APPLICATION FOR REGISTRATION
DISCOUNT MEDICAL PROGRAM ORGANIZATION (DMPO)

INSTRUCTIONS

This package is designed to assist individuals in preparing the application for a discount medical program organization (DMPO) with all the information required by statute and facilitate expeditious processing of the application by the Department of Insurance. This package includes four (4) categories of information:

Section I	Application Fees and Form
Section II	Legal
Section III	Financial and Related Information
Section IV	Forms
Section V	Annual Filing Requirements

It is extremely important that the application be completed in its entirety in the format specified. The application can be located at: http://www.in.gov/idoi/files/DMPO_Application.pdf

Please submit your package in a tabbed binder. Please identify the tabbed sections by the section number reference, e.g. II-2 would contain the By-laws and other legal documents.

THE COMPLETED CHECKLIST http://www.in.gov/idoi/files/DMPO_checklist_8-12-09.pdf
MUST BE RETURNED WITH THE APPLICATION PACKAGE

Submit the completed application package to:

Indiana Department of Insurance
DMPO Coordinator
311 W. Washington St., Suite 300
Indianapolis, IN 46204-2787

Submissions that do not contain all the required information will be returned without review or approval.

IDOI-DMPO-R/9-09

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Pursuant to IC 27-17, Indiana Statute, in order to do business as a Discount Medical Program Organization (DMPO) an entity must:

A. Be a corporation, a limited liability company, or a limited partnership incorporated, organized, formed, or registered under the laws of this state or authorized to transact business in this state in accordance with IC 27-1-12-2 and must be licensed by the Department of Insurance.

B. Be an entity which, in exchange for fees, dues, charges or other consideration, provides access form program cardholders to providers of medical services and the right to receive those medical services from those providers at a discount.

C. Be in compliance with all aspects of this article or be subject to suspension or revocation of registration pursuant to IC 27-17-3-2

SECTION I – APPLICATION FEES AND FORM

Section I-1 Application Fee

The application filing fee is $500.00. The initial fee is due and payable at the time of filing the application for registration. A registration issued or renewed under this section expires one (1) year from the date of issue or renewal. The fee for renewal of a registration under this section is $250.00. The Department shall renew a registration issued under this section if:

(1) The fee specified is paid and
(2) The commissioner is satisfied the DMPO is in compliance with this article

Section I-2 Application for Registration

This form must be sworn to by an officer of authorized representative of the applicant and must be accompanied by all documentation prescribed herein.

SECTION II – LEGAL

Section II-1 Articles of Incorporation

Include in this section the applicant's Articles of Incorporation or other organizing documents, including all amendments. The required filings must be certified in the applicant's state of domicile.

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Section II-2 By-Laws, Constitution, or Rules and Regulations

Include a copy of the applicant's By-Laws, Constitution, and/or Rules and Regulations in this section. The by-laws must be signed by the Secretary of the company and include the official company seal.

Section II-3 Governing Board

Include a list of the names, addresses, positions (or titles) and biographical information of each member of the Board of Directors, Board of Trustees, Executive Committee, or other governing board or committee, and officer.

Section II-4 Contractual

A. Include a complete list of all program providers contracted by the DMPO in Indiana that are available to Indiana cardholders. Any listed provider licensed under IC 25-22.5 must have given written consent to the DMPO to be included.

B. Include a copy of the form of any contract made or to be made between the applicant and any person, corporation, partnership, or other entity for the performance on the applicant's behalf of any function including, but not limited to, marketing, administration, enrollment, investment management, and contracting for the provision of medical services to cardholders.

C. Include a copy of the form of any contract made or arrangement to be made between the applicant and any person listed in Section II-3.

Section II-5 Legal Notice for Action

Include the name and address of the applicant's agent for service of process notice, or demand, or an executed power of attorney appointing the commissioner as the attorney of the applicant in Indiana for service of process for cause of action arising in Indiana.

Section II-6 Notice of Change

Any change of the DMPO name, address, principal business address or mailing address must be reported to the Department of Insurance at least thirty (30) days before the change occurs.

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SECTION III – FINANCIAL AND RELATED INFORMATION

Section III-1 Marketing

A. Submit a description of the proposed method of marketing and distribution system for discount medical services cards.

B. Submit a statement that the DMPO has reviewed and given written approval of the advertisements, marketing materials, brochures, and discount cards used by any DMPO marketers.

