

# SENATE BILL 596

C3

(71r2094)

## **ENROLLED BILL**

— *Finance/Health and Government Operations* —

Introduced by **Senator Klausmeier**

Read and Examined by Proofreaders:

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Proofreader.

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Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_

President.

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;

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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.

*Italics indicate opposite chamber / conference committee amendments.*



1 requiring certain disclosures to be made by discount medical plan organizations  
 2 and discount drug plan organizations; requiring certain reimbursement if  
 3 membership in a discount medical plan or discount drug plan is canceled under  
 4 certain circumstances; requiring the Commissioner, in consultation with the  
 5 Office of the Attorney General, to adopt regulations that establish standards for  
 6 determining a certain fee; requiring ~~that certain information appear on certain~~  
 7 ~~discount cards; requiring a certain statement to be included on or attached to~~  
 8 ~~certain discount cards~~ each discount medical plan organization and each  
 9 discount drug plan organization to provide to a plan member a discount card  
 10 that includes, at a minimum, certain data elements; requiring a discount  
 11 medical plan organization or discount drug plan organization to reissue a  
 12 discount card under certain circumstances; authorizing the examination of  
 13 discount medical plan organizations and discount drug plan organizations  
 14 under certain circumstances; authorizing the Commissioner to take certain  
 15 actions to enforce certain provisions of law; providing for certain penalties;  
 16 providing for the payment of the examinations; requiring an insurer, nonprofit  
 17 health service plan, health maintenance organization, or dental plan  
 18 organization to meet certain requirements; requiring the Commissioner to adopt  
 19 certain regulations; requiring the Commissioner to review the continued need  
 20 for a certain requirement and report on the findings of the review to certain  
 21 committees of the General Assembly on or before a certain date; defining certain  
 22 terms; providing for the application of this Act; and generally relating to  
 23 discount medical plan organizations and discount drug plan organizations.

24 BY adding to  
 25 Article – Health – General  
 26 Section 19–706(jjj)  
 27 Annotated Code of Maryland  
 28 (2005 Replacement Volume and 2006 Supplement)

29 BY repealing and reenacting, with amendments,  
 30 Article – Insurance  
 31 Section 2–208  
 32 Annotated Code of Maryland  
 33 (2003 Replacement Volume and 2006 Supplement)

34 BY adding to  
 35 Article – Insurance  
 36 Section 14–601 through 14–612 to be under the new subtitle “Subtitle 6.  
 37 Discount Medical Plan Organizations and Discount Drug Plan  
 38 Organizations”  
 39 Annotated Code of Maryland  
 40 (2006 Replacement Volume and 2006 Supplement)

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

3 **Article - Health - General**

4 19-706.

5 **(JJJ) THE PROVISIONS OF TITLE 14, SUBTITLE 6 OF THE INSURANCE**  
6 **ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.**

7 **Article - Insurance**

8 2-208.

9 The expense incurred in an examination made under § 2-205 of this subtitle, §  
10 2-206 of this subtitle for surplus lines brokers and insurance holding corporations, §  
11 23-207 of this article for premium finance companies, § 15-10B-19 of this article for  
12 private review agents, [or] § 15-10B-20 of this article, **OR § 14-610 OF THIS**  
13 **ARTICLE FOR DISCOUNT MEDICAL PLAN ORGANIZATIONS AND DISCOUNT DRUG**  
14 **PLAN ORGANIZATIONS** shall be paid by the person examined in the following  
15 manner:

16 (1) the person examined shall pay to the Commissioner the travel  
17 expenses, a living expense allowance, and a per diem as compensation for examiners,  
18 actuaries, and typists:

19 (i) to the extent incurred for the examination; and

20 (ii) at reasonable rates set by the Commissioner;

21 (2) the Commissioner may present a detailed account of expenses  
22 incurred to the person examined periodically during the examination or at the end of  
23 the examination, as the Commissioner considers proper; and

24 (3) a person may not pay and an examiner may not accept any  
25 compensation for an examination in addition to the compensation under paragraph (1)  
26 of this section.

