

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 (C) OF THIS SECTION IS VOLUNTARILY PAID BY THE INJURED PERSON FROM THE INJURED PERSON'S RECOVERY IN A CLAIM FOR PERSONAL INJURY.

(2) THIS SECTION DOES NOT APPLY TO A VOLUNTARY REDUCTION OF A SUBROGATION CLAIM BY A PAYOR THAT EXCEEDS THE REDUCTION OF THE SUBROGATION CLAIM DESCRIBED IN SUBSECTION (C) OF THIS SECTION.

(C) (1) UNLESS A SUBROGEE APPEARS, IN PERSON OR BY ITS ATTORNEY, IN AN ACTION FOR PERSONAL INJURY, UNLESS A SUBROGEE FILES A PETITION TO INTERVENE IN THE PERSONAL INJURY ACTION AND IS INDEPENDENTLY REPRESENTED BY COUNSEL, IN A SUBROGATION CLAIM ARISING OUT OF A CLAIM FOR PERSONAL INJURY, THE AMOUNT PERMITTED TO BE RECOVERED BY A PAYOR FOR HEALTH CARE BENEFITS OR SERVICES PAID OR PAYABLE ON BEHALF OF THE INJURED PERSON SHALL BE REDUCED BY THE AMOUNT THAT IS DETERMINED BY: