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Governor

BOYD K. RUTHERFORD  
Lt. Governor

AL REDMER, JR.  
Commissioner



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December 1, 2019

The Honorable Delores Kelley  
Chair, Senate Finance Committee  
3 East Miller Senate Office Building  
11 Bladen Street  
Annapolis, MD 21401

The Honorable Derrick Davis  
Chair, House Economic Matters Committee  
231 House Office Building  
6 Bladen Street  
Annapolis, MD 21401

Re: House Bill 900/Senate Bill 784, Chapter 246/425 Laws of Maryland 2016 (MSAR #10876)

Chair Kelley and Chair Davis:

On behalf of the Maryland Insurance Administration (MIA), I am pleased to submit the "Maryland Automobile Insurance Fund's Personal Injury Protection - Rejection of Coverage Report."

In accordance with House Bill 900/Senate Bill 784 (2016), the MIA is required to compile the information received from the Maryland Automobile Insurance Fund and other insurers under subsection (a) of this section and report to the Senate Finance Committee and the House Economic Matters Committee its findings and any recommendations.

The report provides personal injury protection data from October 1, 2016 through October 31, 2019. No other carriers filed to offer the Full PIP Rejection option. MAIF reports that 16 percent of eligible applicants selected this option and saved on average \$369.00 a year.

Five printed copies of this report have also been mailed to the DLS Library for their records.

Don't hesitate to reach out should you have any questions.

Sincerely,

Alfred W. Redmer, Jr.  
Insurance Commissioner

cc: Sarah Albert, Department of Legislative Services (5 copies)



**MARYLAND**  
AUTO INSURANCE

Personal Injury Protection – Rejection of Coverage Report

October 31, 2019

Pursuant to House Bill 900/Senate Bill 748, Chapter 246/425 Laws of Maryland (2016), the Maryland Automobile Insurance Fund (“the Fund”) files this Personal Injury Protection – Rejection of Coverage Report.

For policies issued from October 1, 2016 through October 31, 2019:

- (1) The number of Fund first named insureds who were eligible to make an election under §19-506.1(b) of the Insurance Article:

<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
(10/1 – 12/31)	(01/01 – 12/31)	(01/01 – 12/31)	(01/-10/31)
7,510	34,974	35,782	26,997

- (2) The number of Fund first named insureds who elected to obtain coverage for the benefits described in §§19-505 and 19-506 of the Insurance Article, and the number of Fund first named insureds who elected to reject those benefits, under §19-506.1(b) of the Insurance Article:

<b>Year</b>	<b>§19-505 (Full)</b>	<b>§19-506 (Waived)</b>	<b>§19-506.1 (Rejection)</b>	<b>Total</b>
2016	5,081	1,718	711	= 7,510
2017	22,977	7,880	4,117	= 34,974
2018	22,012	8,932	4,838	= 35,782
2019	16,069	6,616	4,312	= 26,997

The election to reject personal injury protection (PIP) coverage by Fund policyholders has increased each year from a 9.5% election rate in 2016; 12% in 2017; 13.5% in 2018 and 16% in 2019. In 2019, Fund policyholders have saved an average of \$369.00 annually by electing to reject PIP versus selecting full PIP coverage.