

By: Senator(s) Nunnelee

To: Insurance

SENATE BILL NO. 2083

1 AN ACT TO DEFINE HEALTH DISCOUNT PLANS AND HEALTH DISCOUNT  
2 CARDS; TO PROVIDE LIMITATIONS ON THE DISTRIBUTION OF SUCH HEALTH  
3 DISCOUNT PLANS AND CARDS; TO DIRECT THE MISSISSIPPI COMMISSIONER  
4 OF INSURANCE TO ISSUE REGULATIONS REGARDING THE LIMITATIONS ON  
5 SUCH PLANS AND CARDS; TO AMEND SECTION 83-5-85, MISSISSIPPI CODE  
6 OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** (1) "Health discount plan" means a card,  
9 program, device, arrangement, contract or mechanism that purports  
10 to offer discounts or access to discounts on health care services  
11 or supplies that is not insurance or that does not provide  
12 coverage for services or benefits regulated under Section 83-9-1  
13 et seq., Mississippi Code of 1972.

14 (2) A person may not sell, market, promote, advertise or  
15 otherwise distribute a health discount plan unless:

16 (a) Each advertisement, policy, document, information,  
17 statement or other communication regarding the health discount  
18 plan and the plan itself contain a statement, in bold and  
19 prominent type, that the health discount plan is not insurance;

20 (b) The discounts offered under the health discount  
21 plan are specifically authorized by a contract with each provider  
22 of the services or supplies listed in conjunction with the plan;

23 (c) The health discount plan states the name, address  
24 and telephone number of the administrator of the plan;

25 (d) The person makes readily available to the consumer  
26 a complete, accurate and up-to-date list of providers  
27 participating in the plan that offer discounted health care  
28 services or supplies in the consumer's local area and the  
29 discounts offered by the providers;

30           (e) The person provides the consumer the right to  
31 cancel the health discount plan within thirty (30) days after  
32 purchase of the plan; and

33           (f) The person provides the consumer with a full refund  
34 of all payments made, except for a nominal processing fee, within  
35 thirty (30) days after notification of cancellation of the plan  
36 under paragraph (e) of this subsection.

37           (3) The Mississippi Commissioner of Insurance may adopt  
38 regulations to implement this section and to establish additional  
39 requirements intended to prohibit unfair or deceptive practices  
40 relating to health discount plans.

41           **SECTION 2.** Section 83-5-85, Mississippi Code of 1972, is  
42 amended as follows:

43           83-5-85. For violation of any provisions of the insurance  
44 laws of Mississippi, including the provisions of Senate Bill No.  
45 2083, 2006 Regular Session, relating to the issuance of health  
46 discount plans, the penalty whereof is not specifically provided,  
47 the offender shall be guilty of a misdemeanor and, on conviction,  
48 shall be punished by a fine of not more than Five Thousand Dollars  
49 (\$5,000.00). For expenses in seeking out, detecting and punishing  
50 violations of such laws, the commissioner may assess an additional  
51 penalty to be paid by the offender as restitution in an amount to  
52 cover such expenses as may be approved by the court.

53           The penalties authorized by this section are cumulative and  
54 supplemental to any other penalty, fine or other sanction, and  
55 shall not be a bar to any other civil cause of action or criminal  
56 prosecution.

57           **SECTION 3.** This act shall take effect and be in force from  
58 and after July 1, 2006.