27 **SUBTITLE 6. DISCOUNT MEDICAL PLAN ORGANIZATIONS AND DISCOUNT DRUG**  
28 **PLAN ORGANIZATIONS.**

1 **14-601.**

2 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
3 INDICATED.

4 (B) (1) “DISCOUNT DRUG PLAN” MEANS A BUSINESS ARRANGEMENT  
5 OR CONTRACT IN WHICH A PERSON, IN EXCHANGE FOR FEES, DUES, CHARGES,  
6 OR OTHER FINANCIAL CONSIDERATION PAID BY OR ON BEHALF OF A PLAN  
7 MEMBER, PROVIDES THE RIGHT TO RECEIVE DISCOUNTS ON SPECIFIED  
8 PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT  
9 AND SUPPLIES FROM SPECIFIED PROVIDERS.

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

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

14 ~~(H)~~ 1. A PAYMENT MADE DIRECTLY TO A PROVIDER AS A  
15 DISPENSING OR TRANSACTIONAL FEE IN CONNECTION WITH THE PURCHASE OF  
16 PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT  
17 AND SUPPLIES THAT ARE SUBJECT TO A DISCOUNT; OR

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

21 (II) A PATIENT ASSISTANCE PROGRAM THAT:

22 1. IS SPONSORED, OFFERED, OR PROVIDED FOR BY A  
23 PHARMACEUTICAL MANUFACTURER; AND

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

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

27 (1) CONTRACTS DIRECTLY OR INDIRECTLY WITH PROVIDERS OR  
28 PROVIDER NETWORKS TO PROVIDE PHARMACEUTICAL SUPPLIES,

1 **PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES AT A DISCOUNT**  
2 **TO PLAN MEMBERS; AND**

3 **(2) DETERMINES THE CHARGE TO PLAN MEMBERS.**

4 **(D) “DISCOUNT MEDICAL PLAN” MEANS A BUSINESS ARRANGEMENT OR**  
5 **CONTRACT IN WHICH A PERSON, IN EXCHANGE FOR FEES, DUES, CHARGES, OR**  
6 **OTHER FINANCIAL CONSIDERATION PAID BY OR ON BEHALF OF A PLAN**  
7 **MEMBER, PROVIDES THE RIGHT TO RECEIVE DISCOUNTS ON SPECIFIED**  
8 **MEDICAL SERVICES FROM SPECIFIED PROVIDERS.**

9 **(E) “DISCOUNT MEDICAL PLAN ORGANIZATION” MEANS AN ENTITY**  
10 **THAT:**

11 **(1) CONTRACTS DIRECTLY OR INDIRECTLY WITH PROVIDERS OR**  
12 **PROVIDER NETWORKS TO PROVIDE MEDICAL SERVICES AT A DISCOUNT TO PLAN**  
13 **MEMBERS; AND**

14 **(2) DETERMINES THE CHARGE TO PLAN MEMBERS.**

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

17 **(G) “MEDICAL SERVICES” MEANS ANY CARE, SERVICE, OR TREATMENT**  
18 **OF ILLNESS OR DYSFUNCTION OF, OR INJURY TO, THE HUMAN BODY, INCLUDING**  
19 **PHYSICIAN CARE, OUTPATIENT SERVICES, AMBULANCE SERVICES, DENTAL**  
20 **CARE SERVICES, VISION CARE SERVICES, MENTAL HEALTH SERVICES,**  
21 **SUBSTANCE ABUSE SERVICES, CHIROPRACTIC SERVICES, PODIATRIC CARE**  
22 **SERVICES, AND LABORATORY SERVICES.**

