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§15–121.1.

(a) If a Program recipient has a claim for any medical, hospital or disability benefits under §§ 19-505 and 19-506 of the Insurance Article, the Department shall be subrogated to that claim to the extent of any payments made by the Department on behalf of the Program recipient that results from the occurrence that gave rise to the claim less:

- (1) Applicable attorney's fees; and
- (2) Any rights for loss of income.

(b) (1) An attorney representing a Program recipient under this subtitle on a claim to which the Department has a right of subrogation shall notify the Department prior to filing the claim.

(2) This subsection may not be construed to create a cause of action for notifying or failing to notify the Department.

(c) (1) Any Program recipient or attorney, guardian, or personal representative of a Program recipient who receives money for a claim to which the Department has a subrogation claim shall, after receiving written notice of the subrogation claim, hold that money, for the benefit of the Department, to the extent required for the subrogation claim, after deducting applicable attorney's fees.

(2) A person who, after written notice of a subrogation claim from the Department and possible liability under this paragraph, disposes of the money, without the written approval of the Department, is liable to the Department for any amount that, because of the disposition, is not recoverable by the Department.

(3) The Department may compromise or settle and release its subrogation claim if, in its judgment, collection of the claim will cause substantial hardship to the Program recipient or in a wrongful death action, the surviving dependent of a deceased Program recipient.

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