

# SENATE BILL 596

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SB 281/06 – FIN

71r2094  
CF HB 847

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By: **Senator Klausmeier**

Introduced and read first time: February 2, 2007

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 7, 2007

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Discount Medical Plan Organizations and Discount Drug Plan Organizations**  
3 **- Registration and Regulation**

4 FOR the purpose of providing for the regulation by the Maryland Insurance  
5 Commissioner of certain discount medical plan organizations and discount drug  
6 plan organizations; requiring the registration of certain entities as discount  
7 medical plan organizations or discount drug plan organizations; providing for  
8 the application and renewal process for registration; authorizing the  
9 Commissioner to deny a registration or refuse to renew, suspend, or revoke a  
10 registration under certain circumstances; prohibiting certain actions by a  
11 discount medical plan organization and discount drug plan organization;  
12 requiring certain disclosures to be made by discount medical plan organizations  
13 and discount drug plan organizations; requiring certain reimbursement if  
14 membership in a discount medical plan or discount drug plan is canceled under  
15 certain circumstances; requiring the Commissioner, in consultation with the  
16 Office of the Attorney General, to adopt regulations that establish standards for  
17 determining a certain fee; requiring ~~that certain information appear on certain~~  
18 ~~discount cards; requiring a certain statement to be included on or attached to~~  
19 ~~certain discount cards~~ each discount medical plan organization and each  
20 discount drug plan organization to provide to a plan member a discount card  
21 that includes, at a minimum, certain data elements; requiring a discount

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 medical plan organization or discount drug plan organization to reissue a  
 2 discount card under certain circumstances; authorizing the examination of  
 3 discount medical plan organizations and discount drug plan organizations  
 4 under certain circumstances; authorizing the Commissioner to take certain  
 5 actions to enforce certain provisions of law; providing for certain penalties;  
 6 providing for the payment of the examinations; requiring an insurer, nonprofit  
 7 health service plan, health maintenance organization, or dental plan  
 8 organization to meet certain requirements; requiring the Commissioner to adopt  
 9 certain regulations; ~~requiring the Commissioner to review the continued need~~  
 10 ~~for a certain requirement and report on the findings of the review to certain~~  
 11 ~~committees of the General Assembly on or before a certain date~~; defining certain  
 12 terms; providing for the application of this Act; and generally relating to  
 13 discount medical plan organizations and discount drug plan organizations.

14 BY adding to  
 15 Article – Health – General  
 16 Section 19–706(jjj)  
 17 Annotated Code of Maryland  
 18 (2005 Replacement Volume and 2006 Supplement)

19 BY repealing and reenacting, with amendments,  
 20 Article – Insurance  
 21 Section 2–208  
 22 Annotated Code of Maryland  
 23 (2003 Replacement Volume and 2006 Supplement)

24 BY adding to  
 25 Article – Insurance  
 26 Section 14–601 through 14–612 to be under the new subtitle “Subtitle 6.  
 27 Discount Medical Plan Organizations and Discount Drug Plan  
 28 Organizations”  
 29 Annotated Code of Maryland  
 30 (2006 Replacement Volume and 2006 Supplement)

31 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
 32 MARYLAND, That the Laws of Maryland read as follows:

33 **Article – Health – General**

34 19–706.



1 OR OTHER FINANCIAL CONSIDERATION PAID BY OR ON BEHALF OF A PLAN  
 2 MEMBER, PROVIDES THE RIGHT TO RECEIVE DISCOUNTS ON SPECIFIED  
 3 PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT  
 4 AND SUPPLIES FROM SPECIFIED PROVIDERS.

5 (2) “DISCOUNT DRUG PLAN” DOES NOT INCLUDE:

6 (I) A BUSINESS ARRANGEMENT OR CONTRACT IN WHICH  
 7 THE FEES, DUES, CHARGES, AND OTHER FINANCIAL CONSIDERATION PAID BY  
 8 OR ON BEHALF OF A PLAN MEMBER CONSIST ONLY OF:

9 ~~(1)~~ 1. A PAYMENT MADE DIRECTLY TO A PROVIDER AS A  
 10 DISPENSING OR TRANSACTIONAL FEE IN CONNECTION WITH THE PURCHASE OF  
 11 PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT  
 12 AND SUPPLIES THAT ARE SUBJECT TO A DISCOUNT; OR

13 ~~(2)~~ 2. AN ADMINISTRATIVE OR PROCESSING FEE PAID BY  
 14 ANYONE OTHER THAN A PLAN MEMBER TO A PROVIDER IN CONNECTION WITH  
 15 THAT PROVIDER’S PROVISION OF DISCOUNTS TO PLAN MEMBERS; OR

16 (II) A PATIENT ASSISTANCE PROGRAM THAT:

17 1. IS SPONSORED, OFFERED, OR PROVIDED FOR BY A  
 18 PHARMACEUTICAL MANUFACTURER; AND

19 2. IS NOT PROVIDED IN EXCHANGE FOR FEES, DUES,  
 20 CHARGES, OR OTHER FINANCIAL CONSIDERATION.

21 (C) “DISCOUNT DRUG PLAN ORGANIZATION” MEANS AN ENTITY THAT:

22 (1) CONTRACTS DIRECTLY OR INDIRECTLY WITH PROVIDERS OR  
 23 PROVIDER NETWORKS TO PROVIDE PHARMACEUTICAL SUPPLIES,  
 24 PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES AT A DISCOUNT  
 25 TO PLAN MEMBERS; AND

26 (2) DETERMINES THE CHARGE TO PLAN MEMBERS.