C. Submit a statement that the DMPO has entered into a written agreement with a marketer before the marketer can begin marketing, promoting, selling, or distributing the discount medical card program.

D. Submit the toll-free service number for program provider and cardholder use during normal business hours (at least [40] hours per week availability).

E. Submit a copy of the DMPO cancellation and refund policy rules. Also include an outline of the complaint procedures available to providers and cardholders.

Section III-2 Financial Requirements

A. The DMPO must maintain in force a surety bond http://www.in.gov/idoi/files/DMPO_bond_form_8-12-09.pdf in its own name, in an amount not less than thirty-five thousand dollars ($35,000) to be used at the discretion of the commissioner to protect the financial interest of cardholders who may be adversely affected by the insolvency of the DMPO. The bond must be issued by an insurance company authorized to do business in Indiana.

B. In lieu of (A) above, the DMPO shall deposit with the commissioner, or at the discretion of the commissioner with an organization or trustee approved by the commissioner, in a custodial or controlled account, cash, securities, a combination of cash and securities, or other measure approved by the commissioner and having at all times a market value equal to at least thirty-five thousand dollars ($35,000). Income resulting from this deposit is an asset of the DMPO. Assets or securities held in Indiana as a deposit under this section are not subject to levy by a judgment creditor or other claimant, except the commissioner, against the DMPO.

C. The DMPO shall file a copy of the most recent annual financial report prepared in accordance with GAAP, and certified by an officer. Should that financial report be prepared on a consolidated basis, the DMPO must provide a columnar consolidating or combining worksheet including the amounts shown on the consolidated annual financial statement or report, separately reported on the worksheet for each entity included on the statement or report, and an explanation of consolidating and eliminating entries.

D. The DMPO shall submit all subsequent financials no later than three (3) months after the end of the fiscal year.

SECTION IV – FORMS

Section IV-1 Filing Requirements

A. All marketing materials, advertisements, brochures, or other literature to be presented to prospective cardholders must be submitted to the Department for review and approval. The submission must include the prescribed transmittal document http://www.in.gov/idoi/files/DMPO_E-Filing_Checklist_8-12-09.pdf

B. All marketing materials, advertisements, brochures, discount cards or other literature to be presented to prospective cardholders may not include the use of the following terms:

1. Insurance: except as a disclaimer of a relationship between the DMPO card benefits and insurance, or as needed for the description of an insurance product connected to the DMPO card.
2. Health plan
3. Coverage
4. Co-Pay
5. Co-payment
6. Pre-existing condition
7. Guarantee issue
8. Portability
9. Premium
10. Underwriting

Or other term that could reasonably mislead a person to believe that the DMPO card benefits are health insurance.

C. All marketing materials, advertisements, and brochures or other literature to be presented to prospective cardholders must contain on the first page the following disclosures which must be printed in at least 12 point type:

SECTION IV – FORMS

1. The DMPO card is not health insurance.
2. The DMPO card provides discounts for medical services rendered only by program providers.
3. The DMPO does not make payments directly to providers.
4. The DMPO does make available a list of all program providers which includes their name, city & state, and medical specialty prior to purchase, upon request.
5. That the cardholder is obligated to pay for all medical services other than the discount offered by the DMPO card.
6. The name of the DMPO, its business address, and its toll-free customer service telephone number.

D. All marketing materials, advertisements, brochures, discount cards or other literature to be presented to prospective cardholders may not contain restrictions on access to program providers including waiting periods and notification periods.

E. All marketing materials, advertisements, brochures, discount cards or other literature to be presented to prospective cardholders may not include misleading, deceptive, or fraudulent representations regarding the discount, range of discounts, or access to the range of discounts offered by the DMPO.

F. All cardholder identification cards or other materials used to identify an individual as a cardholder must include, in boldface 8 point type, the statement “this is not insurance”.

SECTION V – ANNUAL FILING REQUIREMENTS

A. The DMPO shall submit the DMPO Annual Report no later than three (3) months after the end of the fiscal year.

B. The DMPO shall submit an updated list of contracted marketers, including address, phone number, e-mail address and name of contact person. Please note an updated list must be provided semi-annually.