23 **(H) “MEDICARE PRESCRIPTION DRUG PLAN” MEANS A PLAN THAT**  
24 **PROVIDES A MEDICARE PART D PRESCRIPTION DRUG BENEFIT IN**  
25 **ACCORDANCE WITH THE REQUIREMENTS OF THE FEDERAL MEDICARE**  
26 **MODERNIZATION ACT.**

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

30 **(J) “PROVIDER” MEANS:**

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

4           (2) ANY PERSON OR INSTITUTION WHICH IS CONTRACTED,  
5 DIRECTLY OR INDIRECTLY, WITH A DISCOUNT DRUG PLAN ORGANIZATION TO  
6 PROVIDE PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL  
7 EQUIPMENT AND SUPPLIES TO PLAN MEMBERS.

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

10 **14-602.**

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

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

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

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

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

28           (II) PROVIDE THE COMMISSIONER WITH AN ADDITIONAL  
29 LIST ON REQUEST.

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

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

7 **14-603.**

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

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

16           (B) (1) AN ENTITY SHALL REGISTER WITH THE COMMISSIONER AS A  
17 DISCOUNT DRUG PLAN ORGANIZATION BEFORE A DISCOUNT DRUG PLAN  
18 ESTABLISHED BY THAT ENTITY IS SOLD, MARKETED, OR SOLICITED IN THE  
19 STATE.

20           (2) A DISCOUNT DRUG PLAN MAY NOT BE SOLD, MARKETED, OR  
21 SOLICITED IN THE STATE UNLESS THE DISCOUNT DRUG PLAN ORGANIZATION  
22 THAT ESTABLISHED THE DISCOUNT DRUG PLAN IS REGISTERED WITH THE  
23 COMMISSIONER.

24           (C) AN APPLICANT FOR REGISTRATION SHALL:

25           (1) FILE WITH THE COMMISSIONER AN APPLICATION ON THE  
26 FORM THAT THE COMMISSIONER REQUIRES; AND

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

28           (D) AN ENTITY THAT IS REQUIRED TO REGISTER WITH THE  
29 COMMISSIONER UNDER BOTH SUBSECTIONS (A) AND (B) OF THIS SECTION MAY

1 FILE ONE APPLICATION WITH THE COMMISSIONER AND PAY ONE APPLICATION  
2 FEE.

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

6 **14-604.**

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

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

11 (1) OTHERWISE IS ENTITLED TO BE REGISTERED;

12 (2) FILES WITH THE COMMISSIONER A RENEWAL APPLICATION  
13 ON THE FORM THAT THE COMMISSIONER REQUIRES; AND

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

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

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

21 (E) (1) A REGISTRANT SHALL FILE ~~QUARTERLY~~ ANNUALLY WITH THE  
22 COMMISSIONER A CURRENT LIST OF THE PERSONS AUTHORIZED TO SELL,  
23 MARKET, OR SOLICIT IN THE STATE A DISCOUNT MEDICAL PLAN OR DISCOUNT  
24 DRUG PLAN ESTABLISHED BY THE REGISTRANT.

25 (2) A REGISTRANT SHALL PROVIDE THE COMMISSIONER AN  
26 ADDITIONAL LIST ON REQUEST.



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

4 **14-605.**

5           **(A) SUBJECT TO THE HEARING PROVISIONS OF TITLE 2 OF THIS**  
6 **ARTICLE, THE COMMISSIONER MAY DENY A REGISTRATION TO AN APPLICANT**  
7 **OR REFUSE TO RENEW, SUSPEND, OR REVOKE THE REGISTRATION OF A**  
8 **REGISTRANT IF THE APPLICANT OR REGISTRANT, OR AN OFFICER, DIRECTOR,**  
9 **OR EMPLOYEE OF THE APPLICANT OR REGISTRANT:**

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

12           **(2) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO**  
13 **OBTAIN A REGISTRATION FOR THE APPLICANT OR REGISTRANT OR FOR**  
14 **ANOTHER;**