27 (D) “DISCOUNT MEDICAL PLAN” MEANS A BUSINESS ARRANGEMENT OR  
 28 CONTRACT IN WHICH A PERSON, IN EXCHANGE FOR FEES, DUES, CHARGES, OR  
 29 OTHER FINANCIAL CONSIDERATION PAID BY OR ON BEHALF OF A PLAN

1 MEMBER, PROVIDES THE RIGHT TO RECEIVE DISCOUNTS ON SPECIFIED  
2 MEDICAL SERVICES FROM SPECIFIED PROVIDERS.

3 (E) “DISCOUNT MEDICAL PLAN ORGANIZATION” MEANS AN ENTITY  
4 THAT:

5 (1) CONTRACTS DIRECTLY OR INDIRECTLY WITH PROVIDERS OR  
6 PROVIDER NETWORKS TO PROVIDE MEDICAL SERVICES AT A DISCOUNT TO PLAN  
7 MEMBERS; AND

8 (2) DETERMINES THE CHARGE TO PLAN MEMBERS.

9 (F) “HOSPITAL SERVICES” HAS THE MEANING STATED IN § 19-201 OF  
10 THE HEALTH – GENERAL ARTICLE.

11 (G) “MEDICAL SERVICES” MEANS ANY CARE, SERVICE, OR TREATMENT  
12 OF ILLNESS OR DYSFUNCTION OF, OR INJURY TO, THE HUMAN BODY, INCLUDING  
13 PHYSICIAN CARE, OUTPATIENT SERVICES, AMBULANCE SERVICES, DENTAL  
14 CARE SERVICES, VISION CARE SERVICES, MENTAL HEALTH SERVICES,  
15 SUBSTANCE ABUSE SERVICES, CHIROPRACTIC SERVICES, PODIATRIC CARE  
16 SERVICES, AND LABORATORY SERVICES.

17 (H) “MEDICARE PRESCRIPTION DRUG PLAN” MEANS A PLAN THAT  
18 PROVIDES A MEDICARE PART D PRESCRIPTION DRUG BENEFIT IN  
19 ACCORDANCE WITH THE REQUIREMENTS OF THE FEDERAL MEDICARE  
20 MODERNIZATION ACT.

21 (I) “PLAN MEMBER” MEANS ANY INDIVIDUAL WHO PAYS FEES, DUES,  
22 CHARGES, OR OTHER FINANCIAL CONSIDERATION FOR THE RIGHT TO RECEIVE  
23 THE BENEFITS OF A DISCOUNT MEDICAL PLAN OR A DISCOUNT DRUG PLAN.

24 (J) “PROVIDER” MEANS:

25 (1) ANY PERSON OR INSTITUTION WHICH IS CONTRACTED,  
26 DIRECTLY OR INDIRECTLY, WITH A DISCOUNT MEDICAL PLAN ORGANIZATION TO  
27 PROVIDE MEDICAL SERVICES TO PLAN MEMBERS; OR

28 (2) ANY PERSON OR INSTITUTION WHICH IS CONTRACTED,  
29 DIRECTLY OR INDIRECTLY, WITH A DISCOUNT DRUG PLAN ORGANIZATION TO

1 PROVIDE PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL  
2 EQUIPMENT AND SUPPLIES TO PLAN MEMBERS.

3 (K) "STATE PRESCRIPTION DRUG PLAN" MEANS ANY DISCOUNT PLAN  
4 OPERATED BY A STATE AGENCY.

5 **14-602.**

6 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THIS  
7 SUBTITLE DOES NOT APPLY TO AN INSURER, NONPROFIT HEALTH SERVICE  
8 PLAN, HEALTH MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION  
9 THAT HOLDS A CERTIFICATE OF AUTHORITY IN THIS STATE.

10 (B) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH  
11 MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION SHALL:

12 (1) COMPLY WITH §§ 14-606 THROUGH 14-611 OF THIS  
13 SUBTITLE;

14 (2) NOTIFY THE COMMISSIONER IN WRITING THAT IT SELLS,  
15 MARKETS, OR SOLICITS A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN  
16 IN THE STATE; AND

17 (3) (I) FILE QUARTERLY WITH THE COMMISSIONER A  
18 CURRENT LIST OF THE PERSONS, OTHER THAN LICENSED INSURANCE  
19 PRODUCERS, WHO ARE AUTHORIZED TO SELL, MARKET, OR SOLICIT IN THE  
20 STATE A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY  
21 THE INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH MAINTENANCE  
22 ORGANIZATION, OR DENTAL PLAN ORGANIZATION; AND

23 (II) PROVIDE THE COMMISSIONER WITH AN ADDITIONAL  
24 LIST ON REQUEST.

25 (C) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH  
26 MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION MAY FILE THE  
27 LIST REQUIRED UNDER SUBSECTION (B)(3) OF THIS SECTION ELECTRONICALLY,  
28 IN A FORMAT PRESCRIBED BY THE COMMISSIONER.

29 (D) THIS SUBTITLE DOES NOT APPLY TO MEDICARE PRESCRIPTION  
30 DRUG PLANS OR TO A STATE PRESCRIPTION DRUG PLAN.

1 **14-603.**

2 (A) (1) AN ENTITY SHALL REGISTER WITH THE COMMISSIONER AS A  
3 DISCOUNT MEDICAL PLAN ORGANIZATION BEFORE A DISCOUNT MEDICAL PLAN  
4 ESTABLISHED BY THAT ENTITY IS SOLD, MARKETED, OR SOLICITED IN THE  
5 STATE.

6 (2) A DISCOUNT MEDICAL PLAN MAY NOT BE SOLD, MARKETED,  
7 OR SOLICITED IN THE STATE UNLESS THE DISCOUNT MEDICAL PLAN  
8 ORGANIZATION THAT ESTABLISHED THE DISCOUNT MEDICAL PLAN IS  
9 REGISTERED WITH THE COMMISSIONER.

