

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE
Revised

House Bill 841 (Delegate Barve)

Economic Matters

Motor Vehicle Insurance - Personal Injury Protection Claims

This bill requires an insurer that reduces or denies a personal injury protection (PIP) claim to include specified information about the Maryland Insurance Administration's (MIA) property and casualty complaint unit in the notice of reduction or denial.

Fiscal Summary

State Effect: Any increase in the number of complaints regarding PIP coverage is assumed to be minimal and could be handled with existing budgeted resources.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Under PIP coverage, insurers are required to pay medical, hospital, and disability benefits for the individuals injured in a motor vehicle accident. No provision of law requires insurers to inform claimants of MIA's complaint units on denial of a claim.

Background: The Maryland Automobile Insurance Fund (MAIF) advises that 16% of 176 claims complaints (27) filed with MIA against MAIF involved PIP coverage in calendar 1999. Many of MAIF's PIP complaints were filed by attorneys or by doctors under direct payment of benefits agreements.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 29, 2000
jir/jr Revised - House Third Reader - March 29, 2000

Analysis by: Ryan Wilson

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510