
By: Delegate Flanagan

Introduced and read first time: February 23, 1996

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Personal Injury Actions - Subrogated Medical Expenses - Reduction**

3 FOR the purpose of requiring that the amount for which a health insurer has claimed a
4 right of subrogation for expenses paid on behalf of an insured injured party be
5 reduced by a certain amount related to the amount of attorney's fees incurred by
6 the injured party in a personal injury action.

7 BY adding to

8 Article - Courts and Judicial Proceedings

9 Section 11-111

10 Annotated Code of Maryland

11 (1995 Replacement Volume and 1995 Supplement)

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

14 **Article - Courts and Judicial Proceedings**

15 11-111.

16 IN AN ACTION FOR PERSONAL INJURY, THE AMOUNT FOR WHICH PAYMENT OF
17 BENEFITS HAS BEEN MADE UNDER A POLICY OF HEALTH INSURANCE, AS DEFINED
18 IN ARTICLE 48A, § 66 OF THE CODE, ON BEHALF OF THE INJURED PARTY, AND FOR
19 WHICH THE INSURER HAS EXERCISED ITS RIGHT OF SUBROGATION, SHALL BE
20 REDUCED BY THE AMOUNT THAT IS DETERMINED BY DIVIDING THE AMOUNT OF
21 THE MONETARY AWARD INTO THE AMOUNT OF THE ATTORNEY'S FEES INCURRED
22 BY THE INJURED PARTY FOR SERVICES RENDERED IN CONNECTION WITH THE
23 ACTION AND MULTIPLYING THE RESULT BY THE AMOUNT OF THE INSURER'S
24 SUBROGATION CLAIM.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 1996.