10 (B) (1) AN ENTITY SHALL REGISTER WITH THE COMMISSIONER AS A  
11 DISCOUNT DRUG PLAN ORGANIZATION BEFORE A DISCOUNT DRUG PLAN  
12 ESTABLISHED BY THAT ENTITY IS SOLD, MARKETED, OR SOLICITED IN THE  
13 STATE.

14 (2) A DISCOUNT DRUG PLAN MAY NOT BE SOLD, MARKETED, OR  
15 SOLICITED IN THE STATE UNLESS THE DISCOUNT DRUG PLAN ORGANIZATION  
16 THAT ESTABLISHED THE DISCOUNT DRUG PLAN IS REGISTERED WITH THE  
17 COMMISSIONER.

18 (C) AN APPLICANT FOR REGISTRATION SHALL:

19 (1) FILE WITH THE COMMISSIONER AN APPLICATION ON THE  
20 FORM THAT THE COMMISSIONER REQUIRES; AND

21 (2) PAY TO THE COMMISSIONER AN APPLICATION FEE OF \$250.

22 (D) AN ENTITY THAT IS REQUIRED TO REGISTER WITH THE  
23 COMMISSIONER UNDER BOTH SUBSECTIONS (A) AND (B) OF THIS SECTION MAY  
24 FILE ONE APPLICATION WITH THE COMMISSIONER AND PAY ONE APPLICATION  
25 FEE.

26 (E) AN APPLICANT SHALL FILE WITH ITS APPLICATION A LIST OF THE  
27 PERSONS AUTHORIZED TO SELL, MARKET, OR SOLICIT A DISCOUNT MEDICAL  
28 PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY THE APPLICANT.

29 **14-604.**

1           (A)    **A REGISTRATION EXPIRES ON THE SECOND JUNE 30 FOLLOWING**  
2 **THE REGISTRATION UNLESS IT IS RENEWED AS PROVIDED IN THIS SECTION.**

3           (B)    **BEFORE A REGISTRATION EXPIRES, THE REGISTRANT MAY RENEW**  
4 **IT FOR AN ADDITIONAL 2-YEAR TERM, IF THE REGISTRANT:**

5                   (1)    **OTHERWISE IS ENTITLED TO BE REGISTERED;**

6                   (2)    **FILES WITH THE COMMISSIONER A RENEWAL APPLICATION**  
7 **ON THE FORM THAT THE COMMISSIONER REQUIRES; AND**

8                   (3)    **PAYS TO THE COMMISSIONER A RENEWAL FEE OF \$150.**

9           (C)    **AN APPLICATION FOR RENEWAL OF A REGISTRATION SHALL BE**  
10 **CONSIDERED MADE IN A TIMELY MANNER IF IT IS POSTMARKED ON OR BEFORE**  
11 **JUNE 30 OF THE YEAR OF RENEWAL.**

12           (D)    **SUBJECT TO THE PROVISIONS OF § 14-605 OF THIS SUBTITLE, THE**  
13 **COMMISSIONER SHALL RENEW THE REGISTRATION OF EACH REGISTRANT THAT**  
14 **MEETS THE REQUIREMENTS OF THIS SECTION.**

15           (E)    (1)    **A REGISTRANT SHALL FILE QUARTERLY WITH THE**  
16 **COMMISSIONER A CURRENT LIST OF THE PERSONS AUTHORIZED TO SELL,**  
17 **MARKET, OR SOLICIT IN THE STATE A DISCOUNT MEDICAL PLAN OR DISCOUNT**  
18 **DRUG PLAN ESTABLISHED BY THE REGISTRANT.**

19                   (2)    **A REGISTRANT SHALL PROVIDE THE COMMISSIONER AN**  
20 **ADDITIONAL LIST ON REQUEST.**

21                   (3)    **A REGISTRANT MAY FILE THE LIST REQUIRED UNDER THIS**  
22 **SUBSECTION ELECTRONICALLY, IN A FORMAT PRESCRIBED BY THE**  
23 **COMMISSIONER.**

24 **14-605.**

25           (A)    **SUBJECT TO THE HEARING PROVISIONS OF TITLE 2 OF THIS**  
26 **ARTICLE, THE COMMISSIONER MAY DENY A REGISTRATION TO AN APPLICANT**  
27 **OR REFUSE TO RENEW, SUSPEND, OR REVOKE THE REGISTRATION OF A**

1   **REGISTRANT IF THE APPLICANT OR REGISTRANT, OR AN OFFICER, DIRECTOR,**  
2   **OR EMPLOYEE OF THE APPLICANT OR REGISTRANT:**

3           **(1)   MAKES A MATERIAL MISSTATEMENT OR MISREPRESENTATION**  
4   **IN AN APPLICATION FOR REGISTRATION;**

5           **(2)   FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO**  
6   **OBTAIN A REGISTRATION FOR THE APPLICANT OR REGISTRANT OR FOR**  
7   **ANOTHER;**

8           **(3)   HAS BEEN CONVICTED OF A FELONY OR OF A MISDEMEANOR**  
9   **INVOLVING MORAL TURPITUDE;**

10          **(4)   IN CONNECTION WITH THE ADMINISTRATION OF A DISCOUNT**  
11   **MEDICAL PLAN OR DISCOUNT DRUG PLAN, COMMITS FRAUD OR ENGAGES IN**  
12   **ILLEGAL OR DISHONEST ACTIVITIES;**

13          **(5)   HAS VIOLATED ANY PROVISION OF THIS SUBTITLE OR A**  
14   **REGULATION ADOPTED UNDER IT;**

15          **(6)   PROVIDES A FALSE, FALSELY DISPARAGING, OR MISLEADING**  
16   **ORAL OR WRITTEN STATEMENT, VISUAL DESCRIPTION, OR OTHER**  
17   **REPRESENTATION OF ANY KIND THAT HAS THE CAPACITY, TENDENCY, OR**  
18   **EFFECT OF DECEIVING OR MISLEADING CONSUMERS;**

