

SENATE BILL 57

C4

8lr0021

(PRE-FILED)

By: **Chair, Finance Committee (By Request – Departmental – Maryland Insurance Administration)**

Requested: September 19, 2017

Introduced and read first time: January 10, 2018

Assigned to: Finance

Committee Report: Favorable

Senate action: Adopted

Read second time: January 16, 2018

CHAPTER _____

1 AN ACT concerning

2 **Insurance – Medical Professional Liability Insurance Policies – Technical**
3 **Correction**

4 FOR the purpose of correcting an erroneous cross-reference relating to the notice
5 requirements to which a medical professional liability insurer that cancels a policy
6 for nonpayment of a deductible is subject; and generally relating to medical
7 professional liability insurance policies.

8 BY repealing and reenacting, with amendments,
9 Article – Insurance
10 Section 19–114
11 Annotated Code of Maryland
12 (2017 Replacement Volume)

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

15 **Article – Insurance**

16 19–114.

17 (a) Each insurer that issues or delivers a medical professional liability insurance
18 policy in the State shall offer at a minimum, in addition to the basic policy, additional

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 policies with deductibles in the following amounts:

2 (1) \$25,000;

3 (2) \$50,000; and

4 (3) \$100,000.

5 (b) In a policy with a deductible described in subsection (a) of this section, the
6 insurer shall apply the deductible only to the liability of the insured under the policy.

7 (c) (1) An insurer that issues or delivers a medical professional liability
8 insurance policy with a deductible described in subsection (a) of this section may cancel the
9 policy for nonpayment of the deductible when the deductible is due and payable under the
10 policy.

11 (2) A medical professional liability insurer that cancels a policy under
12 paragraph (1) of this subsection is subject to the notice provisions under [§ 27-602] §
13 **27-603** of this article.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 October 1, 2018.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.