

Annotated Code of Maryland
(1971 Replacement Volume and 1979 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 43 - Health

42C.

(A) In any claim for benefits by an indigent or medically indigent person, where the person has a cause of action against any other person, the State Department of Health and Mental Hygiene shall be subrogated against the other person to the extent of any payments made by the State Department of Health and Mental Hygiene on behalf of the indigent or medically indigent person, resulting from the occurrence which constituted the basis for the action against the other person.

(B) AFTER THE DEDUCTION OF APPLICABLE ATTORNEY FEES AND LITIGATION COSTS, ANY FUNDS RECEIVED BY AN INDIGENT OR MEDICALLY INDIGENT PERSON, HIS ATTORNEY, OR HIS GUARDIAN OR PERSONAL REPRESENTATIVE, BY MEANS OF JUDGMENT, AWARD, OR SETTLEMENT OF THE CAUSE OF ACTION, SHALL BE HELD FOR THE BENEFIT OF THE STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE TO THE EXTENT INDICATED IN SUBSECTION (A) OF THIS SECTION.

(C) IF, AFTER BEING NOTIFIED IN WRITING OF A SUBROGATION CLAIM AND POSSIBLE LIABILITY UNDER THIS SECTION, AN INDIGENT OR MEDICALLY INDIGENT PERSON, HIS ATTORNEY, OR HIS GUARDIAN OR PERSONAL REPRESENTATIVE DISPOSES, WITHOUT THE WRITTEN APPROVAL OF THE DEPARTMENT, OF FUNDS THAT ARE REQUIRED TO BE HELD FOR THE BENEFIT OF THE DEPARTMENT UNDER THIS SECTION, THAT PERSON SHALL BE LIABLE TO THE DEPARTMENT FOR ANY AMOUNT THAT, AS A RESULT OF THE DISPOSITION OF THE FUNDS, IS NOT RECOVERABLE BY THE DEPARTMENT.

(D) THE DEPARTMENT MAY COMPROMISE, SETTLE, AND RELEASE A SUBROGATED CLAIM IF THE DEPARTMENT DETERMINES THAT COLLECTION WOULD RESULT IN SUBSTANTIAL HARDSHIP ON THE INDIGENT OR MEDICALLY INDIGENT PERSON OR, IN A WRONGFUL DEATH ACTION, ON THE SURVIVING DEPENDENTS OF THE DECEASED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1980.

Approved May 6, 1980.

CHAPTER 403
