team of approximately 20 State and contractor personnel dedicated to developing the new system using a rapid application development system from Bizagi. The new team is modernizing over 250 processes within the Commission, and the new system will provide enhanced capabilities for not only attorneys, but insurers, employers, claimants, health care professionals, vocational rehabilitation professionals, and the general public. Phased deployment of features and users is projected to begin in January 2020.

### Web Services Enhancements

The WCC Software Development Team completed several feature enhancements to the incumbent online services system in FY 2019:

- Added new subscriber roles for government agencies access to online services
- Enabled additional WCC generated documents to be eligible for electronic delivery
- Enabled additional forms submitted to WCC to be eligible for electronic delivery
- Increased the number of document types available for online viewing by Insurer online services subscribers and their subscribed delegates.

### Increased Usage of WCC's Web Based Services

WCC added to the number of visitors to its online services and public information websites during FY 2019. The monthly count of website visitors rose from 65,00 in July 2018 to 95,000 in June 2019, a 46% increase in visitor per month. For all of FY 2019, WCC's website attracted over 1.1 million visitors.

WCC's All Electronic C-1 New Employee Claim Submission web application, introduced in FY 2017, attracted the most visitors with over 350,000 in FY 2019. Online claim submissions using this updated web application increased 20% in FY 2019, from 15,000 in FY 2018 to 18,000 in FY 2019.

### Court Reporting Enhancements

The Court Reporting Unit enhanced its performance with the implementation of the new Subpoena Duces Tecum Request for WCC Transcript form under the authority of COMAR 14.09.03.05. The transcript subpoena process was streamlined for individuals in need of a copy of the hearing transcript from a prior claim that they were not a party to, but who are now a party to another claim for the same claimant. The Division is also eagerly awaiting the release from the Enterprise Modernization team of a new process allowing reporters to directly upload transcripts into case files, avoiding having to print transcripts and have them manually scanned to cases. This will significantly decrease the amount of time it takes for the transcript to become visible in the case file.

## Appeals Processing Reminder

The Commission continues to receive numerous inquiries from the workers' compensation community as to why upon receipt by the Commission of the judicial review, the case records have not been sent to court. As a reminder, records are only transmitted to the court upon written request and for the following reasons:

- Issue to be reviewed on the record – must be stated in the petition for judicial review
- Attorney's fees - the requestor must serve the WCC Attorney General
- Judge's order – granted and signed by judge

Please note that the parties can extend time to have the transcript prepared and the record made available without requesting the Commission to send the record to the court. For additional information, please refer to Maryland Rule 7-206.1

## Public Service Training Initiatives

The Public Service Unit is committed to performing in a professional and courteous manner at all times and regularly looks to improve the customer experience. With this goal in mind, staff participated in numerous training workshops. In addition, staff schedules were modified in order to accommodate peak business hours. These changes enabled the Public Service staff to increase the percentage of calls answered within five seconds to 85%.

## Interpreter Program Enhancements

The State awarded three contracts for Statewide Language Interpretation Services for 2018-2023. The Commission was instrumental in assisting with the development of the guidelines for the statewide contract. The Interpreter Program Office has worked closely with the current onsite vendor in implementing training and agency specific courtroom expectations to ensure that the quality of our hearings and interpretations are accurate and professional.

## Settlement Reminders and Enhancements

The Claims Services Unit processed a total of 8,018 settlements for FY 2019 compared to 8,310 in FY 2018. There were 623 settlements returned at the intake stage resulting in a 10% return rate. The primary reason for returns is due to incomplete and/or missing documentation required by COMAR. The unit continues to work closely with law firms to reduce the amount of errors on settlements presented for approval.

Commission staff has spent a great deal of time working with the Enterprise Modernization Team to enhance the overall settlement process. They are working on creating a settlement template that will generate and pre-populate information based on responses to the Settlement Worksheet and other key questions. The enhancements are geared to convert as much of the manual settlement elements as possible into an electronic process, thereby creating and allowing for a faster and more efficient outcome for the claimant and other involved parties.

## Database Cleanup

In a joint effort with the Enterprise Modernization team, the Data Entry Unit, took on a major task of cleaning up the employer database. This task involved reviewing employer accounts for duplications and deleting and consolidating them to better reflect the employer's correct name and address. We also enhanced our data entry standardized formatting. In FY 2019, 12,039 employer updates were completed.

## 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 2019, the Commission continued to review cases for possible referral to the Insurance Fraud Division and referred three (3) 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 for further investigation. Most insurance carriers and self-insured employers report alleged fraud directly to the Maryland Insurance Administration.

