



Ohio Revised Code

Section 3937.28 Contents of cancellation notice.

Effective: September 13, 2004

Legislation: Senate Bill 187 - 125th General Assembly

(A) A notice of cancellation of a policy of medical malpractice insurance shall not be issued by any licensed insurer unless it is based on one of the following grounds:

(1) Nonpayment of premium;

(2) Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;

(3) Discovery of a moral hazard or willful or reckless acts or omissions on the part of the named insured that increase any hazard insured against;

(4) The occurrence of a change in the individual risk that substantially increases any hazard insured against after insurance coverage has been issued or renewed, except to the extent the insurer reasonably should have foreseen the change or contemplated the risk in writing the contract;

(5) Loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the superintendent of insurance has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;

(6) Failure of an insured to correct material violations of safety codes or to comply with reasonable written loss control recommendations;

(7) A determination by the superintendent that the continuation of the policy would create a condition that would be hazardous to the policyholders or the public.

(B) The notice of cancellation required by this section shall be in writing, be mailed both to the insured at the insured's last known address and to the insured's agent, and contain all of the following:



- (1) The policy number;
- (2) The date of the notice;
- (3) The effective date of the cancellation;
- (4) An explanation of the grounds for cancellation.

(C) Except when cancellation is for nonpayment of premium, the effective date of cancellation shall be not less than sixty days from the date of mailing the notice. When cancellation is for nonpayment of premium, the effective date of cancellation shall be not less than ten days from the date of mailing the notice.

(D) Nothing in division (A) of this section shall be construed to prevent an insurer from writing a policy of medical malpractice insurance for a period greater than one year and providing in such policy that the insurer may issue a notice of cancellation of such policy at least sixty days prior to an anniversary of such policy, with the effective date of cancellation being that anniversary.

The superintendent may prescribe that adequate disclosure be made to the insured when a policy is issued for a term of more than one year.

(E) There is no liability on the part of, and no cause of action of any nature arises against, the superintendent, any insurer, or any person furnishing information requested by the superintendent or an insurer, or the agent, employee, attorney or other authorized representative of any such persons, for any oral or written statement made to supply information relevant to a determination on cancellation of any policy of medical malpractice insurance, or in connection with advising an insured or the insured's attorney of the grounds for a cancellation of such insurance, or in connection with any administrative or judicial proceeding arising out of or related to such cancellation.