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

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

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

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

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

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

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

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

7 **14-606.**

8           ~~(A)~~ **A DISCOUNT MEDICAL PLAN ORGANIZATION AND A DISCOUNT DRUG**  
9 **PLAN ORGANIZATION MAY NOT:**

10           **(1) USE IN THEIR ADVERTISEMENTS, MARKETING MATERIAL,**  
11 **BROCHURES, AND DISCOUNT CARDS THE TERM “INSURANCE” EXCEPT:**

12                   **(I) IN THE NAME OF AN INSURER, NONPROFIT HEALTH**  
13 **SERVICE PLAN, HEALTH MAINTENANCE ORGANIZATION, OR DENTAL PLAN**  
14 **ORGANIZATION WHOSE CORPORATE NAME INCLUDES THE WORD “INSURANCE”;**

15                   **(II) WHEN COMPARING THE DISCOUNT MEDICAL PLAN OR**  
16 **DISCOUNT DRUG PLAN TO INSURANCE OR OTHERWISE DISTINGUISHING THE**  
17 **DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN FROM INSURANCE; OR**

18                   **(III) AS OTHERWISE PROVIDED IN THIS SUBTITLE.**

19           **(2) USE IN THEIR ADVERTISEMENTS, MARKETING MATERIAL,**  
20 **BROCHURES, AND DISCOUNT CARDS THE TERMS “HEALTH PLAN”, “COVERAGE”,**  
21 **“COPAY”, “COPAYMENTS”, “PREEXISTING CONDITIONS”, “GUARANTEED ISSUE”,**  
22 **“PREMIUM”, “PPO”, “PREFERRED PROVIDER ORGANIZATION”, OR OTHER**  
23 **TERMS IN A CONTEXT THAT COULD REASONABLY MISLEAD A PERSON INTO**  
24 **BELIEVING THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN WAS**  
25 **HEALTH INSURANCE;**

26           **(3) HAVE RESTRICTIONS ON ACCESS TO DISCOUNT MEDICAL PLAN**  
27 **OR DISCOUNT DRUG PLAN PROVIDERS, INCLUDING WAITING PERIODS AND**  
28 **NOTIFICATION PERIODS;**

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

8           (5) REFUSE TO MODIFY THE METHOD OF PAYMENT FOR  
9 MEMBERSHIP IN A DISCOUNT MEDICAL PLAN OR A DISCOUNT DRUG PLAN ON  
10 REQUEST, UNLESS A SPECIFIC METHOD OF PAYMENT IS REQUIRED AS A TERM  
11 OF THE DISCOUNT MEDICAL PLAN OR THE DISCOUNT DRUG PLAN AND WAS  
12 AGREED TO IN WRITING IN ADVANCE;

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

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

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

24 **14-607.**

25           (A) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING  
26 PRINTED IN 12 POINT TYPE TO ANY PROSPECTIVE MEMBER OF A DISCOUNT  
27 MEDICAL PLAN ORGANIZATION AND SHALL BE INCLUDED IN ANY MARKETING  
28 MATERIALS OR BROCHURES RELATING TO AN APPLICATION OR CONTRACT FOR  
29 A DISCOUNT MEDICAL PLAN:

30           (1) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN IS NOT  
31 INSURANCE;

1           (2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT MEDICAL  
2 PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN MEDICAL SERVICES  
3 OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT  
4 MEDICAL PLAN;

5           (3) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN  
6 ORGANIZATION ITSELF DOES NOT PAY PROVIDERS OF MEDICAL SERVICES FOR  
7 SERVICES PROVIDED TO PLAN MEMBERS;

8           (4) A STATEMENT THAT THE PLAN MEMBER IS REQUIRED TO PAY  
9 FOR ANY MEDICAL SERVICE PROVIDED, BUT IS ENTITLED TO RECEIVE A  
10 DISCOUNT ON CERTAIN IDENTIFIED MEDICAL SERVICES FROM THOSE  
11 PROVIDERS WHO HAVE CONTRACTED WITH THE DISCOUNT MEDICAL PLAN  
12 ORGANIZATION;