AGENCY PERFORMANCE

TABLES AND CHARTS

FIGURE 1 • Filed Claims

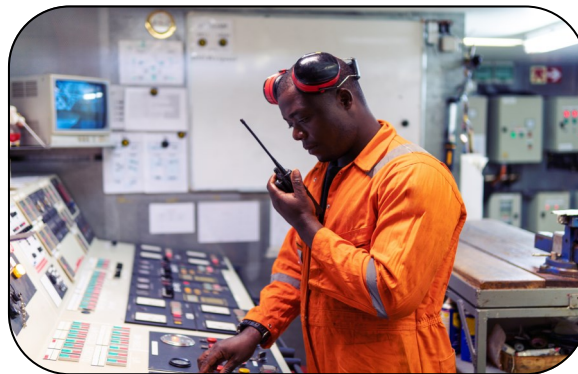
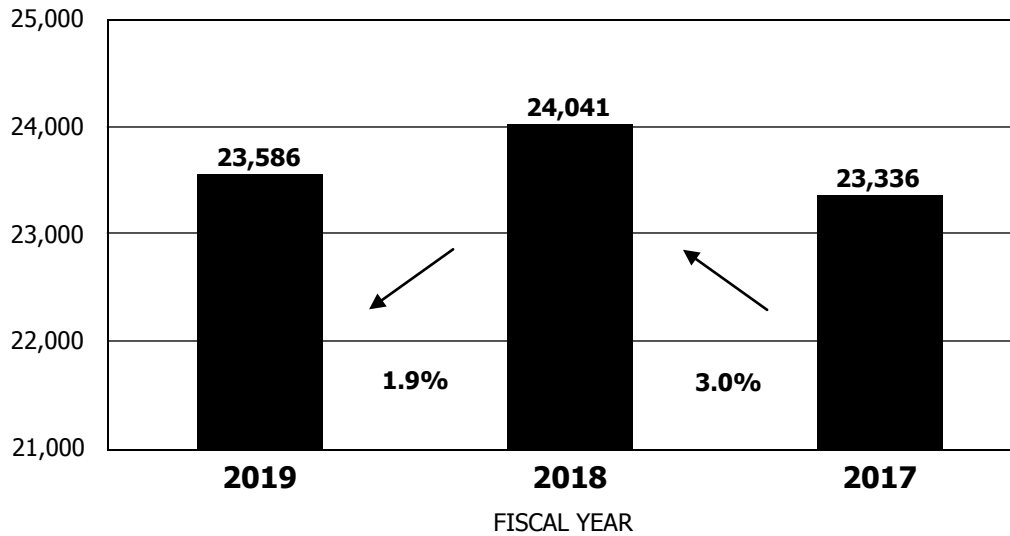




FIGURE 2 • Filed Claims by Industry

INDUSTRIES WITH MORE THAN 100 FILED CLAIMS	FISCAL YEAR					
	2019		2018		2017	
	Count	Percent	Count	Percent	Count	Percent
Policemen - Security	2,044	8.7%	2,041	8.5%	2,176	9.3%
Colleges Or Schools Incl. Day Care	1,404	5.9%	1,422	5.9%	1,519	6.5%
Municipal Township County Or State Employees N.O.C.	934	4.0%	1,237	5.1%	1,161	5.0%
<b>TOP 3 INDUSTRIES IN FILED CLAIMS</b>	<b>4,382</b>	<b>18.6%</b>	<b>4,700</b>	<b>19.5%</b>	<b>4,856</b>	<b>20.8%</b>
Truckmen N.O.C.	939	4.0%	815	3.4%	998	4.3%
Hospitals - All Other Employees	840	3.6%	946	3.9%	979	4.2%
Storage Warehouses General Merchandise N.O.C.	736	3.1%	624	2.6%	583	2.5%
Hotels, Restaurants, Bars & Nightclubs	694	2.9%	752	3.1%	776	3.3%
Convalescent Or Nursing Homes All Employees	683	2.9%	635	2.6%	737	3.2%
Building, Raising Or Moving - General Construction	675	2.9%	695	2.9%	690	3.0%
Firemen Incl. Volunteer Dept & Ambulance Service	668	2.8%	729	3.0%	719	3.1%
Taxicab And Bus Companies	650	2.8%	491	2.0%	439	1.9%
Meat Combined Grocery And Provision Stores Retail	436	1.8%	502	2.1%	472	2.0%
Buildings Operation By Contractors	426	1.8%	269	1.1%	259	1.1%
Automobile Garages Or Repair Shops Inc. Dealers	415	1.8%	423	1.8%	398	1.7%
Clerical Office Employees N.O.C.	371	1.6%	309	1.3%	256	1.1%
Unclassified (Insufficient Data)	340	1.4%	224	0.9%	191	0.8%
Charitable Organizations (Goodwill)	289	1.2%	267	1.1%	250	1.1%
Aircraft Operation All Other Employees	266	1.1%	238	1.0%	221	0.9%
Mail & Parcel Delivery Employees, Salespersons & Drivers	253	1.1%	224	0.9%	210	0.9%
Store Risks Wholesale Or Combined N.O.C. K-MART	249	1.0%	248	1.0%	289	1.2%
Physicians Incl. Clerical	226	1.0%	199	0.8%	144	0.6%
Clothing Or Dry Goods Stores Retail	165	0.7%	156	0.6%	253	1.1%
Employment Agencies	163	0.7%	169	0.7%	199	0.9%
Landscape & Tree Surgery	158	0.7%	175	0.7%	198	0.8%
Carpentry N.O.C. - Renovations	154	0.6%	153	0.6%	198	0.8%
Sheet Metal Work Incl. Air Conditioning & Refrigeration	141	0.6%	146	0.6%	146	0.6%
Athletic Teams of Parks	139	0.6%	116	0.5%	N/A	
Garbage Refuse Collecting	133	0.6%	162	0.7%	147	0.6%
Plumbing-Steam Fitting	103	0.4%	104	0.4%	140	0.6%
Concrete Construction N.O.C.	N/A		N/A		N/A	
Electrical Wiring In Buildings	N/A		139	0.6%	164	0.7%
Hardware Stores - Locksmiths	N/A		104	0.4%	N/A	
Housing Authorities - Apts & Condos Incl. Real Estate	N/A		148	0.6%	123	0.5%
<b>Industries With More Than 100 Filed Claims</b>	<b>10,312</b>	<b>43.7%</b>	<b>9,771</b>	<b>42.3%</b>	<b>9,892</b>	<b>43.6%</b>
<b>Number Of Industry Groups Represented</b>	<b>29</b>		<b>32</b>		<b>30</b>	
<b>All Other</b>	<b>8,892</b>	<b>37.7%</b>	<b>9,179</b>	<b>38.2%</b>	<b>8,301</b>	<b>35.6%</b>
<b>TOTAL</b>	<b>23,586</b>	<b>100.0%</b>	<b>24,041</b>	<b>100.0%</b>	<b>23,336</b>	<b>100.0%</b>

