

HEALTH INSURANCE POLICY OR CERTIFICATE THAT IS DELIVERED OR ISSUED FOR DELIVERY IN THE STATE AND THAT PROVIDES BENEFITS ON AN EXPENSE-INCURRED BASIS:

(I) SHALL PAY THE HOME MEDICAL EQUIPMENT PROVIDER DIRECTLY IF THE CONTRACT, POLICY, OR CERTIFICATE OF INSURANCE PROVIDES FOR DIRECT PAYMENT;

(II) MAY PAY THE HOME MEDICAL EQUIPMENT PROVIDER OR THE SUBSCRIBER RECEIVING THE HOME MEDICAL EQUIPMENT, IF THE CONTRACT, POLICY, OR CERTIFICATE OF INSURANCE DOES NOT REQUIRE DIRECT PAYMENT; AND

(III) MAY NOT REQUIRE THE HOME MEDICAL EQUIPMENT PROVIDER TO ACCEPT LESS THAN THE AGREED MONTHLY RENTAL AMOUNT FOR EACH MONTH THAT USE OF THE HOME MEDICAL EQUIPMENT IS AUTHORIZED BY THE NONPROFIT HEALTH SERVICE PLAN.

(B) TERMINATION OF AUTHORIZATION.

AUTHORIZATION MAY NOT BE TERMINATED UNTIL BOTH THE PROVIDER AND BENEFICIARY OF THE HOME MEDICAL EQUIPMENT HAVE BEEN NOTIFIED THAT AUTHORIZATION IS TERMINATED.

(C) PURCHASE OF RENTED EQUIPMENT.

(1) RENTED HOME MEDICAL EQUIPMENT AND SERVICES MAY BE PURCHASED WITH THE CONSENT OF THE PROVIDER AND INSURER IF:

(I) ON THE INSURER'S REQUEST EITHER BEFORE THE INITIAL ELECTION TO RENT THE EQUIPMENT OR ON THE INSURER'S RECEIPT OF THE INITIAL CLAIM FROM THE PROVIDER, THE PURCHASE PRICE AND RENTAL PRICE OF THE EQUIPMENT WERE DISCLOSED TO THE INSURER; AND

(II) THERE IS NO MATERIAL CHANGE IN THE MEDICAL CONDITION OF THE INSURED, AS CERTIFIED BY THE ATTENDING PHYSICIAN.

(2) RENTED HOME MEDICAL EQUIPMENT AND SERVICES MAY BE PURCHASED WITH THE CONSENT OF THE PROVIDER AND NONPROFIT HEALTH SERVICE PLAN IN ACCORDANCE WITH THE BENEFITS AVAILABLE UNDER THE APPLICABLE HEALTH INSURANCE POLICY OR CERTIFICATE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, §§ 354-00, 470EE, and 477-00.

In the introductory language of subsection (a)(1) of this section, the reference to an "individual, group, or blanket" health insurance policy or certificate is added to clarify the applicability of this section.

Also in the introductory language of subsection (a)(1) of this section, the reference to a "contract that provides an individual with" home medical equipment is substituted for the former references to a "contract, agreement,