



INSTRUCTIONS FOR DISCOUNT MEDICAL PLAN ORGANIZATION REGISTRATION

Enclosed is the registration form for a Discount Medical Plan Organization (DMPO). Any person who is responsible for the issuance of a discount medical plan is a DMPO and is required to register with the Missouri Department of Insurance, Financial Institutions and Professional Registration.

Each DMPO is required to register before issuing any discount medical plan. Each DMPO is also required to renew its registration annually each year after the year of the DMPO's first registration.

Payment of the registration fee must accompany each registration. The registration (and the renewal of registration) fee is two hundred fifty dollars (\$250).

Questions regarding this registration or the regulation of discount medical plans may be directed either by telephone to the Discount Medical Plan Regulation section of the Missouri Department of Insurance, Financial Institutions & Professional Registration at (573) 526-5001 or (573) 751-4362 or in writing to Discount Medical Plan, Missouri Department of Insurance, Financial Institutions & Professional Registration, P.O. Box 690, Jefferson City, MO 65102.



MISSOURI DEPARTMENT OF INSURANCE,
 FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DISCOUNT MEDICAL PLAN ORGANIZATION REGISTRATION

INSTRUCTIONS

This registration must be accompanied by registration fee equal to \$250. Each discount medical plan organization (DMPO) must register before issuing any discount medical plan. Each DMPO must renew registration annually between thirty (30) days before and the date of the anniversary of the initial registration. **PERSONAL CHECKS NOT ACCEPTED.**

SECTION 1. DMPO INFORMATION (TYPE OR PRINT)

PROVIDER NAME

BUSINESS ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

MAILING ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

REGISTERED AGENT NAME AND ADDRESS, IF APPLICABLE (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

SECTION 2. ADMINISTRATOR INFORMATION

DOES THIS DMPO USE THE SERVICES OF ONE OR MORE ADMINISTRATORS?

Yes No If yes, state the name and address of each administrator below (attach additional pages, if necessary)

ADMINISTRATOR NAME

BUSINESS ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

MAILING ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

ADMINISTRATOR NAME

BUSINESS ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

MAILING ADDRESS (STREET NUMBER AND NAME, CITY, STATE, ZIP CODE)

SECTION 3. NET WORTH

A. Initial Registration

How will this DMPO show that it has net worth of at least \$150,000? Check which one of the following methods this DMPO will use to assure such performance:

- By the report of an audit by an independent certified public account (if checked, a copy of the audit report must be attached).
- By the report of an examination by the Department of Insurance, Financial Institutions & Professional Registration (if checked, please provide the name and telephone number of the person employed by the DMPO who is responsible for arranging and paying for the examination: _____).

376.1500. As used in sections 376.1500 to 376.1532, the following 2 words or phrases mean:

- (1) **“Director”**, the director of the department of insurance, financial institutions and professional registration;
- (2) **“Discount card”**, a card or any other purchasing mechanism or device, which is not insurance, that purports to offer discounts or access to discounts in health-related purchases from health care providers;
- (3) **“Discount medical plan”**, a business arrangement or contract in which a person, in exchange for fees, dues, charges, or other consideration, provides access for plan members to providers of medical services and the right to receive medical services from those providers at a discount. The term does not include any product regulated as an insurance product, group health service product or membership in a health maintenance organization in this state or discounts provided by an insurer, group health service, or health maintenance organizations where those discounts are provided at no cost to the insured or member and are offered due to coverage with a licensed insurer, group health service, or health maintenance organization. the term does not include an arrangement where the discounts or prices are sold, rented or otherwise provided to another licensed carrier or to a self-insured or self-funded employer sponsored plan or Taft-Hartley trust;
- (4) **“Discount medical plan organization”**, means a person or an entity that, in exchange for fees, dues, charges or other consideration, provides access for plan members to providers of medical services and the right to receive medical services from those providers at a discount. It is the person or organization that contracts with providers, provider networks or other discount medical plan organizations to offer access to medical services at a discount and determines the charge to plan members;
- (5) **“Health care provider”**, any person or entity licensed by this state to provide health care services including, but not limited to physicians, hospitals, home health agencies, pharmacies, and dentists;
- (6) **“Health care provider network”**, an entity which directly contracts with physicians and hospitals and has contractual rights to negotiate on behalf of those health care providers with a discount medical plan organization to provide medical services to members of the discount medical plan organization;
- (7) **“Marketer”**, a person or entity who markets, promotes, sells or distributes a discount medical plan, including a private label entity that places its name on and markets or distributes a discount medical plan but does not operate a discount medical plan;
- (8) **“Medical services”**, any care, service or treatment of illness or dysfunction of, or injury to, the human body including, but not limited to, physician care, inpatient care, hospital surgical services, emergency services, ambulance services, dental care services, vision care services, mental health services, substance abuse services, chiropractic services, podiatric care services, laboratory services, and medical equipment and supplies. The term does not include pharmaceutical supplies or prescriptions;
- (9) **“Member”**, any person who pays fees, dues, charges, or other consideration for the right to receive the purported benefits of a discount medical plan; and
- (10) **“Person”**, an individual, corporation, business trust, estate, trust, partnership, association, joint venture, limited liability company, or any other government or commercial entity.

