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INSURANCE LAW BULLETIN

Re: **Commissioner Sustains Non-Renewal Of Professional Liability Policy**

The Maryland Insurance Commissioner recently held that an insurer lawfully non-renewed the professional liability policy of an insured who was ineligible for coverage under the filed and approved rate plan and the insurer was not obligated to offer coverage under a “consent to rate” simply because other insureds were offered such coverage.

The insurer refused to renew a professional liability policy because the insured exceeded the maximum number of experience points under the rate plan. The insured claimed the insurer was required to offer coverage under a consent to rate because such coverage was offered to other insureds who exceeded the maximum number of experience points. Although the insurer had offered coverage under a consent to rate to insureds with as many as six claims, such coverage was not offered in this case because the insured had thirteen claims. The Commissioner held the insurer did not act in an unfair or discriminatory manner by refusing to offer renewal coverage under a consent to rate.

For further information, or a copy of the opinion, please contact **Derek B. Yarmis**, who represented the insurer in this matter, at 410-659-7762 or dyarmis@fblaw.com, or **Ren L. Tundermann**, who heads the firm’s insurance regulatory group, at 410-659-7766 or rtundermann@fblaw.com. Please visit our website at www.fblaw.com.

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Applicability of the legal principles discussed may differ substantially in individual situations.
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