BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL NO. 1090 (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, after "regulation" insert "<u>by the Maryland Insurance Commissioner</u>"; in line 7, after "registration;" insert "<u>authorizing the Commissioner to deny a registration or refuse to renew, suspend, or revoke a registration under certain circumstances;</u>"; in line 9, strike "organizations" and substitute "<u>organization</u>"; strike beginning with "requiring" in line 10 down through "plans;" in line 12 and substitute "<u>requiring a plan member to receive certain reimbursement if the plan member or a discount medical plan organization or discount drug plan organization cancels membership under certain circumstances;"; in line 15, after "circumstances;" insert "<u>authorizing the Commissioner to take certain actions to enforce certain provisions of law;</u>"; in line 16, after "examinations;" insert "<u>requiring an insurer, nonprofit health service plan, health maintenance organization, or dental plan organization to meet certain requirements; requiring the <u>Commissioner to adopt certain regulations;</u>"; after line 18, insert:</u></u>

"BY adding to

<u>Article - Health - General</u> <u>Section 19-706(ddd)</u> <u>Annotated Code of Maryland</u> (2000 Replacement Volume and 2004 Supplement)";

and in line 26, strike "14-611" and substitute "14-612, inclusive".

On page 2, after line 2, insert:

"Article - Health - General

<u>19-706.</u>

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(DDD) THE PROVISIONS OF TITLE 14, SUBTITLE 6 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.".

AMENDMENT NO. 2

On page 2, in line 27, after "(B)" insert "(<u>1</u>)"; in line 29, after "CONSIDERATION" insert "<u>PAID BY OR ON BEHALF OF A PLAN MEMBER</u>"; in lines 29 and 30, strike "ACCESS FOR PLAN MEMBERS TO PURCHASE" and substitute "<u>THE RIGHT TO RECEIVE DISCOUNTS ON</u> <u>SPECIFIED</u>"; in line 30, strike "AND" and substitute "<u>OR</u>"; in line 31, strike "AT A DISCOUNT" and substitute "<u>FROM SPECIFIED PROVIDERS</u>"; after line 31, insert:

"(2) "DISCOUNT DRUG PLAN" DOES NOT INCLUDE 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:

(I) <u>A PAYMENT MADE DIRECTLY TO A PROVIDER AS A</u> <u>DISPENSING OR TRANSACTIONAL FEE IN CONNECTION WITH THE PURCHASE OF</u> <u>PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND</u> <u>SUPPLIES THAT ARE SUBJECT TO A DISCOUNT; OR</u>

(II) 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.";

and strike beginning with "WHICH" in line 32 down through "PLAN" in line 36 and substitute "THAT:

(1) ESTABLISHES A DISCOUNT DRUG PLAN; AND

(2) <u>CONTRACTS DIRECTLY OR INDIRECTLY WITH PROVIDERS OR</u> <u>PROVIDER NETWORKS TO PROVIDE PHARMACEUTICAL SUPPLIES, PRESCRIPTION</u> <u>DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES AT A DISCOUNT TO PLAN</u> <u>MEMBERS</u>".

On page 3, in line 3, after "CONSIDERATION" insert "PAID BY OR ON BEHALF OF A

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<u>PLAN MEMBER</u>"; strike beginning with "ACCESS" in line 3 down through "DISCOUNT" in line 5 and substitute "<u>THE RIGHT TO RECEIVE DISCOUNTS ON SPECIFIED MEDICAL</u> <u>SERVICES FROM SPECIFIED PROVIDERS</u>"; strike beginning with "WHICH" in line 6 down through "PLAN" in line 10 and substitute "<u>THAT:</u>

(1) ESTABLISHES A DISCOUNT MEDICAL PLAN; AND

(2) <u>CONTRACTS DIRECTLY OR INDIRECTLY WITH PROVIDERS OR</u> <u>PROVIDER NETWORKS TO PROVIDE MEDICAL SERVICES AT A DISCOUNT TO PLAN</u> <u>MEMBERS.</u>

