

(1) are consistent with the requirements of Title 3, Subtitle 2A of the Courts Article; and

(2) authorize the insurer, without restriction, to negotiate and effect a compromise of claims within the limits of the insurer's liability, if the entire amount settled on is to be paid by the insurer.

(b) (1) An insurer may make payments to or on behalf of claimants for reasonable hospital and medical costs, loss of wages, and expenses for rehabilitation services and treatment, within the limits of the insurer's liability, before a final disposition of the claim.

(2) A payment made under this subsection:

(i) is not an admission of liability to or of damages sustained by a claimant; and

(ii) does not prejudice the insurer or any other party with respect to any right, claim, or defense.

(C) (1) A POLICY ISSUED OR DELIVERED UNDER SUBSECTION (A) OF THIS SECTION MAY NOT INCLUDE COVERAGE FOR THE DEFENSE OF A HEALTH CARE PROVIDER IN A DISCIPLINARY HEARING ARISING OUT OF THE PRACTICE OF THE HEALTH CARE PROVIDER PROFESSION.

(2) A POLICY PROVIDING COVERAGE FOR THE DEFENSE OF A HEALTH CARE PROVIDER IN A DISCIPLINARY HEARING ARISING OUT OF THE PRACTICE OF THE HEALTH CARE PROVIDER'S PROFESSION MAY BE OFFERED AND PRICED SEPARATELY FROM A POLICY ISSUED OR DELIVERED UNDER SUBSECTION (A) OF THIS SECTION.

19-114.

(A) EACH INSURER THAT ISSUES OR DELIVERS A MEDICAL PROFESSIONAL LIABILITY INSURANCE POLICY IN THE STATE SHALL OFFER AT A MINIMUM, IN ADDITION TO THE BASIC POLICY, ADDITIONAL POLICIES WITH DEDUCTIBLES IN THE FOLLOWING AMOUNTS:

(1) \$25,000;

(2) \$50,000; AND

(3) \$100,000.

(B) IN A POLICY WITH A DEDUCTIBLE DESCRIBED IN SUBSECTION (A) OF THIS SECTION, THE INSURER SHALL APPLY THE DEDUCTIBLE ONLY TO THE LIABILITY OF THE INSURED UNDER THE POLICY.

(C) (1) AN INSURER THAT ISSUES OR DELIVERS A MEDICAL PROFESSIONAL LIABILITY INSURANCE POLICY WITH A DEDUCTIBLE DESCRIBED IN SUBSECTION (A) OF THIS SECTION MAY CANCEL THE POLICY FOR NONPAYMENT OF THE DEDUCTIBLE WHEN THE DEDUCTIBLE IS DUE AND PAYABLE UNDER THE POLICY.