376.1502. 1. It is unlawful to transact business in this state as a discount medical plan organization, unless the organization is a corporation, limited liability corporation, partnership, limited liability partnership or other legal entity organized under the laws of this state or, if a foreign entity, authorized to transact business in this state, and is registered as a discount medical plan organization with the director or duly authorized by the director as an insurance company, licensed health maintenance organization, licensed group health service organization, or licensed third party administrator.

2. An individual person, employee, or agent of a registered entity described in subsection 1 of this section may also transact business in this state on behalf of such entity.

376.1504. 1. To register as a discount medical plan organization, an applicant shall:

- (1) File with the director an application on a form approved and adopted by the director; and
 - (2) Pay to the director an application fee of two hundred fifty dollars.
2. A registration is valid for a one-year term and expires one year following the registration date unless it is renewed as provided in this section.
3. Before it expires, a registrant may renew the registration for an additional one-year term if the registrant:
- (1) Otherwise is qualified to receive a registration;
 - (2) Files with the director a renewal application on a form approved and adopted by the director; and
 - (3) Pays a renewal fee of two hundred fifty dollars.
4. All amounts collected as registration or renewal fees shall be deposited into the insurance dedicated fund.
5. Nothing in this subsection shall require a provider who provides discounts to his or her own patients to obtain and maintain a registration as a discount medical plan organization.

376.1506. 1. If the director has a reason to believe that the discount medical plan organization is not complying with the requirements of sections 376.1500 to 376.1532, the director may examine or investigate the business and affairs of any discount medical plan organization under the authority of sections 374.190 and 374.202 to 374.207, RSMo. The director may require any discount medical plan organization or applicant to produce any records, books, files, advertising and solicitation materials, or other information and may take statements under oath to determine whether the discount medical plan organization or applicant is in violation of the law. Reasonable expenses incurred in conducting any examination shall be paid by the discount medical plan organization under sections 374.202 to 374.207, RSMo.

2. Failure by the discount medical plan organization to pay the expenses incurred under this subsection shall be grounds for denial or revocation of the discount medical plan organization's registration.

376.1508. 1. A discount medical plan organization may charge a reasonable one-time processing fee and a periodic charge as long as the fee is disclosed to the applicant.

2. If the member cancels the membership within the first thirty days after receipt of the discount card and other membership materials, the member shall receive a reimbursement of all periodic charges paid. The return of all periodic charges shall be made within thirty days of the date of the cancellation. If all of the periodic charges have not been paid within thirty days, interest shall be assessed and paid on the proceeds at a rate of the treasury bill rate of the preceding calendar year, plus two percentage points.

3. The right of cancellation shall be set out in the written membership materials on the first page, in ten-point type or larger.

4. If a discount medical plan organization cancels a membership for any reason other than nonpayment of charges by the member, the discount medical plan organization shall make a pro rata reimbursement of all periodic charges to the member.