(F) <u>"HOSPITAL SERVICES" HAS THE MEANING STATED IN § 19-201 OF THE</u> HEALTH - GENERAL ARTICLE";

in lines 11, 19, and 23, strike "(F)", "(H)", and "(I)", respectively, and substitute "<u>(G)</u>", "<u>(I)</u>", and "<u>(J)</u>", respectively; in lines 12 and 13, strike ", BUT NOT LIMITED TO,"; in lines 13 and 14, strike "INPATIENT CARE, HOSPITAL SURGICAL SERVICES, EMERGENCY SERVICES," and substitute "<u>OUTPATIENT SERVICES</u>,"; strike in their entirety lines 17 and 18 and substitute:

"(<u>H</u>) <u>"MEDICARE PRESCRIPTION DRUG PLAN" MEANS A PLAN THAT</u> PROVIDES A MEDICARE PART D PRESCRIPTION DRUG BENEFIT IN ACCORDANCE WITH THE REQUIREMENTS OF THE FEDERAL MEDICARE MODERNIZATION ACT.";

in line 19, strike "PERSON" and substitute "<u>INDIVIDUAL</u>"; in the same line, strike ", FOR THE PAYMENT OF" and substitute "<u>PAYS</u>"; in line 20, strike ", HAS CONTRACTED"; in line 21, strike "PURPORTED"; in line 29, strike "AND" and substitute "<u>OR</u>"; and in line 30, after "SUPPLIES" insert "<u>TO PLAN MEMBERS</u>".

AMENDMENT NO. 3

On page 3, in line 32, strike "UNLESS OTHERWISE STATED" and substitute "<u>EXCEPT</u> <u>AS PROVIDED IN SUBSECTION (B) OF THIS SECTION</u>"; in line 33, strike "OR"; in line 34, after "ORGANIZATION" insert "<u>, OR DENTAL PLAN ORGANIZATION</u>"; after line 34, insert:

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"(<u>B)</u> <u>AN INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH</u> MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION SHALL:

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

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

(3) MAINTAIN ON FILE WITH THE COMMISSIONER A CURRENT LIST OF THE PERSONS AUTHORIZED TO SELL, MARKET, OR SOLICIT A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY THE INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION.";

in line 35, strike "(B)" and substitute "<u>(C)</u>"; and in lines 35 and 36, strike "APPROVED DRUG CARD PROGRAMS" and substitute "<u>PRESCRIPTION DRUG PLANS</u>".

AMENDMENT NO. 4

On page 4, in line 2, strike "A PERSON MUST" and substitute "<u>(1) AN ENTITY SHALL</u>"; strike beginning with "THE" in line 3 down through "PLAN" in line 4 and substitute "<u>A</u> <u>DISCOUNT MEDICAL PLAN ESTABLISHED BY THAT ENTITY IS SOLD, MARKETED, OR</u> <u>SOLICITED</u>"; after line 4, insert:

"(2) <u>A DISCOUNT MEDICAL PLAN MAY NOT BE SOLD, MARKETED, OR</u> <u>SOLICITED IN THE STATE UNLESS THE DISCOUNT MEDICAL PLAN ORGANIZATION</u> <u>THAT ESTABLISHED THE DISCOUNT MEDICAL PLAN IS REGISTERED WITH THE</u> <u>COMMISSIONER.</u>";

in line 5, strike "A PERSON MUST" and substitute "<u>(1) AN ENTITY SHALL</u>"; strike beginning with "THE" in line 6 down through "PLAN" in line 7 and substitute "<u>A DISCOUNT DRUG PLAN</u> <u>ESTABLISHED BY THAT ENTITY IS SOLD, MARKETED, OR SOLICITED</u>"; after line 7, insert:

"(2) A DISCOUNT DRUG PLAN MAY NOT BE SOLD, MARKETED, OR

SOLICITED IN THE STATE UNLESS THE DISCOUNT DRUG PLAN ORGANIZATION THAT ESTABLISHED THE DISCOUNT DRUG PLAN IS REGISTERED WITH THE COMMISSIONER.";

after line 11, insert:

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

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

in line 24, after "(D)" insert "<u>SUBJECT TO THE PROVISIONS OF § 14-605 OF THIS</u> <u>SUBTITLE,</u>"; and after line 25, insert:

"(E) A REGISTRANT SHALL MAINTAIN ON FILE WITH THE COMMISSIONER A CURRENT LIST OF THE PERSONS AUTHORIZED TO SELL, MARKET, OR SOLICIT A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY THE REGISTRANT.".

