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THERESE M. GOLDSMITH
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KAREN STAKEM HORNIG
Deputy Commissioner

SANDRA CASTAGNA
Associate Commissioner
Property and Casualty

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202
Phone: 410-468-2341 Fax: 410-468-2307
1-800-492-6116 TTY: 1-800-735-2258
www.mdinsurance.state.md.us

BULLETIN 13-23

Date: July 18, 2013

To: All Authorized P&C Insurance Companies Writing Policies of Health Care Malpractice Insurance

Re: Compliance with the provisions of Section 19-104(c) of the Insurance Article

The purpose of this Bulletin is to remind all property and casualty insurers writing health care malpractice insurance in Maryland of the provisions of Section 19-104(c) of the Insurance Article and to request a certification to the Insurance Administration that the companies have on file with the Insurance Administration rates and forms that are compliant with the statute and/or allow insurers 60 days to come into compliance before administrative action is taken.

Section 19-104(c) of the Insurance Article states:

(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.

As insurers writing health care malpractice insurance make new filings or modifications to existing filings, the Insurance Administration has required companies to comply with this provision of the law; however, it has been brought to our attention that there may be older filings currently in effect that remain non-compliant. Therefore, the Insurance Administration is requesting insurers to do the following:

1. Complete, sign, date and return by August 18, 2013 the attached form to certify compliance with Section 19-104(c) of the Insurance Article for every company within a group of insurers for every health care malpractice filing; or

2. Complete, sign, date and return by August 18, 2013 the attached form to acknowledge this Bulletin and the company's obligation to file compliant rates and forms on or before September 30, 2013.

If any company has filings that are compliant as well as filings that are not, please complete both sections of the form. Failure to certify compliance and/or acknowledge the Bulletin may result in administrative action. The forms should be returned to:

Geoffrey Cabin, Director of P & C Rates and Forms at Geoffrey.cabin@maryland.gov or
Maryland Insurance Administration
200 St. Paul Place
Suite 2700
Baltimore, MD 21202

If there are any questions, Mr. Cabin can be reached at 410-468-2310.

Therese M. Goldsmith
Insurance Commissioner

Signature on original

By:

Sandra Castagna
Associate Commissioner
Property and Casualty

SECTION 19-104(C) of the INSURANCE ARTICLE

CERTIFICATION OF COMPLIANCE/ACKNOWLEDGMENT FORM

Please provide the following information:

Name of Insurance Company _____

List all SERFF filing numbers containing rates and forms that comply with Section 19-104(c) of the Insurance Article. Attach additional sheets, if necessary.

The company acknowledges receipt of this Bulletin and understands its obligation to file rates and forms that comply with Section 19-104(c) of the Insurance Article on or before September 30, 2013 to amend its filings with the following SERFF numbers:

Certification of Compliance Statement

The response provided is, to the best of my knowledge, information, and belief, a full, complete, and truthful response to the Commissioner's request; and in making the certification, I have undertaken an adequate inquiry to make the required certification.

Company Officer: _____

Signature: _____

Date Signed: _____