

## Bryson F. Popham, P.A.

Bryson F. Popham, Esq.

191 Main Street  
Suite 310  
Annapolis, MD 21401  
[www.papalaw.com](http://www.papalaw.com)

410-268-6871 (Telephone)  
443-458-0444 (Facsimile)

January 19, 2022

The Honorable Delores G. Kelley  
3 East, Miller Senate Office Building  
Annapolis, MD 21401

RE: Senate Bill 167 - Maryland Insurance Administration - Enforcement Authority - Payment of Claims –  
UNFAVORABLE

Dear Chair Kelley and Members of the Senate Finance Committee

I am writing on behalf of the Maryland Association of Mutual Insurance Companies (MAMIC) in opposition to SB 167-  
Maryland Insurance Administration - Enforcement Authority - Payment of Claims.

MAMIC is comprised of 12 mutual insurance companies that are headquartered both in Maryland and in neighboring states. Together, MAMIC members offer a wide variety of homeowners and other insurance products, both personal and commercial, for thousands of Maryland citizens. The adjudication of claims is a critically important component of the insurance transaction, and MAMIC is deeply concerned at the additional powers granted under this legislation to the Insurance Administration that may interfere with this process.

SB 167, we note, is quite similar to SB 272, which was introduced during the 2021 legislative session. Then, as now, nearly unanimous opposition from property and casualty insurers and producers caused the bill to be held without action in the Senate Finance Committee. While SB 167 differs slightly from SB 272, if enacted, it would result in an unprecedented participation by the regulator in the claims adjustment process. We have seen no examples of any property or casualty claim that would necessitate enactment of this legislation as a remedial measure.

MAMIC members are not in a position to offer amendments at this time that would address their concerns; however, one possibility may be the exclusion of property and casualty claims from the scope of the bill. We are not suggesting this amendment, although the factual predicate for SB 272 last year was a claim dispute brought by health care providers under a health insurance policy. We note that the handling of health insurance claims is different in many respects from the handling of property and casualty claims. We offer these comments for consideration by the Finance Committee.

Nevertheless, MAMIC wishes to be clear that we oppose SB 167 as drafted. We are willing to discuss amendments with both the Committee and the regulator if that is your desire.

Very truly yours,



Bryson F. Popham

cc: Members of the Senate Finance Committee