AMENDMENT NO. 5

On page 5, in line 7, strike the second "OR"; in line 8, strike "ARTICLE" and substitute "<u>SUBTITLE</u>"; and in line 9, after "IT" insert "<u>;</u>

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

(7) MAKES A REPRESENTATION THAT A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN HAS A SPONSORSHIP, APPROVAL, CHARACTERISTIC, USE,

(Over)

OR BENEFIT THAT IT DOES NOT HAVE;

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

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

AMENDMENT NO. 6

On page 5, strike beginning with "(A)" in line 13 down through "(B)" in line 16; in lines 18 and 24, in each instance, strike "ITS" and substitute "<u>THEIR</u>"; in line 22, strike "OR" and substitute:

"(II) <u>WHEN COMPARING THE DISCOUNT MEDICAL PLAN OR</u> <u>DISCOUNT DRUG PLAN TO INSURANCE OR OTHERWISE DISTINGUISHING THE</u> <u>DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN FROM INSURANCE; OR</u>";

in line 23, strike "(II)" and substitute "(III)"; in line 27, strike ""ENROLLMENT""; in the same line, strike the first comma; in the same line, after "TERMS" insert "<u>IN A CONTEXT</u>"; in line 30, after "TO" insert "<u>DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG</u>"; in lines 30 and 31, strike ", BUT NOT LIMITED TO,"; and in line 32, after "SERVICES" insert "<u>PHARMACEUTICAL</u> <u>SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES</u>".

On page 6, in line 4, after "(7)" insert "<u>(1)</u>"; in line 5, strike "10 BUSINESS" and substitute "<u>30 CALENDAR</u>"; and in line 6, after "WRITING" insert "<u>; OR</u>

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

AMENDMENT NO. 7

On page 6, strike in their entirety lines 8 through 10, inclusive; in line 11, strike "(B)" and substitute "(A)"; in the same line, after "WRITING" insert "PRINTED IN 12 POINT TYPE"; in lines 11 and 12, in each instance, strike "MUST" and substitute "SHALL"; in line 12, after "PLAN"

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insert "<u>ORGANIZATION</u>"; in line 13, strike "ADVERTISEMENTS,"; in the same line, after "MATERIALS" strike the comma; strike beginning with the period in line 14 down through "INCLUDE" in line 16; in line 17, after "THE" insert "<u>DISCOUNT MEDICAL</u>"; in the same line, strike "A DISCOUNT MEDICAL PLAN AND"; in line 18, strike "HEALTH"; in line 19, after "THE" insert "<u>DISCOUNT MEDICAL</u>"; in line 19, after "THE" insert "<u>DISCOUNT MEDICAL</u>"; in line 19, after "THE" insert "<u>DISCOUNT MEDICAL</u>"; in line 22, strike "PLAN" and substitute "<u>DISCOUNT MEDICAL</u>"; in line 31, strike "IDENTITY" and substitute "<u>NAMES</u>"; in line 36, strike "AND"; and in line 38, after "BY" insert "<u>OR ON BEHALF OF</u>".

On page 7, in line 1, after the first "THE" insert "<u>DISCOUNT MEDICAL</u>"; and in line 2, after "BILLING" insert "<u>; AND</u>

(8) <u>A STATEMENT THAT THE DISCOUNT MEDICAL PLAN DOES NOT</u> AND MAY NOT BY LAW OFFER A DISCOUNT ON HOSPITAL SERVICES".

