

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 841

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with "prohibiting" in line 3 down through "determination" in line 5 and substitute "requiring insurers that provide certain personal injury protection benefits to include certain information in a notice of the reduction or denial of those benefits under certain circumstances"; and in line 9, strike "19-505" and substitute "19-508".

AMENDMENT NO. 2

On page 1, after line 14, insert:

"19-508.

(a) (1) Subject to paragraphs (2) and (3) of this subsection, an insurer shall make all payments of the benefits described in § 19-505 of this subtitle periodically as claims for the benefits arise and within 30 days after the insurer receives satisfactory proof of claim.

(2) A policy that contains the coverage described in § 19-505 of this subtitle may:

(i) set a period of not less than 12 months after the date of the motor vehicle accident within which the original claim for benefits must be filed with the insurer; and

(ii) provide that if, after a lapse in the period of total disability or in the medical treatment of an injured individual who has received benefits under that coverage, the individual claims additional benefits based on an alleged recurrence of the injury for which the original claim for benefits was made, the insurer may require reasonable medical proof of the alleged recurrence.

(3) The aggregate benefits payable to an individual under this subsection may not

(Over)

exceed the maximum limits stated in the policy.

(b) (1) When an insurer that provides the benefits described in § 19-505 of this subtitle receives written notice from an insured of the occurrence of a motor vehicle accident for which benefits may be available under § 19-505 of this subtitle, the insurer shall notify the insured by mail of the latest date on which a claim may be filed for benefits under § 19-505 of this subtitle as provided in subsection (a)(2)(i) of this section.

(2) An insurer is not required under paragraph (1) of this subsection to send any notice to the insured as to any first party claim for benefits other than the benefits under § 19-505 of this subtitle.

(c) Payments of benefits that are not made in accordance with this section and that are overdue shall bear simple interest at the rate of 1.5% per month.

(D) AN INSURER THAT REDUCES OR DENIES A CLAIM FOR THE BENEFITS DESCRIBED IN § 19-505 OF THIS SUBTITLE SHALL INCLUDE, IN THE NOTICE OF THE REDUCTION OR DENIAL, THE FOLLOWING INFORMATION:

(1) THAT THE INSURED HAS A RIGHT TO FILE A COMPLAINT WITH THE ADMINISTRATION'S PROPERTY AND CASUALTY COMPLAINT UNIT IF THE INSURED DOES NOT AGREE WITH THE REDUCTION OR DENIAL OF BENEFITS; AND

(2) THE ADDRESS, TELEPHONE NUMBER, AND FACSIMILE NUMBER OF THE PROPERTY AND CASUALTY COMPLAINT UNIT."

On pages 1 through 3, strike in their entirety the lines beginning with line 15 on page 1 through line 32 on page 3, inclusive.