Source: Commission Data, July 2019

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**

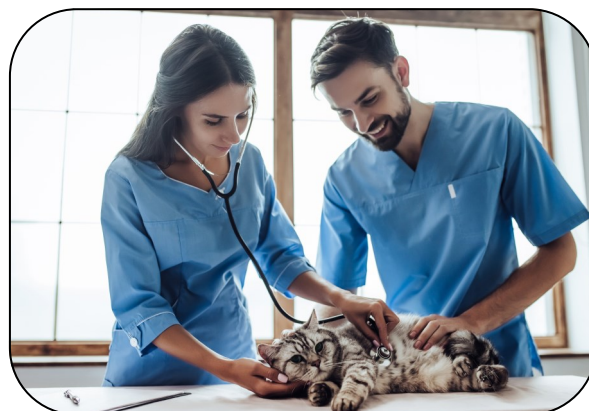
FISCAL YEAR 2019					
TOP TEN BODY PARTS DISABLED					
BODY PART	1–74 Weeks	75–249 Weeks	Greater than 249 Weeks	Total	Percent of Total
Thorax-Lower (Back)	1,291	387	31	1,709	21.7%
Shoulders	735	718	25	1,478	18.8%
Knees	878	323	5	1,206	15.3%
Neck	739	211	24	974	12.4%
Hands	398	90	4	492	6.3%
Legs	294	135	5	434	5.5%
Spinal Cord	295	119	8	422	5.4%
Ankle or Ankle and Leg	331	88	0	419	5.3%
Arms	240	134	6	380	4.8%
Wrists	278	74	2	354	4.5%
<b>TOTAL</b>	<b>5,479</b>	<b>2,279</b>	<b>110</b>	<b>7,868</b>	<b>100.0%</b>
<b>PERCENT OF TOTAL</b>	<b>69.6%</b>	<b>29.0%</b>	<b>1.4%</b>	<b>100.0%</b>	

Source: Commission Data, July 2019

**FIGURE 4 • Permanency Awards According to Weeks of Disability**

FISCAL YEAR	0–74 Weeks	75–249 Weeks	Greater than 249 Weeks	Total
2019	7,378	2,814	155	<b>10,347</b>
	71.3%	27.2%	1.5%	<b>100.0%</b>
2018	7,088	2,981	184	<b>10,253</b>
	69.1%	29.1%	1.8%	<b>100.0%</b>
2017	7,098	2,879	177	<b>10,154</b>
	69.9%	28.4%	1.7%	<b>100.0%</b>

Source: Commission Data, July 2019



## MARYLAND WORKERS' COMPENSATION COMMISSION

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

TYPE	FISCAL YEAR								
	2019			2018			2017		
	Count	Amount	Average	Count	Amount	Average	Count	Amount	Average
<b>Permanent Total</b>	49	\$5,204,891	\$106,222	43	\$4,289,418	\$99,754	57	\$5,387,093	\$94,510
<b>Percent Change - Prior Year</b>	13.9%	21.3%	6.5%	-24.6%	-20.4%	5.6%	-6.6%	-5.8%	0.8%
<b>Permanent Partial</b>	10,347	199,629,685	19,293	10,253	203,997,650	19,896	10,154	194,331,264	19,157
<b>Percent Change - Prior Year</b>	0.9%	-2.1%	-3.0%	1.1%	5.0%	3.9%	-7.3%	-2.6%	5.0%
<b>Fatality</b>	45	7,806,096	173,469	49	8,806,429	179,723	45	8,608,164	191,292
<b>Percent Change - Prior Year</b>	-8.1%	-11.4%	-3.5%	8.9%	2.3%	-6.0%	12.5%	28.9%	14.6%
<b>Compromise</b>	6,275	167,465,778	26,688	6,296	177,154,264	28,138	6,468	178,566,115	27,608
<b>Percent Change - Prior Year</b>	-0.3%	-5.5%	-5.1%	-2.7%	-0.8%	1.9%	7.2%	17.9%	10.0%
<b>Total</b>	16,716	380,106,450	22,739	16,641	394,247,761	23,691	16,714	386,892,636	23,148
<b>Percent Change - Prior Year</b>	0.4%	-3.6%	-4.0%	-0.4%	1.9%	2.3%	-2.1%	6.4%	8.7%
<b>Compromise as a Percent of Permanent Partials</b>		83.9%	138.3%		86.8%	141.4%		91.9%	144.1%

Source: Commission Data, July 2019

**FIGURE 6 • Commission Claims Data**

COMMISSION CLAIM ACTIONS	FISCAL YEAR					
	2019		2018		2017	
	Count	Percent	Count	Percent	Count	Percent
First Reports of Injury	125,316**		92,483		89,757	
Total Filed Claims	23,586	100.0%	24,041		23,336	
Disputed Accidental Injury Claims	10,023	42.5%	10,318	42.9%	9,187	39.4%
Temporary Total Awards	14,204	60.2%	12,663	52.7%	12,253	52.5%
Claims Settled	6,275	26.6%	6,296	26.2%	6,468	27.7%
Claims Deferred	6,006	25.5%	7,908	32.9%	7,818	33.5%
Claims Disallowed by Commission	562	2.4%	619	2.6%	551	2.4%

Source: Commission Data, July 2019

\*\*Due to an insurer oversight, the number of First Reports of Injury (FROI) for FY19 includes 27,355 FROI's submitted in FY19 with a date of injury prior to FY19. In summary, there were 125,316 FROI's filed with the Commission in FY19 and 27,355 of them relate to a date of injury prior to FY19.

