

(1979 Replacement Volume and 1983 Supplement)

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

Article 48A - Insurance Code

540.

(A) The benefits required under § 539 of this article shall be payable without regard to the fault or nonfault of the named insured or the recipient in causing or contributing to the accident, and without regard to any collateral source of medical, hospital, or wage continuation benefits. Where the insured has coverage for both the benefits required under § 539 and the collateral benefits, the insurer or insurers may coordinate the policies to provide for nonduplication of such benefits; subject, however, to appropriate reductions in premiums for one or both of said coverages approved by the Insurance Commissioner, and the named insured shall have the right to elect or reject the coordination of policies and nonduplication of benefits. If the insured elects to coordinate, he shall indicate in writing which policy is to become primary. An insurer paying benefits [pursuant to] UNDER § 539 of this article shall have no right of subrogation and no claim against any other person or insurer to recover any such benefits by reason of the alleged fault of such other person in causing or contributing to the accident.

~~(B) - (1) -- AN -- INSURER -- REQUIRED -- TO -- PAY -- BENEFITS -- UNDER -- § -- 539 -- OF -- THIS -- ARTICLE -- MAY -- NOT -- RAISE -- THE -- PREMIUMS -- OF -- AN -- INSURED -- IF -- THE -- INSURED -- WAS -- NOT -- AT -- FAULT -- IN -- THE -- ACCIDENT -- FOR -- WHICH -- THE -- BENEFITS -- WERE -- PAID.~~

~~(2) -- AN -- INSURER -- WHO -- MAY -- BE -- REQUIRED -- TO -- PAY -- BENEFITS -- UNDER -- § -- 539 -- OF -- THIS -- ARTICLE -- SHALL -- GIVE -- WRITTEN -- NOTICE -- OF -- THE -- PROVISIONS -- OF -- PARAGRAPH -- (1) -- OF -- THIS -- SUBSECTION -- ON -- THE -- POLICIES -- OF -- ALL -- THOSE -- INSUREDS -- WHO -- MAY -- BE -- AFFECTED -- BY -- THOSE -- PROVISIONS.~~

(B) UPON THE ISSUANCE OF A POLICY CONTAINING COVERAGE PROVIDED UNDER § 539 OF THIS ARTICLE, THE INSURER SHALL NOTIFY THE POLICYHOLDER IN WRITING THAT A SURCHARGE MAY NOT BE IMPOSED ON THE POLICYHOLDER FOR ANY CLAIM OR PAYMENT MADE PURSUANT TO THE COVERAGE PROVIDED IN § 539 OF THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1984.

Approved May 15, 1984.

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