

SECTION 4. 2. AND BE IT FURTHER ENACTED, That, ~~subject to the provisions of Section 3 of this Act,~~ this Act shall take effect January 1, 2000.

Approved May 27, 1999.

CHAPTER 590

(Senate Bill 653)

AN ACT concerning

Personal Injury Claims - Subrogation - Reduction

FOR the purpose of requiring that the amount for which certain persons have a right of subrogation for health care benefits or services paid or payable on behalf of an injured person be reduced by a certain amount related to the amount of attorney's fees incurred by the injured person in a personal injury claim under certain circumstances; specifying that a payor has no obligation to advise the injured person of the right to a certain reduction of a subrogation claim; requiring an injured person to provide a certain certification concerning attorney's fees incurred by the injured person under certain circumstances; providing for the application of this Act; defining a certain term; and generally relating to a requirement that the amount of a person's right of subrogation for health care benefits or services paid or payable to an injured person be reduced under certain circumstances.

BY adding to

Article - Courts and Judicial Proceedings

Section 11-112

Annotated Code of Maryland

(1998 Replacement Volume)

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

Article - Courts and Judicial Proceedings

11-112.

(A) IN THIS SECTION, "PAYOR" HAS THE SAME MEANING STATED IN § 19-1501 OF THE HEALTH - GENERAL ARTICLE.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS SECTION APPLIES TO ANY RIGHT OF SUBROGATION UNDER A CONTRACT OR APPLICABLE LAW FOR PAYMENT OF HEALTH CARE BENEFITS OR SERVICES FOR AN INJURED PERSON PAID OR PAYABLE BY A PAYOR UNDER A POLICY OF HEALTH INSURANCE, AS DEFINED IN § 1-101 OF THE INSURANCE ARTICLE, OR UNDER ANY SYSTEM OF SELF-INSURANCE OR INDEMNIFICATION FOR HEALTH CARE EXPENSES, IF THE AMOUNT OF THE SUBROGEE'S CLAIM AS DETERMINED UNDER SUBSECTION