FIGURE 7 • Fatalities by Industry Grouping

INDUSTRY GROUP	Employment <sup>(1)</sup>	FISCAL YEAR		
		Fatalities <sup>(2)</sup>		
		2019	2018	2017
STATE GOVERNMENT	101,774	1	1	4
LOCAL GOVERNMENT	254,172	19	19	22
<b>GOVERNMENT SECTOR TOTAL</b>	<b>355,946</b>	<b>20</b>	<b>20</b>	<b>26</b>
<b>GOOD PRODUCING</b>				
Natural Resources and Mining	6,293	2	0	1
Construction	165,018	7	6	4
Manufacturing	111,178	5	2	2
<b>SERVICE PROVIDING</b>				
Trades, Transportation , and Utilities	473,373	5	3	4
Information Technology	35,743	1	0	0
Telecommunications	12,846	0	0	0
Financial Activities	136,963	0	0	0
Professional and Business Services	456,782	0	1	4
Education and Health Services	449,952	3	0	2
Leisure and Hospitality	276,081	0	1	0
Other Services	94,753	4	2	1
UNCLASSIFIED	4	16	10	13
<b>PRIVATE SECTOR TOTAL ALL INDUSTRIES</b>	<b>2,218,986</b>	<b>43</b>	<b>25</b>	<b>31</b>
<b>TOTAL EMPLOYMENT/FATALITIES</b>	<b>2,574,932</b>	<b>63</b>	<b>45</b>	<b>57</b>

Source: <sup>(1)</sup> DLLR 4th Quarter 2018

<sup>(2)</sup> Commission Data, July 2019



FIGURE 8 • Filed Claims by Gender and Age

FISCAL YEAR 2019			
Gender	Age Group	Claims Filed	Percent
Male	Unknown	2	0.0%
Male	10 - 19	165	0.7%
Male	20 - 29	2,397	10.2%
Male	30 - 39	3,498	14.8%
Male	40 - 49	3,129	13.3%
Male	50 - 59	3,236	13.7%
Male	60 - 69	1,496	6.3%
Male	70 - 79	303	1.3%
Male	80 - 89	43	0.2%
		<b>Total 14,269</b>	<b>60.5%</b>
Female	Unknown	0	0.0%
Female	10 - 19	138	0.6%
Female	20 - 29	1,386	5.9%
Female	30 - 39	1,962	8.3%
Female	40 - 49	1,991	8.7%
Female	50 - 59	2,435	10.3%
Female	60 - 69	1,219	4.9%
Female	70 - 79	162	0.7%
Female	80 - 89	24	0.1%
		<b>Total 9,317</b>	<b>39.5%</b>
		<b>Total Filed Claims 23,586</b>	<b>100.0%</b>

Source: Commission Data, July 2019



**FIGURE 9 • Source of Appeals**

SOURCE	FISCAL YEAR		
	2019	2018	2017
Claimant	1,098	1,018	1,042
Employer/Insurer	797	866	784
Subsequent Injury Fund	35	60	55
Uninsured Employers' Fund	23	12	14
Other Party	2	3	N/A
<b>TOTAL</b>	<b>1,955</b>	<b>1,959</b>	<b>1,895</b>

Source: Commission Data, July 2019

**FIGURE 10 • Hearing Transcripts**

CATEGORY	FISCAL YEAR		
	2019	2018	2017
Non Appeal Transcripts	1,193	1,226	1,417
Appeal Transcripts	1,570	1,475	1,555