13           (5) A DESCRIPTION OF THE MEDICAL SERVICES SUBJECT TO  
14 DISCOUNT, A DESCRIPTION OF THE DISCOUNTS THAT THE PLAN MEMBER IS  
15 ENTITLED TO RECEIVE, AND THE MECHANISM BY WHICH A CURRENT OR  
16 PROSPECTIVE PLAN MEMBER CAN OBTAIN THE NAMES OF THE PROVIDERS THAT  
17 HAVE CONTRACTED WITH THE DISCOUNT MEDICAL PLAN ORGANIZATION TO  
18 OFFER DISCOUNTS TO PLAN MEMBERS;

19           (6) THE NAME, LOCATION, AND CONTACT INFORMATION,  
20 INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT MEDICAL PLAN  
21 ORGANIZATION;

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

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

30           ~~(H) IF A DISCOUNT MEDICAL PLAN DOES NOT OFFER~~  
31 ~~HOSPITAL SERVICES IN OTHER STATES,~~ A STATEMENT THAT THE DISCOUNT  
32 ~~MEDICAL PLAN DOES NOT OFFER A DISCOUNT ON HOSPITAL SERVICES; AND~~

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

6           **(B) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING**  
7 **PRINTED IN 12 POINT TYPE TO ANY PROSPECTIVE MEMBER OF A DISCOUNT**  
8 **DRUG PLAN ORGANIZATION AND SHALL BE INCLUDED IN ANY MARKETING**  
9 **MATERIALS OR BROCHURES RELATING TO ~~A~~ AN APPLICATION OR CONTRACT**  
10 **FOR A DISCOUNT DRUG PLAN:**

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

12                   **(I) INSURANCE; OR**

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

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

19           **(3) A STATEMENT THAT THE DISCOUNT DRUG PLAN**  
20 **ORGANIZATION ITSELF DOES NOT PAY PROVIDERS OF PHARMACEUTICAL**  
21 **SUPPLIES, PRESCRIPTION DRUGS, AND MEDICAL EQUIPMENT AND SUPPLIES**  
22 **PROVIDED TO PLAN MEMBERS;**

23           **(4) A STATEMENT THAT THE DISCOUNT DRUG PLAN MEMBER IS**  
24 **REQUIRED TO PAY FOR ALL PHARMACEUTICAL SUPPLIES, PRESCRIPTION**  
25 **DRUGS, AND MEDICAL EQUIPMENT AND SUPPLIES PROVIDED, BUT IS ENTITLED**  
26 **TO RECEIVE A DISCOUNT ON CERTAIN IDENTIFIED PHARMACEUTICAL SUPPLIES,**  
27 **PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES FROM THOSE**  
28 **PROVIDERS WHO HAVE CONTRACTED WITH THE DISCOUNT DRUG PLAN**  
29 **ORGANIZATION;**

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

1                   (I)     UNLESS THE DISCOUNT DRUG PLAN OFFERS AN OPEN  
2 FORMULARY, A LISTING OF THE ITEMS, INCLUDING PRESCRIPTION DRUGS,  
3 SUBJECT TO DISCOUNT; AND

4                   (II)    THE NAMES OF THE PROVIDERS WHO HAVE  
5 CONTRACTED TO OFFER DISCOUNTS TO PLAN MEMBERS;

6                   (6)     THE NAME, LOCATION, AND CONTACT INFORMATION,  
7 INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT DRUG PLAN  
8 ORGANIZATION;

9                   (7)     ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL  
10 CONSIDERATION TO BE PAID BY THE PLAN MEMBER WITH RESPECT TO THE  
11 MEMBER'S PARTICIPATION IN THE DISCOUNT DRUG PLAN, INCLUDING ALL FEES  
12 OR CHARGES RELATING TO THE PROCESSING OF DISCOUNTS OR BILLING; AND

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

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

21                   (1)     MADE ORALLY; AND

22                   (2)     INCLUDED WITH THE MEMBERSHIP CARD WHEN MAILED TO  
23 THE PROSPECTIVE PLAN MEMBER.

