(7) COMPEL INSUREDS TO INSTITUTE LITIGATION TO RECOVER AMOUNTS DUE UNDER POLICIES BY OFFERING SUBSTANTIALLY LESS THAN THE AMOUNTS ULTIMATELY RECOVERED IN ACTIONS BROUGHT BY THE INSUREDS;

(8) ATTEMPT TO SETTLE A CLAIM FOR LESS THAN THE AMOUNT TO WHICH A REASONABLE PERSON WOULD EXPECT TO BE ENTITLED AFTER STUDYING WRITTEN OR PRINTED ADVERTISING MATERIAL ACCOMPANYING, OR MADE PART OF, AN APPLICATION;

(9) ATTEMPT TO SETTLE A CLAIM BASED ON AN APPLICATION THAT IS ALTERED WITHOUT NOTICE TO, OR THE KNOWLEDGE OR CONSENT OF, THE INSURED;

(10) FAIL TO INCLUDE WITH EACH CLAIM PAID TO AN INSURED OR BENEFICIARY A STATEMENT OF THE COVERAGE UNDER WHICH THE PAYMENT IS BEING MADE;

(11) MAKE KNOWN TO INSUREDS OR CLAIMANTS A POLICY OF APPEALING FROM ARBITRATION AWARDS IN ORDER TO COMPEL INSUREDS OR CLAIMANTS TO ACCEPT A SETTLEMENT OR COMPROMISE LESS THAN THE AMOUNT AWARDED IN ARBITRATION;

(12) DELAY AN INVESTIGATION OR PAYMENT OF A CLAIM BY REQUIRING A CLAIMANT OR A CLAIMANT'S LICENSED HEALTH CARE PROVIDER TO SUBMIT A PRELIMINARY CLAIM REPORT AND SUBSEQUENTLY TO SUBMIT FORMAL PROOF OF LOSS FORMS THAT CONTAIN SUBSTANTIALLY THE SAME INFORMATION;

(13) FAIL TO SETTLE A CLAIM PROMPTLY WHENEVER LIABILITY IS REASONABLY CLEAR UNDER ONE PART OF A POLICY, IN ORDER TO INFLUENCE SETTLEMENTS UNDER OTHER PARTS OF THE POLICY;

(14) FAIL TO PROVIDE PROMPTLY A REASONABLE EXPLANATION OF THE BASIS FOR DENIAL OF A CLAIM OR THE OFFER OF A COMPROMISE SETTLEMENT; OR

(15) FAIL TO MEET THE REQUIREMENTS OF TITLE 19, SUBTITLE 13 OF THE HEALTH - GENERAL ARTICLE FOR PREAUTHORIZATION FOR A HEALTH CARE SERVICE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 230A (d).

In item (1) of this section, the reference to the "claim" at issue is added to conform to § 27–303(1) of this subtitle.

Defined terms: "Insurer" § 1–101
"Person" § 1–101
"Policy" § 1–101

27–305. PENALTIES.

(A) FOR VIOLATION OF § 27–303.