
By: **Chairman, Economic Matters Committee (By Request - Departmental - Insurance Administration, Maryland)**

Introduced and read first time: January 20, 2005

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Medical Professional Liability Insurance - Reporting Requirements**

3 FOR the purpose of requiring that certain information be contained in a certain
4 report on claims or actions for damages for personal injury; requiring that the
5 report be filed with the Maryland Insurance Commissioner; requiring the
6 Commissioner to impose a certain penalty for failure to file the report with the
7 Commissioner; and generally relating to medical professional liability insurance
8 reporting requirements.

9 BY repealing and reenacting, with amendments,
10 Article - Insurance
11 Section 4-401
12 Annotated Code of Maryland
13 (2003 Replacement Volume and 2004 Supplement)

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

16 **Article - Insurance**

17 4-401.

18 (a) This section applies to:

19 (1) each insurer that provides professional liability insurance to:

20 (i) a physician, nurse, dentist, podiatrist, optometrist, or
21 chiropractor licensed under the Health Occupations Article; or

22 (ii) a hospital licensed under the Health - General Article; and

23 (2) each self-insured hospital.

24 (b) An entity subject to this section shall report quarterly any claim or action
25 for damages for personal injury if the claim or action:

1 (1) is claimed to have been caused by an error, omission, or negligence in
2 the performance of the insured's professional services or is based on a claimed
3 performance of the insured's professional services without consent; and

4 (2) resulted in:

5 (i) a final judgment in any amount;

6 (ii) a settlement in any amount; or

7 (iii) a final disposition that does not result in payment on behalf of
8 the insured.

9 (c) A report required under this section shall contain:

10 (1) the name and address of the insured;

11 (2) the policy number of the insured;

12 (3) the date of the occurrence from which the claim or action arose;

13 (4) the JURISDICTION AND date of filing suit, if any;

14 (5) the date and amount of final judgment or settlement, if any;

15 (6) THE SPECIFIC AMOUNT OF THE FINAL JUDGMENT OR SETTLEMENT,
16 IF ANY, THAT IS FOR:

17 (I) PAST MEDICAL EXPENSES;

18 (II) FUTURE MEDICAL EXPENSES;

19 (III) PAST LOST WAGES;

20 (IV) FUTURE LOST WAGES;

21 (V) ECONOMIC DAMAGES; AND

22 (VI) NONECONOMIC DAMAGES;

23 [(6)] (7) if there is no final judgment or settlement, the date and reason
24 for final disposition;

25 [(7)] (8) a summary of the occurrence from which the claim or action
26 arose; and

27 [(8)] (9) any other information as may be required.

28 (d) A report required under this section shall be filed within 90 days after the
29 end of the quarter during which an event described in subsection (b)(2)(i), (ii), or (iii)
30 of this section occurred.

1 (e) (1) A report that relates to a physician shall be filed with the State Board
2 of Physicians.

3 (2) A report that relates to a hospital shall be filed with the Secretary of
4 Health and Mental Hygiene.

5 (3) A report that relates to a nurse, dentist, podiatrist, optometrist, or
6 chiropractor shall be filed with the appropriate licensing board for these health care
7 providers.

8 (4) A REPORT FILED UNDER PARAGRAPH (1), (2), OR (3) OF THIS
9 SUBSECTION ALSO SHALL BE FILED WITH THE COMMISSIONER.

10 (f) (1) Subject to paragraph (2) of this subsection, a report filed in
11 accordance with this section shall be treated as a personal record under § 10-624(e) of
12 the State Government Article.

13 (2) Each report shall be released to the Maryland Health Care
14 Commission.

15 (g) An insurer that reports under this section or its agents or employees, the
16 State Board of Physicians or its representatives, and any appropriate licensing
17 authority that receives a report under this section shall have the immunity from
18 liability described in § 5-701 of the Courts Article for any action taken by them under
19 this section.

20 (h) (1) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, FAILURE
21 TO REPORT TO THE COMMISSIONER IN ACCORDANCE WITH THIS SECTION SHALL
22 RESULT IN THE IMPOSITION OF A PENALTY BY THE COMMISSIONER OF UP TO \$5,000.

23 (2) Failure to report TO AN ENTITY SPECIFIED IN SUBSECTION (E)(1), (2),
24 OR (3) OF THIS SECTION in accordance with this section shall result in the imposition
25 by a circuit court of a civil penalty of up to \$5,000.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
27 effect June 1, 2005.