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

27                   (1)     A STATEMENT THAT THE DISCOUNT MEDICAL PLAN IS NOT  
28 INSURANCE;

1           (2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT MEDICAL  
2 PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN MEDICAL SERVICES  
3 OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT  
4 MEDICAL PLAN;

5           (3) A STATEMENT THAT THE PLAN MEMBER, AND NOT THE  
6 DISCOUNT MEDICAL PLAN ORGANIZATION, IS REQUIRED TO PAY FOR ALL  
7 MEDICAL SERVICES PROVIDED;

8           (4) THE NAME, LOCATION, AND CONTACT INFORMATION,  
9 INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT MEDICAL PLAN  
10 ORGANIZATION;

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

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

18           ~~(II) IF A DISCOUNT MEDICAL PLAN DOES NOT OFFER~~  
19 ~~HOSPITAL SERVICES IN OTHER STATES, A STATEMENT THAT THE DISCOUNT~~  
20 ~~MEDICAL PLAN DOES NOT OFFER A DISCOUNT ON HOSPITAL SERVICES.~~

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

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

25                   (I) INSURANCE; OR

26                   (II) A MEDICARE PRESCRIPTION DRUG PLAN;

27           (2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT DRUG  
28 PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN PHARMACEUTICAL  
29 SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES

1 OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT  
2 DRUG PLAN;

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

7 (4) THE NAME, LOCATION, AND CONTACT INFORMATION,  
8 INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT DRUG PLAN  
9 ORGANIZATION; AND

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

13 **14-608.**

14 (A) (1) IF MEMBERSHIP IN A DISCOUNT MEDICAL PLAN OR A  
15 DISCOUNT DRUG PLAN IS CANCELED WITHIN THE FIRST 30 CALENDAR DAYS  
16 AFTER THE EFFECTIVE DATE OF ENROLLMENT, ALL FEES, DUES, CHARGES, OR  
17 OTHER FINANCIAL CONSIDERATION, EXCEPT A NOMINAL FEE, NOT TO EXCEED  
18 ANY FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION THE  
19 MEMBER HAS ALREADY PAID, ASSOCIATED WITH ENROLLMENT COSTS THAT  
20 WERE PART OF THE COST OF THE DISCOUNT MEDICAL PLAN CARD OR THE  
21 DISCOUNT DRUG PLAN CARD, SHALL BE REFUNDED TO THE PAYOR ON RETURN  
22 OF THE DISCOUNT MEDICAL PLAN CARD TO THE DISCOUNT MEDICAL PLAN  
23 ORGANIZATION OR RETURN OF THE DISCOUNT DRUG PLAN CARD TO THE  
24 DISCOUNT DRUG PLAN ORGANIZATION.

25 (2) THE COMMISSIONER, IN CONSULTATION WITH THE  
26 ATTORNEY GENERAL, SHALL ADOPT REGULATIONS THAT ESTABLISH  
27 STANDARDS FOR DETERMINING THE NOMINAL FEE ASSOCIATED WITH  
28 ENROLLMENT COSTS THAT MAY BE RETAINED BY A DISCOUNT MEDICAL PLAN  
29 ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION UNDER THIS  
30 SUBSECTION.

31 (3) ~~ANY~~ SUBJECT TO PARAGRAPH (1) OF THIS SUBSECTION, ANY  
32 REGULATION ADOPTED UNDER THIS SUBSECTION SHALL INCLUDE A CAP ON  
33 THE NOMINAL FEE THAT MAY BE RETAINED.



