

Discounted Health Care Services Plan Only Application Administrator and Insurer

TITLE 50: INSURANCE

- 1) Must file through SERFF. No paper applications will be accepted.
- 2) Must be filed under tax ID for the entity receiving certification.
- 3) Instructions for registering your entity and tax ID can be found here: https://Serff.com/Serff_getting_started.htm
- 4) TOI: Managed Care Entities Sub-TOI: Discount Health Care Service Plan
- 5) Select appropriate filing type: Initial, Renewal, or Update
- 6) Must set up EFT payment through SERFF. No paper checks will be accepted.

Name of Firm	Tax # (FEIN)	
Business Address (Number, Street, City, State & Zip)		
Phone	Fax	Email Address
Person Responsible for submitting application:		Phone

FEE REQUIREMENT	REFERENCE	COMMENTS	
		Insurer NOT required to pay fee	
Fee Required With Application	50 Ill. Adm. Code 2051.250	Initial registration fee of \$1,000 Renewal registration fee of \$500.00	
ADMINISTRATOR REQUIREMENTS	REFERENCE	COMMENTS	REFERENCE
	50 Ill. Adm. Code 2051.260		Please type or print where the information is located.
Signed Contracts	50 Ill. Adm. Code 2051.260(c)	Signed copies of all current administrative agreements with any entity with which the applicant contracts to provide services for or meet the requirements of this Act. Examples of these contracts may include, but are not necessarily limited to, agreements with other administrators, utilization review organizations, third party administrators, third party prescription program administrators, insurers, health maintenance organizations and health service corporations.	

ORGANIZATIONAL REQUIREMENTS	REFERENCE 50 Ill. Adm. Code 2051.270	COMMENTS	REFERENCE Please type or print where the information is located.
Organization Chart	50 Ill. Adm. Code 2051.270(a)	An organizational chart describing the relationship among the administrator, its parent organization and any affiliates, including the state of domicile and the primary business of each entity.	
Corporation Information	50 Ill. Adm. Code 2051.270(b)	Proof of registration with the Illinois Secretary of State and the company's FEIN.	
Biographical Affidavits	50 Ill. Adm. Code 2051.270(c)	A list of the names, addresses, official positions and biographical affidavits of the persons responsible for the conduct of the affairs of the administrator (as presented in the NAIC Biographical Affidavit Form).	
Office Location and Hours	50 Ill. Adm. Code 2051.270(d)	Location of the administrative offices of the administrator located in this State and regular business hours during which offices are open. If administrative offices are not in this State, then the name and address of the Agent for Service of Process filed with the Illinois Secretary of State.	

HEALTH CARE PREFERRED PROVIDER PROGRAM AGREEMENTS	REFERENCE 50 Ill. Adm. Code 2051.290	COMMENTS	REFERENCE Please type or print where the information is located.
Each applicant for registration shall file sample copies of all payor agreements, when applicable. Agreements at a minimum shall contain the following provisions.			
Covered Services/Beneficiary Payment Responsibility	50 Ill. Adm. Code 2051.290(a)	A provision identifying the specific covered health care services for which the preferred provider will be responsible, including any discount services, copayments, benefit maximums, limitations and exclusions, as well as any discount amount or discounted fee schedule reflecting discounted rates	
Provider Administrative Responsibilities	50 Ill. Adm. Code 2051.290(b)	A provision requiring the provider to comply with applicable administrative policies and procedures of the administrator including, but not limited to credentialing or recredentialing requirements; and, except for DHCS administrators, utilization review requirements, and referral procedures	
Provider Licensure Requirements	50 Ill. Adm. Code 2051.290(d)	A provision requiring providers to be licensed by the State, and to notify the administrator immediately whenever there is a change in licensure or certification status.	
Provider Contract Termination	50 Ill. Adm. Code 2051.290(f)	Termination provisions shall require: (1) Not less than 30 days prior written notice by either party who wishes to terminate the contract without cause; (2) That the administrator may terminate the provider contract for cause immediately; and (3) That the provider acting as primary care physician under plans requiring a gatekeeper option must provide the administrator with a list of all patients using that provider as a gatekeeper within 5 working days after the date that the provider either gives or receives notice of termination.	

