

COURT OF APPEALS OF MARYLAND

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

Injured Workers' Insurance Fund v. Subsequent Injury Fund, 447 Md. 211 (2016) · No. Nos. 39 and 40,
September Term, 2015 · Decided April 22, 2016

SUMMARY

The Maryland Court of Appeals held that the 6.5% assessment payable to the Subsequent Injury Fund under Labor and Employment Article § 9-806 must be calculated on a workers' compensation award before statutory offsets for retirement benefits under §§ 9-610 and 9-503(e). The court affirmed the judgment of the Court of Special Appeals in the consolidated appeals involving the Injured Workers' Insurance Fund and Baltimore County.

CASE DETAILS

COURT	Court of Appeals of Maryland
WRITING FOR THE COURT	Greene, J.; Barbera, C.J.; Battaglia, J.; Adkins, J.; McDonald, J.; Watts, J.; Harrell, Jr., Glenn T., J. (Retired, Specially Assigned)
JURISDICTION	Maryland
DECIDED	April 22, 2016
DOCKET	Nos. 39 and 40, September Term, 2015
DISPOSITION	affirmed
PROCEDURAL POSTURE	The employers and their insurer sought review of decisions requiring them to pay a 6.5% Subsequent Injury Fund assessment calculated on workers' compensation awards before statutory retirement-benefit offsets. The Court of Appeals granted certiorari in both consolidated cases.
STANDARD OF REVIEW	The court reviewed the agency decision directly, looking through the circuit court and intermediate appellate court decisions. The Commission's factual findings are presumed prima facie correct under Labor and Employment Article § 9-745(b), but questions of law are reviewed independently; the Commission's statutory interpretation receives deference unless based on an erroneous conclusion of law.
PRECEDENTIAL VALUE	published precedential opinion

PARTIES

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

TOPICS

workers compensation

statutory interpretation

administrative law

standard of review

appellate procedure

PRACTICE AREAS

workers compensation

administrative law

statutory interpretation

QUESTIONS PRESENTED

1. Whether the Subsequent Injury Fund assessment under Labor and Employment Article § 9-806 must be calculated on the amount of a permanent-disability award before or after statutory offsets for retirement benefits under §§ 9-610 and 9-503(e).

HOLDINGS

1. The 6.5% Subsequent Injury Fund assessment under Labor and Employment Article § 9-806 is calculated on the amount of an award for permanent disability or death before deduction of statutory offsets for retirement benefits under §§ 9-610 and 9-503(e).

KEY QUOTATIONS

“Therefore, we hold that the SIF assessment under LE § 9-806 is calculated based on the amount of an award prior to the deduction of the statutory offsets for retirement benefits.” (447 Md. at 229)

“The offsets fulfill the General Assembly’s goal of preventing an employee from obtaining double recovery for one injury while ensuring the survival of the SIF.” (447 Md. at 228-29)

FACTUAL BACKGROUND

In the MTA case, an employee received a permanent-partial-disability award of \$46,050, but the award was reduced to \$28,390.50 by an offset for disability-retirement benefits. In the Baltimore County case, a firefighter received a permanent-partial-disability award of \$174,825, reduced to \$64,751.85 by an offset for service-retirement benefits. The employers paid the 6.5% Subsequent Injury Fund assessment on the post-offset amounts, while the Fund contended that the assessment had to be calculated on the original awards.

PROCEDURAL HISTORY

The Workers' Compensation Commission ruled that the assessment applied to the full awards before offsets under Labor and Employment Article §§ 9-610 and 9-503(e). The Circuit Court for Baltimore City affirmed the Commission's decision in the MTA case, and the Circuit Court for Baltimore County granted summary judgment for the Subsequent Injury Fund in the County case. The Court of Special Appeals consolidated the appeals and affirmed both circuit-court judgments. The Court of Appeals granted certiorari and affirmed.

DISPOSITION

affirmed

CASES CITED

- Anchor Motor Freight, Inc. v. Subsequent Injury Fund, 278 Md. 320, 363 A.2d 505 (1976)
- Subsequent Injury Fund v. Pack, 250 Md. 306, 242 A.2d 506 (1968)
- Subsequent Injury Fund v. Howes, 11 Md. App. 325, 274 A.2d 131 (1971)
- W.R. Grace & Co. v. Swedo, 439 Md. 441, 96 A.3d 210 (2014)
- Montgomery Cty. v. Deibler, 423 Md. 54, 31 A.3d 191 (2011)
- Wal Mart Stores, Inc. v. Holmes, 416 Md. 346, 7 A.3d 13 (2010)
- State Dep't of Assessments & Taxation v. Md.-Nat'l Capital Park & Planning Comm'n, 348 Md. 2, 702 A.2d 690 (1997)
- Schweitzer v. Brewer, 280 Md. 430, 374 A.2d 347 (1977)
- Whiting-Turner Contracting Co. v. Fitzpatrick, 366 Md. 295, 783 A.2d 667 (2001)
- Bd. of Educ. of Prince George's Cty. v. Marks-Sloan, 428 Md. 1, 50 A.3d 1137 (2012)
- W.M. Schlosser Co. v. Uninsured Employers' Fund, 414 Md. 195, 994 A.2d 956 (2010)
- Cooper v. Wicomico Cty., Dep't of Pub. Works, 284 Md. 576, 398 A.2d 1237 (1979)
- C. & P. Tel. Co. of Md. v. Subsequent Injury Fund, 53 Md. App. 508, 453 A.2d 1243 (1983), aff'd, 297 Md. 339, 466 A.2d 39 (1983)
- Mayor & City Council of Baltimore v. Polomski, 106 Md. App. 689, 666 A.2d 895 (1995), aff'd sub nom. Polomski v. Mayor & City Council of Baltimore, 344 Md. 70, 684 A.2d 1338 (1996)
- Frank v. Baltimore County, 284 Md. 655, 399 A.2d 250 (1979)