purpose of purchasing casualty or property insurance; providing that certain pooling arrangements by public entities do not constitute an insurance business or fictitious group; requiring certain insurers to report certain claims for medical malpractice to certain health occupational boards; providing a penalty for failure to report; defining a certain term; and generally relating to the regulation of liability insurance.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code Section 8, 231, 242(d), and 490B Annotated Code of Maryland (1979 Replacement Volume and 1985 Supplement)

BY adding to

Article 48A - Insurance Code Section 244W and 482B Annotated Code of Maryland (1979 Replacement Volume and 1985 Supplement)

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

Article 48A - Insurance Code

8.

- (A) The "insurance business" includes the transaction of all matters pertaining to a contract of insurance, both prior to and subsequent to the effectuation of such a contract, and all matters arising out of such a contract or any claim thereunder.
- (B) THE "INSURANCE BUSINESS" DOES NOT INCLUDE THE POOLING TOGETHER BY PUBLIC ENTITIES FOR THE PURPOSE OF SELF-INSURING CASUALTY RISKS.

231.

- (a) No insurer, whether an authorized insurer or an unauthorized insurer, shall make available through any rating plan or form, property, casualty or surety insurance, to any firm, corporation, or association of individuals, any preferred rate or premium based upon any fictitious group of such firm, corporation, or association of individuals.
- (b) No form or plan of insurance covering any group or combination of persons or risks shall be written or delivered within or without this State to cover persons or risks in this State at any preferred rate or on any form other than as offered