Delegation of Rights Under the Contract	50 Ill. Adm. Code 2051.290(h)	A provision stating that the rights and responsibilities under the contract cannot be sold, leased, assigned, assumed or otherwise delegated by either party without the prior written consent of the other party. The provider's written consent must be obtained for any assignment or assumption of the provider contract whenever an administrator or insurer is bought by another administrator or insurer. A clause within the provider contract allowing assignment will be deemed consent so long as the assignment is in accordance with the terms of the contract. The assignee must comply with all the terms and conditions of the contract being assigned, including all appendices, policies and fee schedules.	
Liability and Malpractice Coverage	50 Ill. Adm. Code 2051.290(i)	A provision stating that the preferred provider has and will maintain adequate professional liability and malpractice coverage, through insurance, self-funding, or other means satisfactory to the administrator. The administrator must be notified within no less than 10 days after the provider's receipt of notice of any reduction or cancellation of the required coverage.	
Non-Discrimination	50 Ill. Adm. Code 2051.290(j)	A provision stating that the provider will provide health care services without discrimination against any beneficiary on the basis of participation in the preferred provider program, source of payment, age, sex, ethnicity, religion, sexual preference, health status or disability.	
Requirement for Provider Collection of Out-of-Pocket Amounts from Beneficiary	50 Ill. Adm. Code 2051.290(k)	A provision regarding the preferred provider's obligation, if any, to collect applicable copayments, coinsurance and/or deductibles from beneficiaries as provided by the beneficiary's health care services contract and to provide notice to beneficiaries of their personal financial obligations for non-covered services. This provision shall include any amount of applicable discounts or, alternatively, a fee schedule that reflects any discounted rates. For DHCSPs only, a provision that providers may not charge beneficiaries more than any applicable discounted rates in accordance with payment terms and provisions contained in a DHCSP agreement signed by a beneficiary.	
24/7 Accessibility	50 Ill. Adm. Code 2051.290(l)	A provision regarding any obligation to provide covered health services on a 24 hour per day, 7 day per week basis.	
Payment Obligations	50 Ill. Adm. Code 2051.290(m)	A provision clearly describing the administrator's and payor's payment obligations to the provider. For DHCSPs, neither administrators nor payors may pay providers for health care services provided to beneficiaries. For DHCSPs, neither administrators nor payors may accept money from a beneficiary for payment to a provider for specific health care services furnished or to be furnished to the beneficiary.	
Administrative Services	50 Ill. Adm. Code 2051.290(n)	A provision identifying the administrative services, if any, the administrator will perform and the types of information (financial, enrollment and utilization) that will be submitted to the provider as well as other information that is accessible to the provider.	

Arbitration Procedures	50 Ill. Adm. Code 2051.290(p)	A provision identifying applicable internal appeal or arbitration procedures for settling contractual disputes or disagreements between the administrator and preferred provider.	
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ADMINISTRATOR AGREEMENTS	REFERENCE 50 Ill. Adm. Code 2051.300	COMMENTS	REFERENCE Please type or print where the information is located.
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Each applicant for registration shall file sample copies of all payor agreements, when applicable. Agreements at a minimum shall contain the following provisions.

Due Diligence	50 Ill. Adm. Code 2051.300(a)	Before entering into a contract with another administrator to administer programs, policies or subscriber contracts in this State as provided by 215 ILCS 5/370i(b)(2), an administrator shall perform due diligence to ensure the other entity is properly registered under this Part or otherwise appropriately licensed under the Insurance Code.	
Terms for the Delegation of Rights Under the Contract	50 Ill. Adm. Code 2051.300(b)	Any provider contract or preferred provider program that is sold, leased, assigned, assumed or otherwise delegated must have the terms of that transaction affecting the provision of health care services by providers, including any additional discount, repricing or other consideration, clearly described in the contract. The administrator or payor accessing the provider network shall be contractually obligated to comply with all applicable terms, limitations and conditions of the provider network contract, including all appendices, policies and fee schedules. An administrator shall provide to the provider upon request a written or electronic list of all current payors to which the provider contract or program has been sold, leased, assigned, assumed or otherwise delegated.	
Administrator Marketing Responsibility	50 Ill. Adm. Code 2051.300(c)	An administrator shall approve in writing prior to use all advertisements, marketing materials, brochures and identification cards used by any other administrator to market, promote, sell or enroll members in its preferred provider program.	
Delegation of Rights Under the Contract	50 Ill. Adm. Code 2051.300(d)	No preferred provider program may be sold, leased, assigned, assumed or otherwise delegated to another administrator without the prior written consent of the providers contracting under the program. A clause within the provider contract allowing assignment will be deemed consent so long as the assignment is in accordance with terms of the contract. The assignee must comply with all the terms and conditions of the contract being assigned, including all checklists, policies and fee schedules.	