Source: Commission Data, July 2019



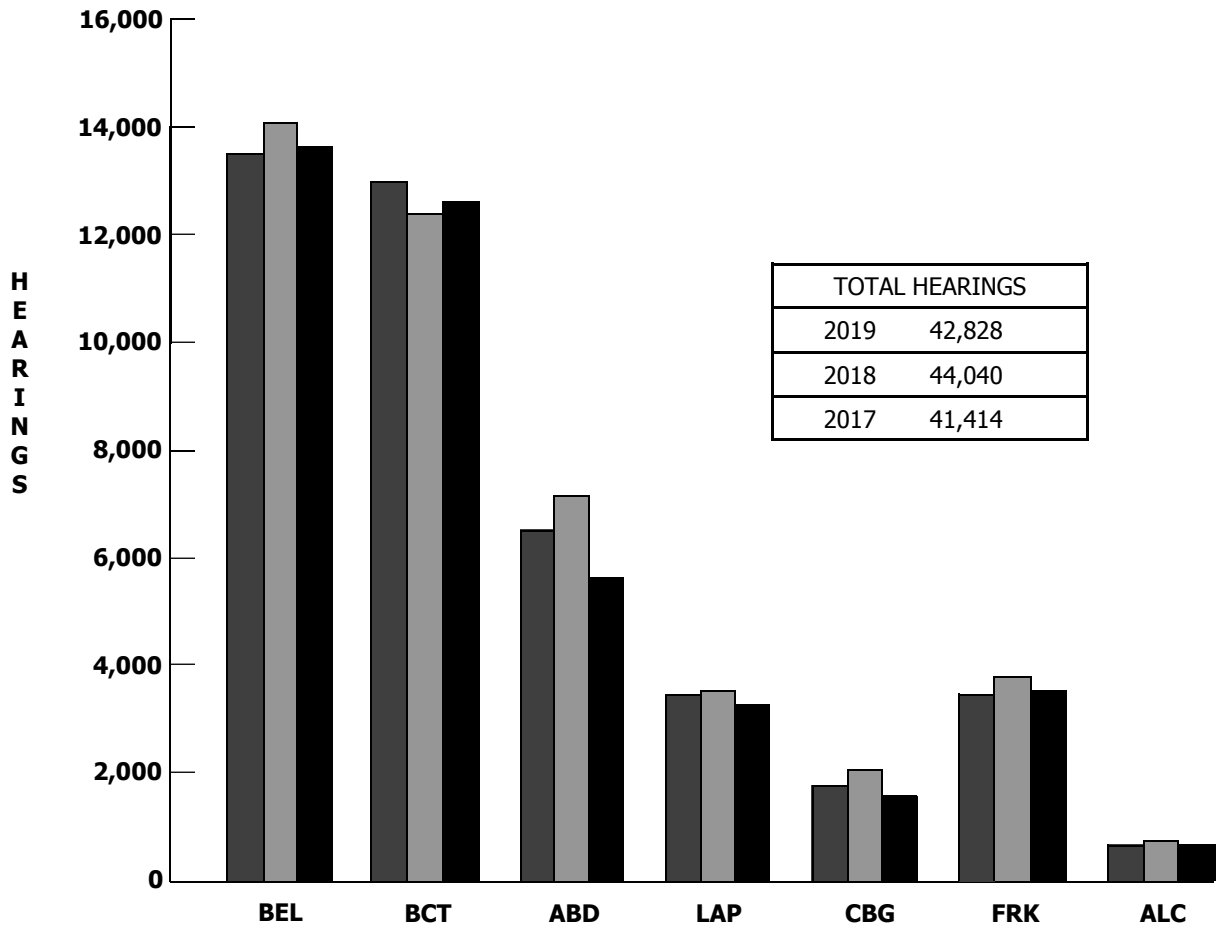
# MARYLAND WORKERS' COMPENSATION COMMISSION

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

JURISDICTIONS	FISCAL YEAR					
	2019		2018		2017	
	Claims	Appeals	Claims	Appeals	Claims	Appeals
Baltimore County	4,235	320	4,152	310	4,045	322
Baltimore City	3,303	236	3,440	207	3,506	218
Prince George's County	2,976	286	3,106	313	3,027	311
Montgomery County	2,247	214	2,243	202	2,236	162
Anne Arundel County	1,935	146	2,008	148	1,900	145
Harford County	942	97	978	84	983	69
<b>SIX MAJOR METRO AREAS - COUNT</b>	<b>15,638</b>	<b>1,299</b>	<b>15,927</b>	<b>1,264</b>	<b>15,697</b>	<b>1,227</b>
<b>Percent of Total Filed Claims</b>	<b>66.3%</b>	<b>66.4%</b>	<b>66.2%</b>	<b>64.5%</b>	<b>67.3%</b>	<b>64.7%</b>
Frederick County	944	64	924	71	857	77
Howard County	731	40	679	69	640	42
Carroll County	620	50	575	38	464	36
Washington County	581	30	538	43	603	52
Charles County	553	62	556	64	520	49
Wicomico County	387	24	375	15	344	26
Calvert County	357	33	394	23	304	24
St. Mary's County	239	26	309	39	329	37
Allegany County	234	21	272	22	277	17
Caroline County	220	17	194	20	336	29
Cecil County	175	16	191	23	291	15
Queen Anne's County	173	13	204	17	185	8
Worcester County	152	17	163	9	168	10
Dorchester County	138	5	133	9	120	9
Garrett County	90	8	110	5	92	6
Talbot County	84	8	111	10	99	4
Somerset County	81	5	70	5	81	5
Kent County	43	4	50	3	55	4
<b>EIGHTEEN NON-METRO AREAS - COUNT</b>	<b>5,802</b>	<b>443</b>	<b>5,848</b>	<b>485</b>	<b>5,765</b>	<b>450</b>
<b>Percent of Total Filed Claims/Appeals</b>	<b>24.6%</b>	<b>22.7%</b>	<b>24.3%</b>	<b>24.8%</b>	<b>24.7%</b>	<b>23.8%</b>
<b>OUT OF STATE CLAIMS - COUNT</b>	<b>2,146</b>	<b>213</b>	<b>2,266</b>	<b>210</b>	<b>1,874</b>	<b>218</b>
<b>Percent of Total Filed Claims</b>	<b>9.1%</b>	<b>10.9%</b>	<b>9.4%</b>	<b>10.7%</b>	<b>8.0%</b>	<b>11.5%</b>
<b>TOTAL</b>	<b>23,586</b>	<b>1,955</b>	<b>24,041</b>	<b>1,959</b>	<b>23,336</b>	<b>1,895</b>
<b>PERCENT OF CLAIMS APPEALED</b>		<b>8.3%</b>		<b>8.1%</b>		<b>8.1%</b>