19          **(7)   MAKES A REPRESENTATION THAT A DISCOUNT MEDICAL PLAN**  
20   **OR DISCOUNT DRUG PLAN HAS A SPONSORSHIP, APPROVAL, CHARACTERISTIC,**  
21   **USE, OR BENEFIT THAT IT DOES NOT HAVE;**

22          **(8)   HAS VIOLATED § 13-301 OF THE COMMERCIAL LAW ARTICLE;**  
23   **OR**

24          **(9)   FAILS TO MAINTAIN ON FILE WITH THE COMMISSIONER A**  
25   **CURRENT LIST OF THE PERSONS AUTHORIZED TO SELL, MARKET, OR SOLICIT A**  
26   **DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY THE**  
27   **APPLICANT OR THE REGISTRANT.**

28          **(B)   THIS SECTION DOES NOT LIMIT ANY REGULATORY POWER OF THE**  
29   **COMMISSIONER UNDER TITLE 2 OF THIS ARTICLE.**

1 **14-606.**

2 (A) A DISCOUNT MEDICAL PLAN ORGANIZATION AND A DISCOUNT DRUG  
3 PLAN ORGANIZATION MAY NOT:

4 (1) USE IN THEIR ADVERTISEMENTS, MARKETING MATERIAL,  
5 BROCHURES, AND DISCOUNT CARDS THE TERM "INSURANCE" EXCEPT:

6 (I) IN THE NAME OF AN INSURER, NONPROFIT HEALTH  
7 SERVICE PLAN, HEALTH MAINTENANCE ORGANIZATION, OR DENTAL PLAN  
8 ORGANIZATION WHOSE CORPORATE NAME INCLUDES THE WORD "INSURANCE";

9 (II) WHEN COMPARING THE DISCOUNT MEDICAL PLAN OR  
10 DISCOUNT DRUG PLAN TO INSURANCE OR OTHERWISE DISTINGUISHING THE  
11 DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN FROM INSURANCE; OR

12 (III) AS OTHERWISE PROVIDED IN THIS SUBTITLE.

13 (2) USE IN THEIR ADVERTISEMENTS, MARKETING MATERIAL,  
14 BROCHURES, AND DISCOUNT CARDS THE TERMS "HEALTH PLAN", "COVERAGE",  
15 "COPAY", "COPAYMENTS", "PREEXISTING CONDITIONS", "GUARANTEED ISSUE",  
16 "PREMIUM", "PPO", "PREFERRED PROVIDER ORGANIZATION", OR OTHER  
17 TERMS IN A CONTEXT THAT COULD REASONABLY MISLEAD A PERSON INTO  
18 BELIEVING THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN WAS  
19 HEALTH INSURANCE;

20 (3) HAVE RESTRICTIONS ON ACCESS TO DISCOUNT MEDICAL PLAN  
21 OR DISCOUNT DRUG PLAN PROVIDERS, INCLUDING WAITING PERIODS AND  
22 NOTIFICATION PERIODS;

23 (4) PAY PROVIDERS ANY FEES FOR MEDICAL SERVICES,  
24 PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT  
25 AND SUPPLIES, EXCEPT THAT A DISCOUNT MEDICAL PLAN ORGANIZATION OR A  
26 DISCOUNT DRUG PLAN ORGANIZATION THAT ALSO HAS AN ACTIVE  
27 REGISTRATION UNDER TITLE 8, SUBTITLE 3 OF THIS ARTICLE MAY CONTINUE  
28 TO PAY FEES TO PROVIDERS IN ITS CAPACITY AS A THIRD PARTY  
29 ADMINISTRATOR;

30 (5) REFUSE TO MODIFY THE METHOD OF PAYMENT FOR  
31 MEMBERSHIP IN A DISCOUNT MEDICAL PLAN OR A DISCOUNT DRUG PLAN ON

1 REQUEST, UNLESS A SPECIFIC METHOD OF PAYMENT IS REQUIRED AS A TERM  
2 OF THE DISCOUNT MEDICAL PLAN OR THE DISCOUNT DRUG PLAN AND WAS  
3 AGREED TO IN WRITING IN ADVANCE;

4 (6) IF MEMBERSHIP IS BILLED ON A MONTHLY BASIS, REFUSE TO  
5 PERMIT MEMBERSHIP TO TERMINATE WITHOUT FINANCIAL PENALTY ON NO  
6 MORE THAN 30 CALENDAR DAYS' WRITTEN NOTICE; OR

7 (7) (I) CONTINUE ELECTRONIC FUND TRANSFER AS A METHOD  
8 OF PAYMENT MORE THAN 30 CALENDAR DAYS AFTER A WRITTEN REQUEST FOR  
9 TERMINATION OF ELECTRONIC FUND TRANSFER HAS BEEN MADE; OR

10 (II) REQUIRE THE MEMBER TO NOTIFY MORE THAN ONE  
11 ENTITY THAT IS EITHER THE DISCOUNT MEDICAL PLAN ORGANIZATION OR THE  
12 DISCOUNT DRUG PLAN ORGANIZATION OR AN ENTITY IDENTIFIED BY THE  
13 DISCOUNT MEDICAL PLAN ORGANIZATION OR THE DISCOUNT DRUG PLAN  
14 ORGANIZATION THAT ELECTRONIC FUND TRANSFER SHOULD BE TERMINATED.

