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Governor

ANTHONY G. BROWN
Lt. Governor

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INSURANCE
ADMINISTRATION

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Bulletin 11-20

Date: August 26, 2011

To: All Property & Casualty Insurers

Re: Notice of Homeowners Insurance Deductibles

The purpose of this Bulletin is to remind all Property & Casualty insurers issuing policies of homeowners insurance in Maryland with a deductible equal to a percentage of the Coverage A – Dwelling Unit for a hurricane or other storm of the requirements under §19-209(c) of the Insurance Article. Specifically, an insurer must provide:

- The policyholder with an annual statement explaining the manner in which the deductible is applied; and
- A copy of the form the insurer will use to provide the annual summary to its policyholders to the Insurance Commissioner prior to the form's use.

Failure of a carrier before September 30, 2011 to:

1) Provide an explanation of how the deductible will be applied to the policyholder; or
2) Provide the Insurance Commissioner with a copy of the notice sent to the policyholder prior to its use;

may result in disciplinary action.

Insurers may file a copy of the form with the Insurance Commissioner by e-mailing **scorbin@mdinsurance.state.md.us** or mailing a copy of the form to: Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202, Attention: Shirley Corbin. **No filing fees will be required.**

If you have any questions regarding this Bulletin, please contact Joy Hatchette, Associate Commissioner, Consumer Education and Advocacy by telephone at (410) 468-2029 or by e-mail at **jhatchette@mdinsurance.state.md.us**.

Therese M. Goldsmith
Commissioner

By: SIGNATURE ON ORIGINAL
Joy Hatchette, Associate Commissioner
Consumer Education & Advocacy