Source: Commission Data, July 2019

FIGURE 12 • Scheduled Hearing Distribution



REGIONAL SITES							
	BELTSVILLE	BALTIMORE CITY	ABINGDON	LA PLATA	CAMBRIDGE	FREDERICK	CUMBERLAND
	BEL	BCT	ABD	LAP	CBG	FRK	ALC
<b>2019</b>	13,588	12,977	6,558	3,571	1,896	3,526	712
<b>2018</b>	14,112	12,380	7,274	3,603	2,132	3,781	758
<b>2017</b>	13,659	12,590	5,831	3,340	1,714	3,567	713



**FIGURE 13 • Interpreter Office Program Statistics**

ITEM	FISCAL YEAR		
	2019	2018	Change
Requests	2,860	2,954	-3.2%
Interpretations Provided	1,174	1,092	7.5%
Requests Continued or Withdrawn	1,686	1,862	-9.4%
Spanish Interpretations	920	803	14.6%
All Other Interpretations	254	289	-12.1%
Percent Spanish	78.3%	73.5%	5.2%
Number Of Languages Provided	48	42	14.3%

Source: Commission Data, July 2019

**FIGURE 14 • Vocational Rehabilitation Case Management**

FISCAL YEAR 2019		
	Count	Percent
<b>Return to Work</b>		
Same Employer, Same Job	998	65.5%
Same Employer, Different Job	85	5.6%
New Employer, Same Occupation	44	2.9%
New Employer, Different Occupation	196	12.9%
Self-Employment	3	0.2%
Medical Issues, Not Employed	112	7.3%
<b>Subtotal</b>	<b>1,438</b>	<b>94.4%</b>
<b>Employment Status Unknown</b>		
Rehabilitation Services Declined	24	1.6%
Rehabilitation Program Dropout	42	2.7%
Claimant Moved Out of State	7	0.5%
Claimant Declined Job Offers	12	0.8%
<b>Subtotal</b>	<b>85</b>	<b>5.6%</b>
<b>Total Vocational Rehabilitation Case Dispositions</b>	<b>1,523</b>	<b>100.0%</b>

Source: Commission Data, July 2019

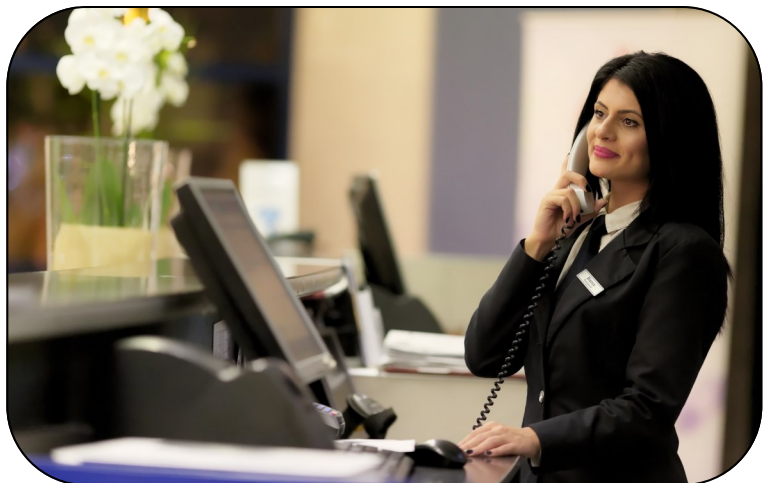
FIGURE 15 • Self-Insurance Program

ITEM	FISCAL YEAR		
	2019	2018	2017
Individual Self-Insurers and 1 Group	92	94	99
Covered Self-Insured Employees <sup>(1)</sup>	409.0 k	420.5 k	428.3 k
Covered Self-Insured Payroll <sup>(1)</sup>	\$27.3 B	\$24.7 B	\$23.7 B
Self-Insured Payroll as Percent of All Covered Payroll	17.1%	15.6%	15.5%
Security Held <sup>(1)</sup>	\$228.8 M	\$225.1 M	\$221.8 M
Commission Orders <sup>(2)</sup>	16	16	13

k = Thousand, M = Million, B = Billion

<sup>(1)</sup> Source: A-01/IC-1 Report 2016 - 2018 Note: Security includes active self-insurers only.

