

nonprofit health service plan, or health maintenance organization shall comply with subsection (c)(1) or (2)(i) of this section within 30 days after receipt of the requested additional information.

(f) (1) If an insurer, nonprofit health service plan, or health maintenance organization fails to comply with subsection (c) of this section, the insurer, nonprofit health service plan, or health maintenance organization shall pay interest on the amount of the claim that remains unpaid 30 days after the claim is received at the monthly rate of:

- (i) 1.5% from the 31st day through the 60th day;
- (ii) 2% from the 61st day through the 120th day; and
- (iii) 2.5% after the 120th day.

(2) The interest paid under this subsection shall be included in any late reimbursement without the necessity for the person that filed the original claim to make an additional claim for that interest.

(g) An insurer, nonprofit health service plan, or health maintenance organization that violates a provision of this section is subject to:

- (1) a fine not exceeding \$500 for each violation that is arbitrary and capricious, based on all available information; and
- (2) the penalties prescribed under § 4-113(d) of this article for violations committed with a frequency that indicates a general business practice.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to claim denials made on or after October 1, 2001.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2001.

May 17, 2001

The Honorable Casper R. Taylor, Jr.
Speaker of the House
State House
Annapolis MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 1039 – Dorchester County – County Commissioners – Salaries.

House Bill 1039 increases the salaries of the County Commissioners of Dorchester County beginning with their next term of office from \$12,000 to \$14,000. The salary of the President of the County Commissioners was increased from \$12,000 to \$15,000. The bill also eliminates the prohibition against a Commissioner receiving any other compensation, except for expenses incurred in the performance of the duties of office. While the intent of the amendments to current law was not to eliminate the ability of