

Chapter 113

(House Bill 162)

AN ACT concerning

Medical Professional Liability Insurance Policies – Mandated Deductible Levels – Limitation

FOR the purpose of limiting the requirement that insurers that issue or deliver a medical professional liability insurance policies in the State offer, in addition to the basic policy, additional policies with certain deductibles to insurers that issue or deliver a policy with an annual premium of a certain amount or more; and generally relating to medical professional liability insurance policies.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 19–114
Annotated Code of Maryland
(2017 Replacement Volume and 2018 Supplement)

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

Article – Insurance

19–114.

(a) Each insurer that issues or delivers a medical professional liability insurance policy in the State **WITH AN ANNUAL PREMIUM OF \$5,000 OR MORE** shall offer at a minimum, in addition to the basic policy, additional policies with deductibles in the following amounts:

- (1) \$25,000;
- (2) \$50,000; and
- (3) \$100,000.

(b) In a policy with a deductible described in subsection (a) of this section, the insurer shall apply the deductible only to the liability of the insured under the policy.

(c) (1) An insurer that issues or delivers a medical professional liability insurance policy with a deductible described in subsection (a) of this section may cancel the policy for nonpayment of the deductible when the deductible is due and payable under the policy.

(2) A medical professional liability insurer that cancels a policy under paragraph (1) of this subsection is subject to the notice provisions under § 27-603 of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2019.

Approved by the Governor, April 18, 2019.