15 **14-607.**

16 (A) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING  
17 PRINTED IN 12 POINT TYPE TO ANY PROSPECTIVE MEMBER OF A DISCOUNT  
18 MEDICAL PLAN ORGANIZATION AND SHALL BE INCLUDED IN ANY MARKETING  
19 MATERIALS OR BROCHURES RELATING TO AN APPLICATION OR CONTRACT FOR  
20 A DISCOUNT MEDICAL PLAN:

21 (1) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN IS NOT  
22 INSURANCE;

23 (2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT MEDICAL  
24 PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN MEDICAL SERVICES  
25 OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT  
26 MEDICAL PLAN;

27 (3) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN  
28 ORGANIZATION ITSELF DOES NOT PAY PROVIDERS OF MEDICAL SERVICES FOR  
29 SERVICES PROVIDED TO PLAN MEMBERS;

30 (4) A STATEMENT THAT THE PLAN MEMBER IS REQUIRED TO PAY  
31 FOR ANY MEDICAL SERVICE PROVIDED, BUT IS ENTITLED TO RECEIVE A

1 DISCOUNT ON CERTAIN IDENTIFIED MEDICAL SERVICES FROM THOSE  
2 PROVIDERS WHO HAVE CONTRACTED WITH THE DISCOUNT MEDICAL PLAN  
3 ORGANIZATION;

4 (5) A DESCRIPTION OF THE MEDICAL SERVICES SUBJECT TO  
5 DISCOUNT, A DESCRIPTION OF THE DISCOUNTS THAT THE PLAN MEMBER IS  
6 ENTITLED TO RECEIVE, AND THE MECHANISM BY WHICH A CURRENT OR  
7 PROSPECTIVE PLAN MEMBER CAN OBTAIN THE NAMES OF THE PROVIDERS THAT  
8 HAVE CONTRACTED WITH THE DISCOUNT MEDICAL PLAN ORGANIZATION TO  
9 OFFER DISCOUNTS TO PLAN MEMBERS;

10 (6) THE NAME, LOCATION, AND CONTACT INFORMATION,  
11 INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT MEDICAL PLAN  
12 ORGANIZATION;

13 (7) ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL  
14 CONSIDERATION TO BE PAID BY THE PLAN MEMBER WITH RESPECT TO THE  
15 MEMBER'S PARTICIPATION IN THE DISCOUNT MEDICAL PLAN, INCLUDING ALL  
16 FEES OR CHARGES RELATING TO THE PROCESSING OF DISCOUNTS OR BILLING;

17 (8) ~~(I) IF A DISCOUNT MEDICAL PLAN OFFERS~~ THE MARKETING  
18 MATERIALS OR BROCHURES REFER TO HOSPITAL SERVICES IN OTHER STATES, A  
19 STATEMENT THAT THE DISCOUNT MEDICAL PLAN DOES NOT ~~AND MAY NOT BY~~  
20 ~~LAW~~ OFFER A DISCOUNT ON HOSPITAL SERVICES IN MARYLAND; OR AND

21 ~~(II) IF A DISCOUNT MEDICAL PLAN DOES NOT OFFER~~  
22 ~~HOSPITAL SERVICES IN OTHER STATES,~~ A STATEMENT THAT THE DISCOUNT  
23 ~~MEDICAL PLAN DOES NOT OFFER A DISCOUNT ON HOSPITAL SERVICES; AND~~

24 (9) IF APPLICABLE, A STATEMENT THAT A NOMINAL FEE  
25 ASSOCIATED WITH ENROLLMENT COSTS WILL BE RETAINED BY THE DISCOUNT  
26 MEDICAL PLAN ORGANIZATION, IN ACCORDANCE WITH § 14-608(A) OF THIS  
27 SUBTITLE, IF MEMBERSHIP IS CANCELED WITHIN THE FIRST 30 CALENDAR DAYS  
28 AFTER THE EFFECTIVE DATE OF ENROLLMENT.

29 (B) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING  
30 PRINTED IN 12 POINT TYPE TO ANY PROSPECTIVE MEMBER OF A DISCOUNT  
31 DRUG PLAN ORGANIZATION AND SHALL BE INCLUDED IN ANY MARKETING  
32 MATERIALS OR BROCHURES RELATING TO A DISCOUNT DRUG PLAN:

1           **(1) A STATEMENT THAT THE DISCOUNT DRUG PLAN IS NOT:**

2                   **(I) INSURANCE; OR**

3                   **(II) A MEDICARE PRESCRIPTION DRUG PLAN;**

4           **(2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT DRUG**  
5 **PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN PHARMACEUTICAL**  
6 **SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES**  
7 **OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT**  
8 **DRUG PLAN;**

9           **(3) A STATEMENT THAT THE DISCOUNT DRUG PLAN**  
10 **ORGANIZATION ITSELF DOES NOT PAY PROVIDERS OF PHARMACEUTICAL**  
11 **SUPPLIES, PRESCRIPTION DRUGS, AND MEDICAL EQUIPMENT AND SUPPLIES**  
12 **PROVIDED TO PLAN MEMBERS;**

13           **(4) A STATEMENT THAT THE DISCOUNT DRUG PLAN MEMBER IS**  
14 **REQUIRED TO PAY FOR ALL PHARMACEUTICAL SUPPLIES, PRESCRIPTION**  
15 **DRUGS, AND MEDICAL EQUIPMENT AND SUPPLIES PROVIDED, BUT IS ENTITLED**  
16 **TO RECEIVE A DISCOUNT ON CERTAIN IDENTIFIED PHARMACEUTICAL SUPPLIES,**  
17 **PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES FROM THOSE**  
18 **PROVIDERS WHO HAVE CONTRACTED WITH THE DISCOUNT DRUG PLAN**  
19 **ORGANIZATION;**

20           **(5) A DESCRIPTION OF THE DISCOUNTS THAT THE DISCOUNT**  
21 **DRUG PLAN MEMBER IS ENTITLED TO RECEIVE AND THE MECHANISM BY WHICH**  
22 **A CURRENT OR PROSPECTIVE PLAN MEMBER CAN OBTAIN:**

23                   **(I) UNLESS THE DISCOUNT DRUG PLAN OFFERS AN OPEN**  
24 **FORMULARY, A LISTING OF THE ITEMS, INCLUDING PRESCRIPTION DRUGS,**  
25 **SUBJECT TO DISCOUNT; AND**

26                   **(II) THE NAMES OF THE PROVIDERS WHO HAVE**  
27 **CONTRACTED TO OFFER DISCOUNTS TO PLAN MEMBERS;**

28           **(6) THE NAME, LOCATION, AND CONTACT INFORMATION,**  
29 **INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT DRUG PLAN**  
30 **ORGANIZATION;**

1           **(7) ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL**  
2 **CONSIDERATION TO BE PAID BY THE PLAN MEMBER WITH RESPECT TO THE**  
3 **MEMBER'S PARTICIPATION IN THE DISCOUNT DRUG PLAN, INCLUDING ALL FEES**  
4 **OR CHARGES RELATING TO THE PROCESSING OF DISCOUNTS OR BILLING; AND**

5           **(8) IF APPLICABLE, A STATEMENT THAT A NOMINAL FEE**  
6 **ASSOCIATED WITH ENROLLMENT COSTS WILL BE RETAINED BY THE DISCOUNT**  
7 **DRUG PLAN ORGANIZATION, IN ACCORDANCE WITH § 14-608(A) OF THIS**  
8 **SUBTITLE, IF MEMBERSHIP IS CANCELED WITHIN THE FIRST 30 CALENDAR DAYS**  
9 **AFTER THE EFFECTIVE DATE OF ENROLLMENT.**

10           **(C) IF A DISCOUNT MEDICAL PLAN OR A DISCOUNT DRUG PLAN IS SOLD,**  
11 **MARKETED, OR SOLICITED BY TELEPHONE, THE DISCLOSURES REQUIRED BY**  
12 **SUBSECTIONS (A) AND (B) OF THIS SECTION SHALL BE:**

13           **(1) MADE ORALLY; AND**

14           **(2) INCLUDED WITH THE MEMBERSHIP CARD WHEN MAILED TO**  
15 **THE PROSPECTIVE PLAN MEMBER.**

16           **(D) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING IN 12**  
17 **POINT TYPE IN ANY ADVERTISEMENT ~~RELATING TO~~ TO PROMOTE INTEREST IN**  
18 **OR THE DESIRE TO INQUIRE FURTHER ABOUT A DISCOUNT MEDICAL PLAN:**

19           **(1) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN IS NOT**  
20 **INSURANCE;**

21           **(2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT MEDICAL**  
22 **PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN MEDICAL SERVICES**  
23 **OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT**  
24 **MEDICAL PLAN;**

25           **(3) A STATEMENT THAT THE PLAN MEMBER, AND NOT THE**  
26 **DISCOUNT MEDICAL PLAN ORGANIZATION, IS REQUIRED TO PAY FOR ALL**  
27 **MEDICAL SERVICES PROVIDED;**

28           **(4) THE NAME, LOCATION, AND CONTACT INFORMATION,**  
29 **INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT MEDICAL PLAN**  
30 **ORGANIZATION;**

1           (5) A STATEMENT OF THE MECHANISM BY WHICH A PROSPECTIVE  
2 PLAN MEMBER MAY OBTAIN THE NAMES OF THE PROVIDERS WHO HAVE  
3 CONTRACTED TO OFFER DISCOUNTS TO PLAN MEMBERS; AND

4           (6) ~~(I) IF A DISCOUNT MEDICAL PLAN OFFERS THE~~  
5 ADVERTISEMENT REFERS TO HOSPITAL SERVICES IN OTHER STATES, A  
6 STATEMENT THAT THE DISCOUNT MEDICAL PLAN DOES NOT ~~AND MAY NOT BY~~  
7 ~~LAW OFFER A DISCOUNT ON HOSPITAL SERVICES IN MARYLAND; OR~~

8           ~~(II) IF A DISCOUNT MEDICAL PLAN DOES NOT OFFER~~  
9 ~~HOSPITAL SERVICES IN OTHER STATES, A STATEMENT THAT THE DISCOUNT~~  
10 ~~MEDICAL PLAN DOES NOT OFFER A DISCOUNT ON HOSPITAL SERVICES.~~

11           (E) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING IN 12  
12 POINT TYPE IN ANY ADVERTISEMENT ~~RELATING TO~~ TO PROMOTE INTEREST IN  
13 OR THE DESIRE TO INQUIRE ABOUT A DISCOUNT DRUG PLAN:

14           (1) A STATEMENT THAT THE DISCOUNT DRUG PLAN IS NOT:

15                   (I) INSURANCE; OR

16                   (II) A MEDICARE PRESCRIPTION DRUG PLAN;

17           (2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT DRUG  
18 PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN PHARMACEUTICAL  
19 SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES  
20 OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT  
21 DRUG PLAN;

22           (3) A STATEMENT THAT THE PLAN MEMBER, AND NOT THE  
23 DISCOUNT DRUG PLAN ORGANIZATION, IS REQUIRED TO PAY FOR ALL  
24 PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT  
25 AND SUPPLIES PROVIDED;

26           (4) THE NAME, LOCATION, AND CONTACT INFORMATION,  
27 INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT DRUG PLAN  
28 ORGANIZATION; AND

1           (5) A STATEMENT OF THE MECHANISM BY WHICH A PROSPECTIVE  
2 PLAN MEMBER MAY OBTAIN THE NAMES OF THE PROVIDERS WHO HAVE  
3 CONTRACTED TO OFFER DISCOUNTS TO PLAN MEMBERS.

4 **14-608.**

5           (A) (1) IF MEMBERSHIP IN A DISCOUNT MEDICAL PLAN OR A  
6 DISCOUNT DRUG PLAN IS CANCELED WITHIN THE FIRST 30 CALENDAR DAYS  
7 AFTER THE EFFECTIVE DATE OF ENROLLMENT, ALL FEES, DUES, CHARGES, OR  
8 OTHER FINANCIAL CONSIDERATION, EXCEPT A NOMINAL FEE ASSOCIATED WITH  
9 ENROLLMENT COSTS THAT WERE PART OF THE COST OF THE DISCOUNT  
10 MEDICAL PLAN CARD OR THE DISCOUNT DRUG PLAN CARD, SHALL BE  
11 REFUNDED TO THE PAYOR ON RETURN OF THE DISCOUNT MEDICAL PLAN CARD  
12 TO THE DISCOUNT MEDICAL PLAN ORGANIZATION OR RETURN OF THE  
13 DISCOUNT DRUG PLAN CARD TO THE DISCOUNT DRUG PLAN ORGANIZATION.

14           (2) THE COMMISSIONER, IN CONSULTATION WITH THE  
15 ATTORNEY GENERAL, SHALL ADOPT REGULATIONS THAT ESTABLISH  
16 STANDARDS FOR DETERMINING THE NOMINAL FEE ASSOCIATED WITH  
17 ENROLLMENT COSTS THAT MAY BE RETAINED BY A DISCOUNT MEDICAL PLAN  
18 ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION UNDER THIS  
19 SUBSECTION.

20           (3) ANY REGULATION ADOPTED UNDER THIS SUBSECTION SHALL  
21 INCLUDE A CAP ON THE NOMINAL FEE THAT MAY BE RETAINED.

22           (B) IF A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT  
23 DRUG PLAN ORGANIZATION CANCELS A MEMBERSHIP FOR ANY REASON OTHER  
24 THAN NONPAYMENT, THE DISCOUNT MEDICAL PLAN ORGANIZATION OR  
25 DISCOUNT DRUG PLAN ORGANIZATION SHALL MAKE A PRO RATA REFUND TO  
26 THE PAYOR OF ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL  
27 CONSIDERATION WITHIN 30 CALENDAR DAYS AFTER THE DATE OF  
28 CANCELLATION.

29 **14-609.**

30           (A) EACH DISCOUNT MEDICAL PLAN ORGANIZATION AND EACH  
31 DISCOUNT DRUG ORGANIZATION SHALL PROVIDE TO A PLAN MEMBER OR TO A  
32 PLAN MEMBER FOR THE MEMBER'S FAMILY A DISCOUNT CARD THAT INCLUDES,  
33 AT A MINIMUM, THE FOLLOWING DATA ELEMENTS:

1           (1) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN OR  
2 DISCOUNT DRUG PLAN IS NOT INSURANCE;

3           (2) (I) THE NAME OR IDENTIFYING TRADEMARK OF THE  
4 DISCOUNT MEDICAL PLAN ORGANIZATION OR THE DISCOUNT DRUG PLAN  
5 ORGANIZATION; OR

6           (II) THE NAME OR IDENTIFYING TRADEMARK OF THE  
7 PROVIDER NETWORKS THAT PARTICIPATE WITH THE DISCOUNT MEDICAL PLAN  
8 OR DISCOUNT DRUG PLAN; AND

9           (3) THE TELEPHONE NUMBER THAT THE PLAN MEMBER MAY  
10 CALL FOR ASSISTANCE.

11           (B) (1) IF A CHANGE OCCURS IN THE DATA ELEMENT REQUIRED  
12 UNDER SUBSECTION (A)(3) OF THIS SECTION, A DISCOUNT MEDICAL PLAN  
13 ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION SHALL REISSUE A  
14 DISCOUNT CARD.

15           (2) A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT  
16 DRUG PLAN ORGANIZATION SHALL NOTIFY A PLAN MEMBER WHEN THERE IS A  
17 MATERIAL CHANGE IN PLAN BENEFITS OR IN THE DATA ELEMENTS REQUIRED  
18 UNDER SUBSECTION (A)(1), (2), OR (3) OF THIS SECTION.

19           ~~(C) EACH DISCOUNT CARD PROVIDED UNDER SUBSECTION (A) OF THIS~~  
20 ~~SECTION SHALL:~~

21           ~~(1) INCLUDE A STATEMENT THAT THE DISCOUNT MEDICAL PLAN~~  
22 ~~OR DISCOUNT DRUG PLAN IS NOT A MEDICARE PRESCRIPTION DRUG PLAN; OR~~

23           ~~(2) BE ATTACHED TO MATERIALS THAT INCLUDE A STATEMENT~~  
24 ~~THAT THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN IS NOT A~~  
25 ~~MEDICARE PRESCRIPTION DRUG PLAN.~~

26 **14-610.**

27           (A) WHENEVER THE COMMISSIONER CONSIDERS IT ADVISABLE, THE  
28 COMMISSIONER MAY EXAMINE THE AFFAIRS, TRANSACTIONS, ACCOUNTS,

1 RECORDS, AND ASSETS OF A DISCOUNT MEDICAL PLAN ORGANIZATION OR  
2 DISCOUNT DRUG PLAN ORGANIZATION.

3 (B) THE EXAMINATION SHALL BE CONDUCTED IN ACCORDANCE WITH §  
4 2-207 OF THIS ARTICLE.

5 (C) THE EXPENSE OF THE EXAMINATION SHALL BE PAID IN  
6 ACCORDANCE WITH § 2-208 OF THIS ARTICLE.

7 (D) THE REPORTS OF THE EXAMINATION AND INVESTIGATION SHALL BE  
8 ISSUED IN ACCORDANCE WITH § 2-209 OF THIS ARTICLE.

9 14-611.

10 (A) TO ENFORCE THIS SUBTITLE AND ANY REGULATION ADOPTED  
11 UNDER IT, THE COMMISSIONER MAY ISSUE AN ORDER:

12 (1) THAT REQUIRES THE VIOLATOR TO CEASE AND DESIST FROM  
13 THE IDENTIFIED VIOLATION AND FURTHER SIMILAR VIOLATIONS;

14 (2) THAT REQUIRES THE VIOLATOR TO TAKE SPECIFIC  
15 AFFIRMATIVE ACTION TO CORRECT THE VIOLATION;

16 (3) THAT REQUIRES THE VIOLATOR TO MAKE RESTITUTION OF  
17 MONEY, PROPERTY, OR OTHER ASSETS TO A PERSON WHO HAS SUFFERED  
18 FINANCIAL INJURY BECAUSE OF THE VIOLATION; OR

19 (4) THAT REQUIRES A DISCOUNT MEDICAL PLAN ORGANIZATION  
20 OR A DISCOUNT DRUG PLAN ORGANIZATION TO MAKE RESTITUTION OF MONEY,  
21 PROPERTY, OR OTHER ASSETS TO A PERSON WHO HAS SUFFERED FINANCIAL  
22 INJURY BECAUSE OF A VIOLATION BY ANY PERSON AUTHORIZED TO SELL,  
23 MARKET, SOLICIT, OR ADMINISTER A DISCOUNT MEDICAL PLAN OR DISCOUNT  
24 DRUG PLAN ESTABLISHED BY THE DISCOUNT MEDICAL PLAN ORGANIZATION OR  
25 DISCOUNT DRUG PLAN ORGANIZATION WHILE THE PERSON IS ACTING WITH THE  
26 ACTUAL OR APPARENT AUTHORITY OF THE DISCOUNT MEDICAL PLAN  
27 ORGANIZATION OR DISCOUNT DRUG PLAN ORGANIZATION.

28 (B) (1) AN ORDER OF THE COMMISSIONER ISSUED UNDER THIS  
29 SECTION MAY BE SERVED ON A VIOLATOR WHO IS REGISTERED UNDER THIS  
30 SUBTITLE IN THE MANNER PROVIDED IN TITLE 2 OF THIS ARTICLE.

1           (2) AN ORDER OF THE COMMISSIONER ISSUED UNDER THIS  
2 SECTION MAY BE SERVED ON A VIOLATOR THAT IS NOT REGISTERED UNDER  
3 THIS SUBTITLE IN THE MANNER PROVIDED FOR SERVICE ON AN UNAUTHORIZED  
4 INSURER THAT DOES AN ACT OF INSURANCE BUSINESS IN TITLE 4 OF THIS  
5 ARTICLE.

6           (3) A REQUEST FOR A HEARING ON ANY ORDER ISSUED UNDER  
7 THIS SUBSECTION DOES NOT STAY THAT PORTION OF THE ORDER THAT  
8 REQUIRES THE VIOLATOR TO CEASE AND DESIST FROM CONDUCT IDENTIFIED IN  
9 THE ORDER.

10          (4) THE COMMISSIONER MAY FILE A PETITION IN THE CIRCUIT  
11 COURT OF ANY COUNTY TO ENFORCE AN ORDER ISSUED UNDER THIS SECTION,  
12 WHETHER OR NOT A HEARING HAS BEEN REQUESTED OR, IF REQUESTED,  
13 WHETHER OR NOT A HEARING HAS BEEN HELD.

14          (5) IF THE COMMISSIONER PREVAILS IN AN ACTION BROUGHT BY  
15 THE COMMISSIONER UNDER THIS SECTION, THE COMMISSIONER MAY RECOVER  
16 FOR THE USE OF THE STATE REASONABLE ATTORNEY'S FEES AND THE COSTS OF  
17 THE ACTION.

18          (C) (1) IN ADDITION TO ANY OTHER ENFORCEMENT ACTION TAKEN  
19 BY THE COMMISSIONER UNDER THIS SECTION, THE COMMISSIONER MAY  
20 IMPOSE A CIVIL PENALTY OF NOT MORE THAN \$10,000 FOR EACH VIOLATION OF  
21 THIS SUBTITLE.

22          (2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION,  
23 THE COMMISSIONER MAY IMPOSE A CIVIL PENALTY OF NOT MORE THAN \$1,000  
24 PER DAY FOR EACH DAY THAT A PERSON IS IN VIOLATION OF § 14-603 OF THIS  
25 SUBTITLE.

26          (D) THIS SECTION DOES NOT LIMIT ANY REGULATORY POWER OF THE  
27 COMMISSIONER UNDER THIS ARTICLE.

28 **14-612.**

29          **THE COMMISSIONER SHALL ADOPT REGULATIONS TO CARRY OUT THE**  
30 **PROVISIONS OF THIS SUBTITLE.**

1       ~~SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Insurance~~  
2 ~~Commissioner shall:~~

3               ~~(1) review the need for a continued requirement that each discount~~  
4 ~~card for a discount medical plan or discount drug plan must include, or be attached to~~  
5 ~~materials that include, a statement that the discount medical plan or discount drug~~  
6 ~~plan is not a Medicare prescription drug plan; and~~

7               ~~(2) on or before December 31, 2008, report on the findings of the~~  
8 ~~review, in accordance with § 2-1246 of the State Government Article, to the House~~  
9 ~~Health and Government Operations Committee and the Senate Finance Committee.~~

10       SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take  
11 effect October 1, 2007.

Approved:

\_\_\_\_\_  
Governor.

\_\_\_\_\_  
President of the Senate.

\_\_\_\_\_  
Speaker of the House of Delegates.