**Section 2051.320 Discounted Health Care Services Plan Requirements**

a) A DHCSP administrator shall have a written agreement between the administrator and its beneficiaries that specifies the benefits a beneficiary is to receive under the DHCSP and that complies with this Section. For insurers offering a DHCSP as part of a policy of insurance, the certificate or policy may act as the written agreement.

b) All agreements between DHCSP administrators and beneficiaries shall contain at a minimum:

1) A provision establishing the right of the beneficiary to cancel the plan, in writing, at any time. If a beneficiary cancels within 30 days after the date of receipt of the identification card and other membership materials, the beneficiary will be reimbursed all money paid except any fee authorized by subsection (f);

2) A provision establishing that beneficiaries will have free access to DHCSP providers without restrictions such as waiting periods, notification periods, etc. (except for hospital discounts);

3) A provision allowing a beneficiary to modify the method of payment upon request, unless a specific method of payment is stipulated within the agreement. DHCSP administrators must discontinue using any automatic account withdrawals, including, but not limited to, electronic fund transfers and automatic credit card and/or debit card charges, upon receiving a beneficiary's written request to terminate or alter the method of payment;

4) The procedures for filing complaints with the plan and the availability and contact information for the Illinois Department of Insurance. These procedures must contain, at a minimum, a statement that the DHCSP shall provide specific contact information for the Department upon request.

c) If a DHCSP cancels a membership for any reason other than nonpayment of charges by the beneficiary, the DHCSP shall make a pro rata reimbursement of all periodic charges to the member.

d) DHCSP administrators must provide the following disclosures in writing to any prospective beneficiary of a DHCSP before purchase, as well as in all beneficiary agreements. If the initial contact with the prospective beneficiary is by telephone, the disclosures shall be made orally and included in the written agreement required by subsection (a). The disclosures shall also be provided on the first page of any advertisements, marketing materials or brochures relating to a DHCSP or, if that is not possible, on the first page listing plan information. The following disclosures must be prominently displayed:

1) That it is not insurance;

2) That the plan provides discounts at certain providers for health care services and that the range of discounts will vary depending on the type of provider and service received;

3) That the plan does not make payments directly to the providers of discounted health care services;

4) That the plan beneficiary is obligated to pay for all discounted health care services, but will receive a discount from those providers that have contracted with the DHCSP administrator;

5) The DHCSP administrator's toll-free telephone number and Internet website where beneficiaries and prospective beneficiaries may obtain additional information about the DHCSP and lists of providers participating in the DHCSP.

e) Whenever a DHCSP is sold in conjunction with any other product that can be purchased separately, including a policy of insurance, the administrator or DHCSP administrator must provide in writing to the beneficiary the charges for the DHCSP product.

f) Any initial one-time processing, administrative or other such non-regular or periodic charge may not exceed $30.

g) A DHCSP administrator shall annually file with the Director a listing of all private label marketers with whom it has a direct or indirect contractual relationship respecting the marketing or use of the administrator's DHCSP under a name other than that of the administrator. A DHCSP administrator shall inform the Department of any additional private label marketers with whom it contracts and of any cancellation or non-renewal of a contract within 30 days after the execution, cancellation or non-renewal of those contracts. A listing of private label marketers must contain:

1) The name, address and FEIN of the private label marketer;

2) Any DBA used by the private label marketer; and

3) All product names used by the private label marketer.

h) A DHCSP administrator shall ensure that any private label marketer whom it identifies under subsection (g) or with whom it has an obligation to identify under subsection (g):

1) Prominently discloses within all description of benefits and member materials the name of the administrator and DHCSP administrator whose DHCSP is being provided;

2) Prominently discloses within all marketing materials the name of any DHCSP administrator whose DHCSP is being provided;

3) Prominently discloses the private label marketer's product name and the name or name and logo of available networks on the member's identification card; and

4) Complies with the applicable DHCSP administrator provisions of this Part.

i) A private label marketer that is not identified as such pursuant to subsection (g) must register as a DHCSP administrator under this Part.

j) A DHCSP shall identify specific providers in a beneficiary's area, confirm specific provider participation or provide a listing of participating providers by mail. Participating provider lists requested by phone must be sent within 3 working days. Any provider listing must include all participating providers with whom the administrator has contracted either directly or indirectly through another DHCSP administrator.

(Source: Amended at 37 Ill. Reg. 2895, effective March 4, 2013)