

HOUSE BILL 616

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2lr1279

By: **Delegate Barnes**

Introduced and read first time: February 6, 2012

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Workers' Compensation – Approval of Legal Services Fee – Cases Involving**
3 **Medical Expenses**

4 FOR the purpose of requiring the Workers' Compensation Commission to approve a
5 fee for legal services under certain circumstances; prohibiting a certain fee for
6 legal services awarded by the Commission from exceeding a certain amount;
7 and generally relating to the approval by the Workers' Compensation
8 Commission of fees for legal services.

9 BY repealing and reenacting, with amendments,
10 Article – Labor and Employment
11 Section 9–731
12 Annotated Code of Maryland
13 (2008 Replacement Volume and 2011 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article – Labor and Employment**

17 9–731.

18 (a) (1) Unless approved by the Commission, a person may not charge or
19 collect a fee for:

20 (i) legal services in connection with a claim under this title;

21 (ii) medical services, supplies, or treatment provided under
22 Subtitle 6, Part IX of this title; or

23 (iii) funeral expenses under Subtitle 6, Part XIII of this title.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) When the Commission approves a fee, the fee is a lien on the
2 compensation awarded.

3 (3) Notwithstanding paragraph (2) of this subsection, a fee shall be
4 paid from an award of compensation only in the manner set by the Commission.

5 **(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
6 **COMMISSION SHALL APPROVE A FEE FOR LEGAL SERVICES IF:**

7 **(I) THE EMPLOYER OR ITS INSURER WAS REQUIRED TO PAY**
8 **COMPENSATION FOR THE EMPLOYEE'S:**

9 **1. TOTAL TEMPORARY DISABILITY UNDER SUBTITLE**
10 **6, PART III OF THIS TITLE; OR**

11 **2. PERMANENT PARTIAL DISABILITY UNDER**
12 **SUBTITLE 6, PART IV OF THIS TITLE;**

13 **(II) 5 YEARS HAVE ELAPSED SINCE THE EMPLOYER OR ITS**
14 **INSURER LAST MADE A COMPENSATION PAYMENT IN THE CASE;**

15 **(III) THE EMPLOYEE IS CLAIMING MEDICAL SERVICES,**
16 **SUPPLIES, OR TREATMENT THAT THE COMMISSION MAY ORDER THE EMPLOYER**
17 **OR ITS INSURER TO PROVIDE UNDER SUBTITLE 6, PART IX OF THIS TITLE; AND**

18 **(IV) THE COMMISSION HELD A HEARING ON THE CLAIM FOR**
19 **MEDICAL SERVICES, SUPPLIES, OR TREATMENT.**

20 **(2) THE FEE APPROVED UNDER PARAGRAPH (1) OF THIS**
21 **SUBSECTION MAY NOT EXCEED AN AMOUNT EQUAL TO 1 WEEK OF TEMPORARY**
22 **TOTAL DISABILITY BENEFITS THAT WOULD BE PAID UNDER § 9-621 OF THIS**
23 **TITLE.**

24 **[(b)] (C) (1) The Commission may order that a fee payable from**
25 **compensation under subsection (a) OR (B) of this section be paid in a lump sum.**

26 (2) If the Commission grants a lump-sum payment under paragraph
27 (1) of this subsection, the Commission shall:

28 (i) reduce the weekly rate of compensation until the amount of
29 the lump sum would have been paid if it had been paid in weekly payments; and

30 (ii) state in the award the dollar amount and the number of
31 weeks that the reduced rate shall be paid by:

1 1. the employer or its insurer; or

2 2. if payments are made from the Subsequent Injury
3 Fund, the Subsequent Injury Fund.

4 **[(c)] (D)** On application of a party, the Commission may:

5 (1) hear and decide any question concerning legal services performed
6 in connection with a claim; and

7 (2) order a person who received a fee for legal services to refund to the
8 payer any part of the fee that the Commission may find to be excessive.

9 **[(d)] (E)** An order of the Commission regulating payment or refund of
10 payment for legal services may be enforced or appealed in the same manner as a
11 compensation award.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2012.