

By: Senator(s) Nunnelee

To: Insurance

SENATE BILL NO. 2244

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 BRING FORWARD SECTION 83-5-85,
6 MISSISSIPPI CODE OF 1972, FOR EXPLANATION PURPOSES; AND FOR
7 RELATED PURPOSES.

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

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

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

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

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

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

26 (d) The person makes readily available to the consumer
27 a complete, accurate and up-to-date list of providers
28 participating in the plan that offer discounted health care

29 services or supplies in the consumer's local area and the
30 discounts offered by the providers;

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

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

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

42 **SECTION 2.** Section 83-5-85, Mississippi Code of 1972, is
43 brought forward as follows:

44 83-5-85. For violation of any provisions of the insurance
45 laws of Mississippi, the penalty whereof is not specifically
46 provided, the offender shall be guilty of a misdemeanor and, on
47 conviction, shall be punished by a fine of not more than Five
48 Thousand Dollars (\$5,000.00). For expenses in seeking out,
49 detecting and punishing violations of such laws, the commissioner
50 may assess an additional penalty to be paid by the offender as
51 restitution in an amount to cover such expenses as may be approved
52 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, 2007.