AMENDMENT NO. 8

On page 7, in line 3, strike "(C)" and substitute "<u>(B)</u>"; in the same line, after "WRITING" insert "<u>PRINTED IN 12 POINT TYPE</u>"; in lines 3 and 4, in each instance, strike "MUST" and substitute "<u>SHALL</u>"; in line 4, after "PLAN" insert "<u>ORGANIZATION</u>"; in line 5, strike "ADVERTISEMENTS,"; in the same line, strike the second comma; strike beginning with the period in line 6 down through "INCLUDE" in line 8; in line 9, after "THE" insert "<u>DISCOUNT</u> <u>DRUG</u>"; in the same line, strike "A DISCOUNT DRUG PLAN AND"; in the same line, after "NOT" insert a colon; in line 10, strike "HEALTH" and substitute "<u>(I)</u>"; in the same line, after the semicolon insert "<u>OR</u>

(II) <u>A MEDICARE PRESCRIPTION DRUG PLAN;</u>";

in line 11, after "THE" insert "<u>DISCOUNT DRUG</u>"; in line 13, strike the first "AND" and substitute "<u>OR</u>"; in line 15, strike "PLAN" and substitute "<u>DISCOUNT DRUG PLAN ORGANIZATION</u>"; in line 18, after "THE" insert "<u>DISCOUNT DRUG</u>"; in line 21, strike "AND" and substitute "<u>OR</u>"; in line 24, after the second "THE" insert "<u>DISCOUNT DRUG</u>"; in line 26, after "OBTAIN" insert "<u>:</u>

(I) <u>UNLESS THE DISCOUNT DRUG PLAN OFFERS AN OPEN</u> FORMULARY,";

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in line 27, after "DISCOUNT" insert a semicolon; in the same line, after "AND" insert:

"<u>(II)</u>";

in the same line, strike "IDENTITY" and substitute "<u>NAMES</u>"; in line 33, after "BY" insert "<u>OR</u> <u>ON BEHALF OF</u>"; and in line 34, after the first "THE" insert "<u>DISCOUNT DRUG</u>".

AMENDMENT NO. 9

On pages 7 and 8, strike in their entirety the lines beginning with line 36 on page 7 through line 11 on page 8, inclusive, and substitute:

"(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 RELATING TO A DISCOUNT MEDICAL PLAN:

(1) <u>A STATEMENT THAT THE DISCOUNT MEDICAL PLAN IS NOT</u> <u>INSURANCE;</u>

(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) <u>A STATEMENT THAT THE PLAN MEMBER, AND NOT THE</u> <u>DISCOUNT MEDICAL PLAN ORGANIZATION, IS REQUIRED TO PAY FOR ALL MEDICAL</u> <u>SERVICES PROVIDED;</u> HB1090/846782/2 HGO Amendments to HB 1090 Page 9 of 12

(4) <u>THE NAME, LOCATION, AND CONTACT INFORMATION, INCLUDING</u> <u>A TELEPHONE NUMBER, FOR THE DISCOUNT MEDICAL PLAN ORGANIZATION;</u>

(5) <u>A STATEMENT OF THE MECHANISM BY WHICH A PROSPECTIVE</u> PLAN MEMBER MAY OBTAIN THE NAMES OF THE PROVIDERS WHO HAVE CONTRACTED TO OFFER DISCOUNTS TO PLAN MEMBERS; AND

(6) <u>A STATEMENT THAT THE DISCOUNT MEDICAL PLAN DOES NOT</u> AND MAY NOT BY LAW OFFER A DISCOUNT ON HOSPITAL SERVICES IN MARYLAND.

(E) <u>THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING IN 12</u> POINT TYPE IN ANY ADVERTISEMENT RELATING TO A DISCOUNT DRUG PLAN:

(1) <u>A STATEMENT THAT THE DISCOUNT DRUG PLAN IS NOT:</u>

- (I) INSURANCE; OR
- (II) <u>A MEDICARE PRESCRIPTION DRUG PLAN;</u>

(2) <u>A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT DRUG PLAN</u> 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) <u>A STATEMENT THAT THE PLAN MEMBER, AND NOT THE</u> <u>DISCOUNT DRUG PLAN ORGANIZATION, IS REQUIRED TO PAY FOR ALL</u> <u>PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND</u> <u>SUPPLIES PROVIDED;</u>

(4) <u>THE NAME, LOCATION, AND CONTACT INFORMATION, INCLUDING</u> <u>A TELEPHONE NUMBER, FOR THE DISCOUNT DRUG PLAN ORGANIZATION; AND</u>

(5) <u>A STATEMENT OF THE MECHANISM BY WHICH A PROSPECTIVE</u>

(Over)

PLAN MEMBER MAY OBTAIN THE NAMES OF THE PROVIDERS WHO HAVE CONTRACTED TO OFFER DISCOUNTS TO PLAN MEMBERS.".

