

# HOUSE BILL 155

C4, J2

9lr1194

---

By: **Delegates Kach and Boteler**

Introduced and read first time: January 23, 2009

Assigned to: Economic Matters

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Physicians – Licensure – Liability Insurance Coverage**

3 FOR the purpose of requiring physicians to maintain certain amounts of professional  
4 liability insurance as a condition of licensure and notify the Board of Physicians  
5 prior to cancellation of the insurance; authorizing the Board to take certain  
6 actions if proof of insurance is not provided within a certain time; establishing  
7 minimum amounts of required insurance coverage; and generally relating to  
8 physicians and liability insurance.

9 BY adding to  
10 Article – Health Occupations  
11 Section 14–312.1  
12 Annotated Code of Maryland  
13 (2005 Replacement Volume and 2008 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Health Occupations  
16 Section 14–316  
17 Annotated Code of Maryland  
18 (2005 Replacement Volume and 2008 Supplement)

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

21 **Article – Health Occupations**

22 **14–312.1.**

23 (A) EACH LICENSED PHYSICIAN SHALL MAINTAIN MEDICAL  
24 PROFESSIONAL LIABILITY INSURANCE:

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1           **(1) IN THE AMOUNTS OF:**
- 2                   **(I) \$500,000 PER OCCURRENCE OR CLAIM; AND**
- 3                   **(II) \$1,500,000 PER ANNUAL AGGREGATE;**
- 4           **(2) WITH COVERAGE APPROPRIATE FOR THE INDIVIDUAL**  
5 **PHYSICIAN'S CIRCUMSTANCES; AND**
- 6           **(3) IN ACCORDANCE WITH THE REGULATIONS ADOPTED BY THE**  
7 **BOARD.**

8           **(B) IF THE INSURANCE REQUIRED BY SUBSECTION (A) OF THIS SECTION**  
9 **IS CANCELED, THE LICENSED PHYSICIAN SHALL GIVE THE SECRETARY OF THE**  
10 **BOARD NOTICE OF THE CANCELLATION AT LEAST 10 DAYS BEFORE THE**  
11 **EFFECTIVE DATE OF THE CANCELLATION.**

12           **(C) THE BOARD SHALL ADOPT REGULATIONS TO IMPLEMENT THIS**  
13 **SECTION.**

14 14-316.

15           (a) (1) The Board shall provide for the term and renewal of licenses under  
16 this section.

17                   (2) The term of a license may not be more than 3 years.

18                   (3) A license expires at the end of its term, unless the license is  
19 renewed for a term as provided by the Board.

20           (b) At least 1 month before the license expires, the Board shall send to the  
21 licensee, by first-class mail to the last known address of the licensee:

22                   (1) A renewal notice that states:

23                           (i) The date on which the current license expires;

24                           (ii) The date by which the renewal application must be received  
25 by the Board for the renewal to be issued and mailed before the license expires; and

26                           (iii) The amount of the renewal fee; and

27                   (2) A blank panel data sheet supplied by the Health Care Alternative  
28 Dispute Resolution Office.

1 (c) Before the license expires, the licensee periodically may renew it for an  
2 additional term, if the licensee:

3 (1) Otherwise is entitled to be licensed;

4 (2) Pays to the Board a renewal fee set by the Board; and

5 (3) Submits to the Board:

6 (i) A renewal application on the form that the Board requires;  
7 and

8 (ii) Satisfactory evidence of compliance with any continuing  
9 education requirements set under this section for license renewal.

10 (d) (1) In addition to any other qualifications and requirements  
11 established by the Board, the Board may establish continuing education requirements  
12 as a condition to the renewal of licenses under this section.

13 (2) In establishing these requirements, the Board shall evaluate  
14 existing methods, devices, and programs in use among the various medical specialties  
15 and other recognized medical groups.

16 (3) The Board may not establish or enforce these requirements if they  
17 would so reduce the number of physicians in a community as to jeopardize the  
18 availability of adequate medical care in that community.

19 (4) The Board may impose a civil penalty of up to \$100 per continuing  
20 medical education credit in lieu of a sanction under § 14-404 of this title, for a first  
21 offense, for the failure of a licensee to obtain the continuing medical education credits  
22 required by the Board.

23 (e) The Board shall renew the license of each licensee who meets the  
24 requirements of this section.

25 (f) (1) Each licensee shall notify the secretary of the Board in writing of  
26 any change in the licensee's name or address within 60 days after the change.

27 (2) If a licensee fails to notify the secretary of the Board within the  
28 time required under this section, the licensee is subject to an administrative penalty of  
29 \$100.

30 **(G) (1) EACH LICENSEE SHALL PROVIDE THE SECRETARY OF THE**  
31 **BOARD WITH PROOF OF INSURANCE REQUIRED BY § 14-312.1 OF THIS**  
32 **SUBTITLE WITHIN 30 DAYS OF OBTAINING OR RENEWING THE INSURANCE.**

1                   **(2) IF A LICENSEE FAILS TO SUBMIT PROOF OF INSURANCE TO**  
2 **THE SECRETARY OF THE BOARD WITHIN THE TIME REQUIRED UNDER THIS**  
3 **SECTION, THE BOARD, AFTER PROVIDING THE LICENSEE WITH NOTICE, SHALL**  
4 **SUSPEND, REVOKE, OR DENY THE LICENSE OF THE LICENSEE.**

5                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 October 1, 2009.