376.1510. A discount medical plan organization shall not:

(1) Use in its advertisements, marketing material, brochures, and discount cards the terms "health plan", "coverage", "copay", "copayments", "preexisting conditions", "guaranteed issue", "premium", "PPO", "preferred provider organization", or other terms in a manner that could reasonably mislead a person to believe that the discount medical plan is health insurance;

(2) Expect for hospital services, have restrictions on free access to plan providers including waiting periods and notification periods;

(3) Pay providers any fees for medical services;

(4) Collect or accept money from a member for payment to a provider for specific medical services furnished or to be furnished to the member, unless the organization is licensed by the director to act as an administrator; or

(5) Except as otherwise provided in sections 376.1500 to 376.1532, as a disclaimer of any relationship between discount medical plan benefits and insurance, or as a description of an insurance product connected with a discount medical plan, use in its advertisements, marketing material, brochures, and discount cards the term "insurance".

376.1512. 1. The following disclosures, to be printed in bold and in not less than twelve-point type, shall be made in writing to any prospective member and shall appear on the first content page of any advertisements, marketing materials or brochures relating to a discount medical plan:

(1) The plan is not insurance;

(2) The plan provides discounts with certain health care providers for medical services;

(3) The plan does not make payments directly to the providers of medical services;

(4) The plan member is obligated to pay for all health care services but will receive a discount from those health care providers who have contracted with the discount plan organization; and

(5) The name and the location of the registered discount medical plan organization, including the current telephone number of the registered discount medical plan organization or other entity responsible for customer service for the plan, if different from the registered discount medical plan organization.

2. If the discount medical plan is sold, marketed, or solicited by telephone, the disclosures required by this section shall be made orally and provided in the initial written materials that describe the benefits under the discount medical plan provided to the prospective or new member.

3. Each discount card or any other plan identifier issued to a plan member shall state in bold and prominent type on the front face of the card that "THIS IS NOT INSURANCE".

376.1514. 1. All providers offering medical services to members under a discount medical plan shall provide such services pursuant to a written agreement. The agreement may be entered into directly by the health care provider or by a health care provider network to which the provider belongs if the provider network has contracts with the health care provider that allow the provider network to contract on behalf of the health care provider.

2. A health care provider agreement shall provide the following:

(1) A description of the services and products to be provided at a discount;

(2) The amount or amounts of the discounts or, alternatively, a fee schedule which reflects the health care provider's discounted rates; and

(3) A provision that the health care provider will not charge members more than the discounted rates.

3. A health care provider agreement with a health care provider network shall require that the health care provider network have written agreements with its health care providers that:

(1) Contain the terms described in this subsection;

(2) Authorize the health care provider network to contract with the discount medical plan organization on behalf of the provider; and

(3) Require the network to maintain an up-to-date list of its contracted health care providers and to provide that list on a quarterly basis to the discount medical plan organization.

4. A health care provider agreement between a discount medical plan organization and an entity that contracts with a health care provider network shall require that the entity, in its contract with the health care provider network, require the health care provider network to have written agreements with its providers that comply with subsection 3 of this section.

5. The discount medical plan organization shall maintain a copy of each active health care provider agreement into which it has entered.

376.1516. 1. Each benefit under the discount medical plan shall be included in the written membership materials between the discount medical plan organization and the member. The written membership materials shall also include a statement notifying the members of their right to cancel under section 376.1508, and such materials shall also list all of the disclosures required by section 376.1512.

2. Upon request by the Director, any forms used by a discount medical plan organization, including written membership materials, shall be submitted to the Director.

376.1618. 1. Each discount medical plan organization registered pursuant to sections 376.1500 to 376.1532, shall at all times maintain a net worth of at least one hundred fifty thousand dollars.

2. The director may not allow a registration unless the discount medical plan organization has a net worth of at least one hundred fifty thousand dollars.

376.1520. Each discount medical plan organization required to be registered pursuant to this section shall provide the director at least thirty days' advance notice of any change in the discount medical plan organization's name, address, principal business address, or mailing address.

376.1522. Each discount medical plan organization shall maintain a current list of the names and addresses of the providers with which it has contracted on a web site page, the address of which shall be prominently displayed on all its advertisements, marketing materials, brochures, and discount cards. This section applies to those providers with whom the discount medical plan organization has contracted directly, as well as those who are members of a provider network with which the discount medical plan organization has contracted.

376.1524. 1. All advertisements, marketing materials, brochures and discount cards used by marketers shall be approved in writing for such use by the discount medical plan organization.

2. The discount medical plan organization shall have an executed written agreement with a marketer prior to the marketer's marketing, promoting, selling, or distributing the discount medical plan.