AMENDMENT NO. 10

On page 8, strike in their entirety lines 13 through 15, inclusive, and substitute:

"(A) (1) IF A PLAN MEMBER CANCELS MEMBERSHIP IN A DISCOUNT MEDICAL PLAN OR A DISCOUNT DRUG PLAN WITHIN THE FIRST 30 DAYS AFTER THE EFFECTIVE DATE OF ENROLLMENT, THE PLAN MEMBER SHALL RECEIVE A REIMBURSEMENT OF ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION, EXCEPT A NOMINAL FEE ASSOCIATED WITH ENROLLMENT COSTS THAT WERE PART OF THE COST OF THE CARD, ON RETURN OF THE DISCOUNT MEDICAL PLAN CARD TO THE DISCOUNT MEDICAL PLAN ORGANIZATION OR RETURN OF THE DISCOUNT DRUG PLAN CARD TO THE DISCOUNT DRUG PLAN ORGANIZATION.

(2) A DISCOUNT MEDICAL PLAN ORGANIZATION OR DISCOUNT DRUG PLAN ORGANIZATION MAY NOT RETAIN A FEE UNDER THIS SUBSECTION UNLESS THE FEE HAS BEEN APPROVED IN ADVANCE BY THE COMMISSIONER.

(3) THE COMMISSIONER SHALL ADOPT REGULATIONS THAT ESTABLISH A PROCEDURE BY WHICH A DISCOUNT MEDICAL PLAN ORGANIZATION OR DISCOUNT DRUG PLAN ORGANIZATION MAY OBTAIN APPROVAL FOR THE AMOUNT THAT MAY BE RETAINED AS A FEE UNDER THIS SUBSECTION.

(B) IF A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION CANCELS A MEMBERSHIP FOR ANY REASON OTHER THAN NONPAYMENT BY THE PLAN MEMBER, THE DISCOUNT MEDICAL PLAN ORGANIZATION OR DISCOUNT DRUG PLAN ORGANIZATION SHALL MAKE A PRO RATA REIMBURSEMENT OF ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION TO THE PLAN MEMBER WITHIN 30 CALENDAR DAYS AFTER THE DATE OF CANCELLATION.".

AMENDMENT NO. 11

On page 8, strike in their entirety lines 17 through 19, inclusive; in line 20, strike "(B)" and

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substitute "(<u>A</u>)"; in line 21, strike "ITS" and substitute "<u>A</u>"; in the same line, strike "MEMBERS" and substitute "<u>MEMBER OR TO A PLAN MEMBER FOR THE MEMBER'S FAMILY</u>"; after line 22, insert:

"(1) <u>A STATEMENT THAT THE DISCOUNT MEDICAL PLAN OR</u> <u>DISCOUNT DRUG PLAN IS NOT INSURANCE OR A MEDICARE PRESCRIPTION DRUG</u> <u>PLAN;</u>";

in line 23, strike "(1)" and substitute "(2) (I)"; in line 24, after the semicolon insert "OR

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

strike in their entirety lines 25 through 28, inclusive; in line 29, strike "(4)" and substitute "(3)"; strike in their entirety lines 31 through 33, inclusive; in line 34, strike "(2)" and substitute "(B)"; and in line 35, strike "(B)" and substitute "(A)".

AMENDMENT NO. 12

On page 9, strike in their entirety lines 2 through 4, inclusive; in lines 5, 9, 11, and 13, strike "(B)", "(C)", "(D)", and "(E)", respectively, and substitute "(A)", "(B)", "(C)", and "(D)", respectively; strike in their entirety lines 16 through 18, inclusive; in lines 19 and 28, strike "(B)" and "(C)", respectively, and substitute "(A)" and "(B)", respectively; in line 24, strike "AND"; and in line 27, after "VIOLATION" insert ": OR

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

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DISCOUNT DRUG PLAN ORGANIZATION".

AMENDMENT NO. 13

On page 10, in lines 11 and 17, strike "(D)" and "(E)", respectively, and substitute "(C)" and "(D)", respectively; and after line 18, insert:

"<u>14-612.</u>

THE COMMISSIONER SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.".