

Article - Insurance

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§14–607.

(a) The following disclosures shall be made in writing printed in 12 point type to any prospective member of a discount medical plan organization and shall be included in any marketing materials or brochures relating to an application or contract for a discount medical plan:

- (1) a statement that the discount medical plan is not insurance;
- (2) a statement that membership in the discount medical plan entitles members to discounts for certain medical services offered by providers who have agreed to participate in the discount medical plan;
- (3) a statement that the discount medical plan organization itself does not pay providers of medical services for services provided to plan members;
- (4) a statement that the plan member is required to pay for any medical service provided, but is entitled to receive a discount on certain identified medical services from those providers who have contracted with the discount medical plan organization;
- (5) a description of the medical services subject to discount, a description of the discounts that the plan member is entitled to receive, and the mechanism by which a current or prospective plan member can obtain the names of the providers that have contracted with the discount medical plan organization to offer discounts to plan members;
- (6) the name, location, and contact information, including a telephone number, for the discount medical plan organization;
- (7) all fees, dues, charges, or other financial consideration to be paid by the plan member with respect to the member's participation in the discount medical plan, including all fees or charges relating to the processing of discounts or billing;
- (8) if the marketing materials or brochures refer to hospital services, a statement that the discount medical plan does not offer a discount on hospital services in Maryland; and
- (9) if applicable, a statement that a nominal fee associated with enrollment costs will be retained by the discount medical plan organization, in accordance with § 14–608(a) of this subtitle, if membership is canceled within the first 30 calendar days after the effective date of enrollment.

(b) The following disclosures shall be made in writing printed in 12 point type to any prospective member of a discount drug plan organization and shall be included

in any marketing materials or brochures relating to an application or contract for a discount drug plan:

(1) a statement that the discount drug plan is not:

(i) insurance; or

(ii) a Medicare prescription drug plan;

(2) a statement that membership in the discount drug plan entitles members to discounts for certain pharmaceutical supplies, prescription drugs, or medical equipment and supplies offered by providers who have agreed to participate in the discount drug plan;

(3) a statement that the discount drug plan organization itself does not pay providers of pharmaceutical supplies, prescription drugs, and medical equipment and supplies provided to plan members;

(4) a statement that the discount drug plan member is required to pay for all pharmaceutical supplies, prescription drugs, and medical equipment and supplies provided, but is entitled to receive a discount on certain identified pharmaceutical supplies, prescription drugs, or medical equipment and supplies from those providers who have contracted with the discount drug plan organization;

(5) a description of the discounts that the discount drug plan member is entitled to receive and the mechanism by which a current or prospective plan member can obtain:

(i) unless the discount drug plan offers an open formulary, a listing of the items, including prescription drugs, subject to discount; and

(ii) the names of the providers who have contracted to offer discounts to plan members;

(6) the name, location, and contact information, including a telephone number, for the discount drug plan organization;

(7) all fees, dues, charges, or other financial consideration to be paid by the plan member with respect to the member's participation in the discount drug plan, including all fees or charges relating to the processing of discounts or billing; and

(8) if applicable, a statement that a nominal fee associated with enrollment costs will be retained by the discount drug plan organization, in accordance with § 14-608(a) of this subtitle, if membership is canceled within the first 30 calendar days after the effective date of enrollment.

(c) If a discount medical plan or a discount drug plan is sold, marketed, or solicited by telephone, the disclosures required by subsections (a) and (b) of this section

shall be:

- (1) made orally; and
- (2) included with the membership card when mailed to the prospective plan member.

(d) The following disclosures shall be made in writing in 12 point type in any advertisement to promote interest in or promote the desire to inquire further about a discount medical plan:

- (1) a statement that the discount medical plan is not insurance;
- (2) a statement that membership in the discount medical plan entitles members to discounts for certain medical services offered by providers who have agreed to participate in the discount medical plan;
- (3) a statement that the plan member, and not the discount medical plan organization, is required to pay for all medical services provided;
- (4) the name, location, and contact information, including a telephone number, for the discount medical plan organization;
- (5) a statement of the mechanism by which a prospective plan member may obtain the names of the providers who have contracted to offer discounts to plan members; and
- (6) if the advertisement refers to hospital services, a statement that the discount medical plan does not offer a discount on hospital services in Maryland.

(e) The following disclosures shall be made in writing in 12 point type in any advertisement to promote interest in or promote the desire to inquire further about a discount drug plan:

- (1) a statement that the discount drug plan is not:
 - (i) insurance; or
 - (ii) a Medicare prescription drug plan;
- (2) a statement that membership in the discount drug plan entitles members to discounts for certain pharmaceutical supplies, prescription drugs, or medical equipment and supplies offered by providers who have agreed to participate in the discount drug plan;
- (3) a statement that the plan member, and not the discount drug plan organization, is required to pay for all pharmaceutical supplies, prescription drugs, or medical equipment and supplies provided;

(4) the name, location, and contact information, including a telephone number, for the discount drug plan organization; and

(5) a statement of the mechanism by which a prospective plan member may obtain the names of the providers who have contracted to offer discounts to plan members.

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