

## Article - Insurance

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§27–303.

It is an unfair claim settlement practice and a violation of this subtitle for an insurer, nonprofit health service plan, or health maintenance organization to:

- (1) misrepresent pertinent facts or policy provisions that relate to the claim or coverage at issue;
- (2) refuse to pay a claim for an arbitrary or capricious reason based on all available information;
- (3) attempt to settle a claim based on an application that is altered without notice to, or the knowledge or consent of, the insured;
- (4) fail to include with each claim paid to an insured or beneficiary a statement of the coverage under which payment is being made;
- (5) fail to settle a claim promptly whenever liability is reasonably clear under one part of a policy, in order to influence settlements under other parts of the policy;
- (6) fail to provide promptly on request a reasonable explanation of the basis for a denial of a claim;
- (7) fail to meet the requirements of Title 15, Subtitle 10B of this article for preauthorization for a health care service;
- (8) fail to comply with the provisions of Title 15, Subtitle 10A of this article;
- (9) fail to act in good faith, as defined under § 27–1001 of this title, in settling a first–party claim under a policy of property and casualty insurance; or
- (10) fail to comply with the provisions of § 16–118 of this article.

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