<sup>(2)</sup> Commission Data 2017 - 2019



## MARYLAND WORKERS' COMPENSATION COMMISSION

**FIGURE 16 • Workers' Compensation Premium Rate Ranking**

2018 Ranking	2016 Ranking	2014 Ranking	State	Median Index Rate	State % of Median
1	3	4	New York	3.08	181%
2	1	1	California	2.87	169%
3	2	3	New Jersey	2.84	167%
4	5	5	Alaska	2.51	148%
5	6	9	Delaware	2.50	147%
6	27	32	Georgia	2.27	134%
7	5	2	Connecticut	2.20	129%
8	9	20	Rhode Island	2.19	129%
9	14	8	Vermont	2.09	123%
10	10	10	Louisiana	2.05	121%
11	12	23	Wisconsin	2.02	119%
13	11	27	Hawaii	2.01	118%
13	11	11	Montana	2.01	118%
14	14	17	South Carolina	1.95	115%
16	15	17	Washington	1.87	110%
16	23	31	Wyoming	1.87	110%
17	26	17	Pennsylvania	1.85	109%
19	22	27	North Carolina	1.84	108%
19	14	13	Maine	1.84	108%
21	28	14	Idaho	1.81	106%
21	33	28	Florida	1.81	106%
22	8	7	Illinois	1.80	106%
23	32	25	South Dakota	1.73	102%
24	8	6	Oklahoma	1.71	101%
26	17	12	New Hampshire	1.70	100%
26	32	30	Nebraska	1.70	100%
27	20	21	Missouri	1.68	99%
28	22	20	Minnesota	1.67	98%
29	25	29	Alabama	1.65	97%
30	24	24	Iowa	1.64	96%
31	29	38	Mississippi	1.54	91%
32	30	22	Tennessee	1.52	89%
33	30	40	Kentucky	1.51	89%
34	20	20	New Mexico	1.50	88%
35	35	41	Colorado	1.43	84%
36	40	33	Ohio	1.40	82%
37	34	34	Michigan	1.38	81%
38	44	35	Massachusetts	1.50	82%
<b>39</b>	<b>38</b>	<b>35</b>	<b>Maryland</b>	<b>1.33</b>	<b>78%</b>
40	38	37	Arizona	1.30	76%
41	47	48	Virginia	1.28	75%
42	42	45	District of Columbia	1.25	74%
43	40	36	Texas	1.21	71%
44	43	46	Nevada	1.18	69%
46	41	39	Kansas	1.15	68%
46	45	43	Oregon	1.15	68%
47	46	45	Utah	1.06	62%
48	48	42	West Virginia	1.01	59%
49	49	49	Arkansas	0.90	53%
50	50	50	Indiana	0.87	51%
51	51	51	North Dakota	0.82	48%

Source: Research and Analysis Section, Oregon Department of Consumer and Business Services (Rev. 10/2018)

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
<b>2019</b>	721	336	46.6%
<b>2018</b>	678	330	48.7%
<b>2017</b>	643	328	51.0%

Source: Commission Data, July 2019

<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
<b>2019</b>	\$126,224,923,601	\$28,002,836	\$11,345,628	\$16,657,208	0.221
<b>2018</b>	\$144,091,230,632	\$25,330,777	\$10,866,738	\$14,475,134	0.175
<b>2017</b>	\$141,864,667,650	\$26,153,901	\$11,104,910	\$15,048,991	0.184

Source: Commission Data, July 2018



## 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, \$28,002,836 was assessed and collected with \$11,345,628 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 2019

Legislative Appropriation for the Commission's operating expenditures totaled \$16,942,129. Approximately 69 percent of this budget provided for the Commission's allotment of 115.0 full-time equivalent permanent position salaries and 11.25 full-time equivalent contractual position salaries, 10 percent for fixed costs to include lease agreements and lease escalations, 15 percent for contractual services to include computer software and hardware maintenance contracts, 3 percent for communications and postage, and 3 percent for travel expenses, supplies and equipment.

**LEGAL UPDATE**

**Legislation**

SB 486 (Chapter 210)

**State Retirement and Pension System – Workers' Compensation Offset**

Requires the Board of Trustees for the State Retirement and Pension System to adjust its reduction of the retiree's accidental or special disability retirement benefit to reflect any offset awarded to the retiree's employer by the Workers' Compensation Commission. (Effective July 1, 2019)

HB 585 (Chapter 214)

**Workers' Compensation – Medical Presumptions**

Alters the types of cancer that are considered occupational diseases suffered in the line of duty and are compensable to include bladder, kidney and renal cell cancer. (Effective October 1, 2019)

HB 604 (Chapter 215)

SB 646 (Chapter 216)

**Workers' Compensation – Medical Presumptions for Diseases and Cancer – Eligibility**

Alters the circumstances under which certain firefighters, fire fighting instructors, rescue squad members, advanced life support unit members, and sworn members of the Office of the State Fire Marshal are presumed to be suffering from an occupational disease that was suffered in the line of duty and is compensable under the workers' compensation law. (Effective October 1, 2019)

HB 795 (Chapter 256)

**Workers' Compensation – Permanent Partial Disability – Baltimore City Deputy Sheriffs**

Provides enhanced workers' compensation benefits for a Baltimore City deputy sheriff for a compensable permanent partial disability of less than a certain number of weeks. (Effective October 1, 2019)

**Appellate Opinions**

Peter Gang v. Montgomery County, Maryland

Court of Appeals No. 67

September Term, 2018

Opinion by Battaglia, J. (June 24, 2019)

Section 9-736(a) of the Labor and Employment Article, the subsection which governs the readjustment of a rate of compensation in cases of aggravation, diminution or termination of disability, does not limit or otherwise restrict the jurisdiction of the Workers' Compensation Commission to modify its previous findings, orders or awards under Section 9-736(b), provided the modification sought is applied for within five years after the date of the accident, the date of disablement or the last compensation payment.

**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. A meeting of the Committee took place on February 25, 2019.

**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. A meeting of the Committee was held on August 8, 2018.

**2019 Committee Roster**

Katherine A. Klausmeier, Senate Chair  
 Kriselda Valderrama, House Chair  
 Senator Brian J. Feldman  
 One Vacancy

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

**Representative of the Maryland Labor Organization:**  
 Hank Sorenson

**Representative of Maryland Building and Construction Labor Organization:**  
 Thomas W. 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:**  
 Gary W. Pushkin M.D.

