19-1002.

- (a) A person may not lease, operate, acquire or receive any major medical equipment unless the equipment is licensed by the Secretary.
- (b) While it is effective, a license or a provisional license authorizes the use of major medical equipment as specified in the license or the provisional license.
 - (c) A license or a provisional license issued under this subtitle is not transferable.
- [(d) (1) A provisional license expires and is no longer valid when regulations governing the equipment provisionally licensed become effective.
- (2) A holder of a provisional license that expires must apply for a license in accordance with this subtitle.]

19-1003.

- (a) The Secretary shall adopt regulations to carry out the provisions of this subtitle in consultation with the HEALTH RESOURCES PLANNING COMMISSION, THE HEALTH SERVICES COST REVIEW COMMISSION, Medical and Chirurgical Faculty of the State of Maryland, THE MARYLAND HOSPITAL ASSOCIATION, and other health care providers. The regulations shall include <u>REASONABLE</u> provisions that:
 - (1) Pertain to the licensing of major medical equipment;
 - (2) Govern the reasonable use of major medical equipment;
- (3) Provide adequate safety standards for the use of major medical equipment; and
- (4) [Provide for review for the purpose of determining appropriate utilization, reasonableness of charges, quality of care, and cost containment. Such review shall be by a random sampling mechanism] REQUIRE REASONABLE STATE THE SPECIFIC REPORTING REQUIREMENTS OF LICENSEES NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS SUBTITLE.
- of review] TO DETERMINE (b) (1) (1) [For the purposes WITH THE SAFETY STANDARDS COMPLIANCE AND REPORTING REQUIREMENT REGULATIONS ADOPTED under [paragraph] PARAGRAPHS (3) AND (4) of subsection (a) of this section, the Secretary shall have access to the facility, office, or other location of the licensed equipment, and to any patients' medical records, financial records, or other records concerning such equipment, as specified in regulations, during normal business hours.
- (2) UNLESS THERE IS AN IMMEDIATE THREAT TO THE HEALTH AND SAFETY OF PATIENTS OR EMPLOYEES, THE SECRETARY SHALL NOTIFY THE LICENSEE 5 DAYS PRIOR TO CONDUCTING AN ON-SITE INSPECTION UNDER THIS SECTION.