

health service plan, or health maintenance organization shall pay interest on the amount of the claim that remains unpaid 30 days after the claim is received at the monthly rate of:

- (i) 1.5% from the 31st day through the 60th day;
- (ii) 2% from the 61st day through the 120th day; and
- (iii) 2.5% after the 120th day.

(2) The interest paid under this subsection shall be included in any late reimbursement without the necessity for the person that filed the original claim to make an additional claim for that interest.

(g) An insurer, nonprofit health service plan, or health maintenance organization that violates a provision of this section is subject to:

(1) a fine not exceeding \$500 for each violation that is arbitrary and capricious, based on all available information; and

(2) the penalties prescribed under § 4-113(d) of this article for violations committed with a frequency that indicates a general business practice.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to claim denials made on or after October 1, 2001.

~~SECTION 2. 3.~~ AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2001.

Approved May 15, 2001.

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## CHAPTER 407

(Senate Bill 597)

AN ACT concerning

**Creation of a State Debt - Prince George's County - Fort Washington and Fort Foote Parks**

FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$500,000~~ \$100,000, the proceeds to be used as a grant to the National Park Service for certain development or improvement purposes; providing for disbursement of the loan proceeds, subject to a requirement that the grantee provide and expend a matching fund; and providing generally for the issuance and sale of bonds evidencing the loan.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Prince