

477MM.

(A) AN INSURER UNDER A CONTRACT, AGREEMENT, OR ASSIGNMENT IN WHICH AN INDIVIDUAL RECEIVES HOME MEDICAL EQUIPMENT UNDER A HEALTH INSURANCE POLICY OR CERTIFICATE DELIVERED OR ISSUED FOR DELIVERY IN THE STATE THAT PROVIDES BENEFITS ON AN EXPENSE-INCURRED BASIS SHALL PAY THE HOME MEDICAL EQUIPMENT PROVIDER DIRECTLY ~~AND IF THE INSURED HAS EXECUTED AN ASSIGNMENT OF BENEFITS AND, SUBJECT TO THE COPAYMENT AND DEDUCTIBLE PROVISIONS IN THE CONTRACT,~~ MAY NOT REQUIRE THE PROVIDER TO ACCEPT LESS THAN THE ~~FULL~~ AGREED UPON MONTHLY RENTAL AMOUNT FOR EACH MONTH THAT USE OF THE EQUIPMENT IS AUTHORIZED BY THE INSURER IN WHICH BENEFITS ARE PAYABLE UNDER THE INSURANCE CONTRACT.

(B) AUTHORIZATION MAY NOT BE TERMINATED UNTIL BOTH THE PROVIDER AND BENEFICIARY OF THE ~~SERVICES EQUIPMENT~~ HAVE BEEN NOTIFIED ~~IN WRITING~~ THAT AUTHORIZATION IS TERMINATED.

(C) A PURCHASE OF THE RENTED EQUIPMENT AND SERVICES MAY BE MADE ~~ONLY ON WRITTEN~~ WITH THE CONSENT OF THE PROVIDER AND THE INSURER PROVIDED THAT THE PURCHASE PRICE AND THE RENTAL PRICE OF THE EQUIPMENT WERE DISCLOSED TO THE INSURER, UPON THE INSURER'S REQUEST, EITHER PRIOR TO THE INITIAL ELECTION TO RENT THE EQUIPMENT OR UPON THE INSURER RECEIVING THE INITIAL CLAIM FROM THE PROVIDER AND THERE IS NO MATERIAL CHANGE IN THE MEDICAL CONDITION OF THE INSURED, AS CERTIFIED BY THE ATTENDING PHYSICIAN.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October 1, 1993~~ January 1, 1994.

Approved May 27, 1993.

CHAPTER 538

(House Bill 607)

AN ACT concerning

Insurance - Regulation - Organization, Structure and Fees

FOR the purpose of altering certain fees for certain insurance licenses, certificates, service of legal process, and filings; providing for the imposition of certain fees; providing for the use of fees under this Act; ~~and generally relating to fees collected by the Insurance Commissioner~~ establishing an independent Maryland Insurance Administration as an independent agency of State Government; establishing the Insurance Commissioner as the head of the Maryland Insurance Administration; providing that the Insurance Commissioner shall be appointed by the Governor with the advice and consent of the Senate; specifying the responsibilities, powers, and duties of the Insurance Commissioner; providing for a term for the initial Insurance Commissioner; providing that certain employees of the Administration are not subject to certain laws generally relating to State employees under certain circumstances; providing