

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 927 (Delegate Dembrow. *et al.*)

Judiciary

Personal Injury Claims - Subrogation - Reduction

This bill reduces by a maximum of 33.33% the amount that can be recovered for health care benefits paid or payable on behalf of an injured person in a subrogation claim arising out of a claim for personal injury, unless a subrogee appears, in person or by its attorney, in an action for personal injury. The amount that may be recovered in the subrogation claim is reduced by an amount based on a specific formula to reflect the attorney fees incurred by the injured party to pursue the claim for personal injury. The bill applies to any right of subrogation for payment of health care benefits paid or payable by a payor under a policy of health insurance, or any system of self-insurance or indemnification for health care expenses, if the amount of the subrogee's claim is voluntarily paid by the injured person from the recovery in a personal injury claim.

Fiscal Summary

State Effect: None. This bill would not directly affect general fund revenues or expenditures.

Local Effect: None.

Small Business Effect: None.

Information Source(s): Maryland Insurance Administration, Department of Legislative Services

Fiscal Note History: First Reader - March 6, 1998

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