

Article - Courts and Judicial Proceedings

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§11–112.

(a) In this section, “payor” has the same meaning stated in § 19-132 of the Health - General Article.

(b) (1) Except as provided in paragraph (2) of this subsection, this section applies to any right of subrogation under a contract or applicable law for payment of health care benefits or services for an injured person paid or payable by a payor or under any system of self-insurance or indemnification for health care expenses, if the amount of the subrogee’s claim as determined under subsection (c) of this section is voluntarily paid by the injured person from the injured person’s recovery in a claim for personal injury.

(2) This section does not apply to a voluntary reduction of a subrogation claim by a payor that exceeds the reduction of the subrogation claim described in subsection (c) of this section.

(c) (1) Unless a subrogee files a petition to intervene in the personal injury action and is independently represented by counsel, in a subrogation claim arising out of a claim for personal injury, the amount permitted to be recovered by a payor for health care benefits or services paid or payable on behalf of the injured person shall be reduced by the amount that is determined by:

(i) Subject to paragraph (2) of this subsection, dividing the amount of the total recovery in the claim for personal injury into the total amount of the attorney’s fees incurred by the injured person for services rendered in connection with the injured person’s claim; and

(ii) Multiplying the result under subparagraph (i) of this paragraph by the amount of the payor’s subrogation claim.

(2) The percentage under paragraph (1)(i) of this subsection may not exceed one-third.

(d) A payor has no obligation to advise an injured person or an attorney for the injured person of the injured person’s right to a reduction of the subrogation claim described in subsection (c) of this section.

(e) On written request by a payor, an injured person or an attorney for the injured person who demands a reduction of the subrogation claim described in

subsection (c) of this section shall provide the payor with a certification by the injured person that states the amount of the attorney's fees incurred by the injured person for services rendered in connection with the injured person's claim.

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