

CHAPTER 41

(Senate Bill 481)

AN ACT concerning

Insurance - Loss Reserves - Medical Malpractice Claims

~~FOR the purpose of permitting an insurer, under certain circumstances, to state the required minimum loss reserve for health care professional liability claims at the present value of determined or estimated future payments using a discount rate not to exceed a certain percentage; authorizing the Insurance Commissioner to require certain reports from insurers; defining a certain term; establishing a minimum reserve; and generally relating to an insurer's loss reserves for health care professional liability claims.~~

FOR the purpose of providing a minimum amount for loss reserves with the approval of the Insurance Commissioner; providing a method for computing the minimum loss reserves; providing for interim reporting; requiring benefits from discounts to inure to the policyholders; requiring the Insurance Commissioner to prepare and submit a certain report to the Legislative Policy Committee on or before a certain date each year; providing the date of the first report; and generally relating to health care professional liability.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code
Section 80
Annotated Code of Maryland
(1986 Replacement Volume and 1987 Supplement)

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

Article 48A - Insurance Code

80.

Where required in the form of annual statement required of the insurer, the reserve for outstanding losses under insurance against loss or damage from accident to or injuries suffered by an employee or other person and for which the insured is liable, shall be computed as follows:

(1) For all liability suits being defended under policies written more than: