

Article - Insurance

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§14–601.

(a) In this subtitle the following words have the meanings indicated.

(b) (1) “Discount drug plan” means a business arrangement or contract in which a person, in exchange for fees, dues, charges, or other financial consideration paid by or on behalf of a plan member, provides the right to receive discounts on specified pharmaceutical supplies, prescription drugs, or medical equipment and supplies from specified providers.

(2) “Discount drug plan” does not include:

(i) a business arrangement or contract in which the fees, dues, charges, and other financial consideration paid by or on behalf of a plan member consist only of:

1. a payment made directly to a provider as a dispensing or transactional fee in connection with the purchase of pharmaceutical supplies, prescription drugs, or medical equipment and supplies that are subject to a discount; or

2. an administrative or processing fee paid by anyone other than a plan member to a provider in connection with that provider’s provision of discounts to plan members; or

(ii) a patient assistance program that:

1. is sponsored, offered, or provided for by a pharmaceutical manufacturer; and

2. is not provided in exchange for fees, dues, charges, or other financial consideration.

(c) “Discount drug plan organization” means an entity that:

(1) contracts directly or indirectly with providers or provider networks to provide pharmaceutical supplies, prescription drugs, or medical equipment and supplies at a discount to plan members; and

(2) determines the charge to plan members.

(d) “Discount medical plan” means a business arrangement or contract in which a person, in exchange for fees, dues, charges, or other financial consideration paid by or on behalf of a plan member, provides the right to receive discounts on specified medical services from specified providers.

(e) “Discount medical plan organization” means an entity that:

(1) contracts directly or indirectly with providers or provider networks to provide medical services at a discount to plan members; and

(2) determines the charge to plan members.

(f) “Hospital services” has the meaning stated in § 19–201 of the Health – General Article.

(g) “Medical services” means any care, service, or treatment of illness or dysfunction of, or injury to, the human body, including physician care, outpatient services, ambulance services, dental care services, vision care services, mental health services, substance abuse services, chiropractic services, podiatric care services, and laboratory services.

(h) “Medicare prescription drug plan” means a plan that provides a Medicare Part D prescription drug benefit in accordance with the requirements of the federal Medicare Modernization Act.

(i) “Plan member” means any individual who pays fees, dues, charges, or other financial consideration for the right to receive the benefits of a discount medical plan or a discount drug plan.

(j) “Provider” means:

(1) any person or institution which is contracted, directly or indirectly, with a discount medical plan organization to provide medical services to plan members; or

(2) any person or institution which is contracted, directly or indirectly, with a discount drug plan organization to provide pharmaceutical supplies, prescription drugs, or medical equipment and supplies to plan members.

(k) “State prescription drug plan” means any discount plan operated by a State agency.

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