1           **(B) IF A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT**  
2 **DRUG PLAN ORGANIZATION CANCELS A MEMBERSHIP FOR ANY REASON OTHER**  
3 **THAN NONPAYMENT, THE DISCOUNT MEDICAL PLAN ORGANIZATION OR**  
4 **DISCOUNT DRUG PLAN ORGANIZATION SHALL MAKE A PRO RATA REFUND TO**  
5 **THE PAYOR OF ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL**  
6 **CONSIDERATION WITHIN 30 CALENDAR DAYS AFTER THE DATE OF**  
7 **CANCELLATION.**

8 **14-609.**

9           **(A) EACH DISCOUNT MEDICAL PLAN ORGANIZATION AND EACH**  
10 **DISCOUNT DRUG ORGANIZATION SHALL PROVIDE TO A PLAN MEMBER OR TO A**  
11 **PLAN MEMBER FOR THE MEMBER'S FAMILY A DISCOUNT CARD THAT INCLUDES,**  
12 **AT A MINIMUM, THE FOLLOWING DATA ELEMENTS:**

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

15                   **(2) (I) THE NAME OR IDENTIFYING TRADEMARK OF THE**  
16 **DISCOUNT MEDICAL PLAN ORGANIZATION OR THE DISCOUNT DRUG PLAN**  
17 **ORGANIZATION; OR**

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

21                   **(3) THE TELEPHONE NUMBER THAT THE PLAN MEMBER MAY**  
22 **CALL FOR ASSISTANCE.**

23           **(B) (1) IF A CHANGE OCCURS IN THE DATA ELEMENT REQUIRED**  
24 **UNDER SUBSECTION (A)(3) OF THIS SECTION, A DISCOUNT MEDICAL PLAN**  
25 **ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION SHALL REISSUE A**  
26 **DISCOUNT CARD.**

27                   **(2) A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT**  
28 **DRUG PLAN ORGANIZATION SHALL NOTIFY A PLAN MEMBER WHEN THERE IS A**  
29 **MATERIAL CHANGE IN PLAN BENEFITS OR IN THE DATA ELEMENTS REQUIRED**  
30 **UNDER SUBSECTION (A)(1), (2), OR (3) OF THIS SECTION.**

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

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

5 ~~(2) BE ATTACHED TO MATERIALS THAT INCLUDE A STATEMENT~~  
6 ~~THAT THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN IS NOT A~~  
7 ~~MEDICARE PRESCRIPTION DRUG PLAN.~~

8 **14-610.**

9 (A) WHENEVER THE COMMISSIONER CONSIDERS IT ADVISABLE, THE  
10 COMMISSIONER MAY EXAMINE THE AFFAIRS, TRANSACTIONS, ACCOUNTS,  
11 RECORDS, AND ASSETS OF A DISCOUNT MEDICAL PLAN ORGANIZATION OR  
12 DISCOUNT DRUG PLAN ORGANIZATION.

13 (B) THE EXAMINATION SHALL BE CONDUCTED IN ACCORDANCE WITH §  
14 **2-207** OF THIS ARTICLE.

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

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

19 **14-611.**

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

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

24 (2) THAT REQUIRES THE VIOLATOR TO TAKE SPECIFIC  
25 AFFIRMATIVE ACTION TO CORRECT THE VIOLATION;

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

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

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

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

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

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

26           (5) IF THE COMMISSIONER PREVAILS IN AN ACTION BROUGHT BY  
27 THE COMMISSIONER UNDER THIS SECTION, THE COMMISSIONER MAY RECOVER  
28 FOR THE USE OF THE STATE REASONABLE ATTORNEY'S FEES AND THE COSTS OF  
29 THE ACTION.

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

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

5           **(D) THIS SECTION DOES NOT LIMIT ANY REGULATORY POWER OF THE**  
 6 **COMMISSIONER UNDER THIS ARTICLE.**

7 **14-612.**

8           **THE COMMISSIONER SHALL ADOPT REGULATIONS TO CARRY OUT THE**  
 9 **PROVISIONS OF THIS SUBTITLE.**

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

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

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

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

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.