

Section 3-313(21) and (22), 13-316(20) and (21), and 14-404(a)(33) and (34)
Annotated Code of Maryland
(1994 Replacement Volume and 1995 Supplement)

BY adding to

Article - Health Occupations

Section ~~3-317~~ 3-313(22) and (23), ~~8-320, 12-318, 13-320, 14-416, and 15-316~~
13-316(21) and (22), and 14-404(34)

Annotated Code of Maryland

(1994 Replacement Volume and 1995 Supplement)

~~BY adding to~~

~~Article - Transportation~~

~~Section 17-107(d)~~

~~Annotated Code of Maryland~~

~~(1992 Replacement Volume and 1995 Supplement)~~

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

~~Article 48A - Insurance Code~~

~~230A:~~

~~(a) In this section "policy" means an individual or group policy, contract, or certificate issued by an insurer, including a nonprofit health service plan.~~

~~(b) (1) This section applies to any individual or group policy delivered or issued by any insurer, including any nonprofit health service plan authorized under the provisions of Subtitle 20 of this article, in this State or issued to a group which has a main office in this State or covering persons who reside or work within this State.~~

~~(2) This section does not apply to reinsurance, workers' compensation, or surety.~~

~~(c) The following actions by an insurer or nonprofit health service plan are unfair claim settlement practices and are violations of this section:~~

~~(1) Misrepresenting pertinent facts or insurance policy provisions relating to the claim at issue;~~

~~(2) Refusing to pay a claim for an arbitrary or capricious reason based on all available information;~~

~~(3) Attempting to settle a claim on the basis of an application which is altered without notice to, or the knowledge or consent of, the insured;~~

~~(4) Failing to include with any claim paid to an insured or beneficiary a statement setting forth the coverage under which payment is being made;~~