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

**Maryland Certified Rehabilitation Service Provider:**  
 Jody Malcolm

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

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

**Committee Staff:**  
 Laura Atas, Richard Duncan and Andrew Johnston  
 Department of Legislative Services

**2019 Committee Roster**

Michael Comeau, Esq., Chair	Mary C. Larkin
Nathan J. Cavey, Jr.	Adrienne M. Ray
Sandra Dorsey	Patrick A. Roberson, Esq.
Kevin P. Foy, Esq.	Lisa Yvette Settles, Esq.
Melinda Hayes, MS, CRC, CDMS	Matthew D. Trollinger, Esq.
Heather H. Kraus, Esq.	

**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).

**2019 Committee Roster**

- Janet Spry, Ph.D., CRC, LPC, MCRSP  
*Committee Chair*
- Susan Budden, MS, CRC, MCRSP
- Mary Sevinsky, MS, CRC, CCM, MCRSP
- Kathy M. Stone, MS, CDMS, CCM, MCRSP
- Carole Stole-Upman, MA, RN, CCM, CRC, CDMS, CNLCP, WCCM, MCRSP
- Cathryn Winslow, RN, WCCM, MCRSP
- Julie Howar, O.T.

**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. The next Committee meeting is scheduled for October 10, 2019.

**2019 Committee Roster**

- Commissioner Allan Kittleman, Committee Chair
- Jerome P. Reichmister, M.D., Physician Adviser, WCC
- Janet Vanderpuije, Committee Secretary, WCC

**Payers**

- Carmine D' Alessandro, Esq.
- Nimisha Kalia, M.D.
- Antonio R. Lopez, Esq.
- Rudolph Rose, Esq.
- Craig J. Ross, M.D.

**Receivers**

- Gregory M. Gilbert
- James Groschan, P.T.
- Derek Kram, M.D.
- Ari N. Laric Esq.
- Keith A. Segalman, M.D.
- Charles Thorne, D.C.

## CONTACT INFORMATION

### Main Office

Maryland Workers' Compensation Commission  
10 East Baltimore Street  
Baltimore, MD 21202-1641  
410-864-5100 • 1-800-492-0479  
Maryland Relay 1-800-735-2258  
(for the hearing impaired)  
E-mail: [info@wcc.state.md.us](mailto:info@wcc.state.md.us)  
[www.wcc.state.md.us](http://www.wcc.state.md.us)

### Executive Office

R. Karl Aumann, Chairman  
410-864-5300

Mary K. Ahearn, Chief Executive Officer  
410-864-5300 • [mahearn@wcc.state.md.us](mailto:mahearn@wcc.state.md.us)

Amy S. Lackington, Administrator  
Assistant to the Chairman  
410-864-5300 • [alackington@wcc.state.md.us](mailto:alackington@wcc.state.md.us)

Stacey L. Roig, Secretary to the Commission  
410-864-5315 • [sroig@wcc.state.md.us](mailto:sroig@wcc.state.md.us)

### Medical Director

Jerome P. Reichmister, M.D.  
[jreichmister@wcc.state.md.us](mailto:jreichmister@wcc.state.md.us)  
410-864-5326

### Finance

David E. Jones, Chief Financial Officer  
410-864-5255 • [dejones@wcc.state.md.us](mailto:dejones@wcc.state.md.us)

#### Fiscal Services

James E. Moore, III  
410-864-5257 • [jmoore@wcc.state.md.us](mailto:jmoore@wcc.state.md.us)

#### Insurance, Compliance and Reporting

Steven Jones  
410-864-5298 • [stjones@wcc.state.md.us](mailto:stjones@wcc.state.md.us)

#### Personnel

Christopher Barrett  
410-864-5234 • [cbarrett@wcc.state.md.us](mailto:cbarrett@wcc.state.md.us)

#### Processing

Neshera A. Jarrett  
410-864-5288 • [njarrett@wcc.state.md.us](mailto:njarrett@wcc.state.md.us)

### Operations

Theresa A. Cornish, Chief Operating Officer  
410-864-5110 • [tcornish@wcc.state.md.us](mailto:tcornish@wcc.state.md.us)

Dorothy M. Smith  
410-864-5358 • [dsmith@wcc.state.md.us](mailto:dsmith@wcc.state.md.us)

#### Claims

Deborah Thomas  
410-864-5363 • [dthomas@wcc.state.md.us](mailto:dthomas@wcc.state.md.us)

Employer/Insurer Designee

Darlene Jones  
410-864-5280 • [djones@wcc.state.md.us](mailto:djones@wcc.state.md.us)

#### Public Service

Cherry Tate  
410-864-5212 • [ctate@wcc.state.md.us](mailto:ctate@wcc.state.md.us)

#### Court Reporting

Stephen Griffin  
410-864-5182 • [sgriffin@wcc.state.md.us](mailto:sgriffin@wcc.state.md.us)

#### Hearings

Danyela Vick  
410-864-5306 • [dvick@wcc.state.md.us](mailto:dvick@wcc.state.md.us)

#### Support Services

Regina W. Brown  
410-864-5327 • [rbrown@wcc.state.md.us](mailto:rbrown@wcc.state.md.us)

### Information Technology

Joyce McNemar, Chief Information Officer  
410-864-5122 • [jmcnemar@wcc.state.md.us](mailto:jmcnemar@wcc.state.md.us)  
*For technical questions or website problems please contact: [websupport@wcc.state.md.us](mailto:websupport@wcc.state.md.us)*

### Interpreter Services Program

410-864-5299 • [lep@wcc.state.md.us](mailto:lep@wcc.state.md.us)