

THE FLORIDA SENATE
2017 SUMMARY OF LEGISLATION PASSED
Committee on Banking and Insurance

CS/HB 577 — Discount Plan Organizations

by Health Innovation Subcommittee and Rep. Pigman (CS/CS/SB 430 by Appropriations Committee; Banking and Insurance Committee; and Senators Bean and Flores)

The bill amends part II of ch. 636, F.S., relating to Discount Medical Plan Organization.

The bill:

- Changes the term “discount medical plan” to “discount plan,” changes the term “discount medical plan organization” to “discount plan organization,” and allows old terms to be used until June 30, 2018;
- Exempts from licensure plans that do not charge a fee to plan members;
- Requires discount plans to retain member records for 5 years after a member agreement ends and subjects such records to inspection by the OIR at any time;
- Requires a member to receive a reimbursement of charges if the member cancels a plan in compliance with the rules of an open enrollment period or at any time within 30 days of written notice;
- Allows discount plans to make disclosures to those required by statute;
- Removes requirements that all discount plan charges must be submitted to the Office of Insurance Regulation (OIR), and that charges greater than \$30 per month and \$360 per year may only be charged if approved by OIR;
- Removes a standard that charges bear a reasonable relation to the benefits received;
- Removes the requirement that forms must be submitted to the OIR for approval;
- Allows a discount plan organization to delegate functions to its marketers;
- Allows a marketer or discount plan organization to commingle medical services and other services on a single page of forms, advertisements, marketing materials or brochures;
- Removes the requirement that the fees for the discount medical plan must be provided in writing to the member when a marketer or discount plan organization sells a discount medical plan together with any other product and the fees exceed \$30.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 36-0; House 118-0