HEALTH CARE PREFERRED PROVIDER PROGRAM NETWORK AVAILABILITY AND ACCESS	REFERENCE 50 Ill. Adm. Code 2051.310	COMMENTS	REFERENCE Please type or print where the information is located.
Each applicant for registration shall file the following information and documents with the Director			
Method of Marketing	50 Ill. Adm. Code 2051.310(a)(1)	The method of marketing the program	
Geographic Map with Providers Marked	50 Ill Adm. Code 2051.310(a)(2)	A geographic map of the area proposed to be served by the program by county and zip code, including marked locations of preferred providers.	
List of Providers Names, Addresses and Specialties	50 Ill. Adm. Code 2051.310(a)(3)	The names, addresses and specialties of the providers who have entered into preferred provider agreements under the program;	
Number of Anticipated Beneficiaries	50 Ill. Adm. Code 2051.310(a)(4)	The number of beneficiaries anticipated to be covered by the providers listed in subsection (a)(3)	
Website and Telephone Number Requirements	50 Ill. Adm. Code 2051.310(a)(5)	An Internet website and toll-free telephone number for beneficiaries and prospective beneficiaries to access regarding up-to-date lists of preferred providers, additional information about the DHCS, as well as any other information necessary to conform to this Part. A plan shall identify specific providers in a beneficiary's area, confirm specific provider participation or provide a listing of preferred providers by mail. Preferred provider lists requested by phone must be sent within 3 working days. The up-to-date provider list applies to all providers that have entered arrangements to provide services under the program either directly, or indirectly through another administrator. Administrators' and insurers' Internet website addresses shall be prominently displayed on all advertisements, marketing materials, brochures, benefit cards and identification cards.	
Description of Accessibility and Availability of Network	50 Ill. Adm. Code 2051.310(a)(6)	A description of how health care services to be rendered under the preferred provider program are reasonably accessible and available to beneficiaries. Standards shall address:	
Type of Services to be Provided	50 Ill. Adm. Code 2051.310(a)(6)(A)	The type of health care services to be provided by the administrator	
Ratio of Providers to Beneficiaries	50 Ill. Adm. Code 2051.310(a)(6)(B)	The ratio of providers to beneficiaries by specialty, including primary care physicians, where applicable under the contract, necessary to meet the health care needs and service demands of the currently enrolled population.	
Greatest Travel Distance	50 Ill. Adm. Code 2051.310(a)(6)(C)	The greatest distance or time that the beneficiary must travel to access: (i) Preferred provider hospital services, where applicable under the contract; (ii) Primary care physician and woman's principal health care provider services, where applicable under the contract; (iii) Any applicable health care service providers.	
Policies for Closing a Network to New Providers	50 Ill. Adm. Code 2051.310(a)(6)(D)	Written policies and procedures for determining when the program is closed to new providers desiring to enter into preferred provider arrangements;	

Policies for Adding New Providers	50 Ill. Adm. Code 2051.310(a)(6)(E)	Written policies and procedures for adding providers to meet patient needs based on increases in the number of beneficiaries, changes in the patient to provider ratio, changes in medical and health care capabilities, and increased demand for services;	
Pre-Certification Penalty	50 Ill. Adm. Code 2051.310(a)(6)(K)	A limitation that, if the plan provides that the beneficiary will incur a penalty for failing to pre-certify inpatient hospital treatment, the penalty may not exceed \$1,000 per occurrence;	
Special Communication Needs	50 Ill. Adm. Code 2051.310(a)(6)(L)	Efforts to address the needs of beneficiaries with limited English proficiency and literacy and/or diverse cultural and ethnic backgrounds, and to comply with the Americans With Disabilities Act of 1990	
Identification Card	50 Ill. Adm. Code 2051.310(a)(6)(M)	A sample beneficiary identification card in conformity with the Uniform Health Care Service Benefits Information Card Act [215 ILCS 139], and the Uniform Prescription Drug Information Card Act [215 ILCS 138] when pharmaceutical services are provided as part of the program's health care services.	
Administrative Consent Clause	50 Ill. Adm. Code 2051.310(b)	If an administrator is leasing, buying or otherwise using another administrator's or insurer's program, and the required information has previously been filed by the other administrator or insurer, then only the administrative agreement and verification that the providers have consented to the agreement pursuant to Section 2051.300(d) need to be filed. A clause within the provider contract allowing assignment will be deemed consent in the absence of material modification of the provider's obligations under the contract.	

DISCOUNTED HEALTH CARE SERVICES PLAN AGREEMENTS	REFERENCE 50 Ill. Adm. Code 2051.320	COMMENTS Only those administrators that also provide DHCS benefits must comply with the requirements of Section 2051.320.	REFERENCE Please type or print where the information is located.
Each applicant for registration shall file sample copies of all DHCS agreements, when applicable. Agreements at a minimum shall contain the following provisions.			
Written Agreement Required	50 Ill. Adm. Code 2051.320(a)	A DHCS administrator shall have a written agreement between the administrator and its beneficiaries that specifies the benefits a beneficiary is to receive under the DHCS.	
Cancellation Rights	50 Ill. Adm. Code 2051.320(b)(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)	
No Restrictions on Access to Providers	50 Ill. Adm. Code 2051.320(b)(2)	A provision establishing that beneficiaries will have free access to DHCS providers without restrictions to waiting periods, notification periods, etc. (except for hospital discounts).	

Method of Payment/ Electronic Fund Transfer Limitation	50 Ill. Adm. Code 2051.320(b)(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	
DOI Complaint Filing	50 Ill. Adm. Code 2051.320(b)(4)	The procedures for filing complaints with the plan and the availability and contact information for the Illinois Department of Insurance. The procedures must contain, at a minimum, a statement that the DHCSP shall provide specific contact information for the Department upon request.	
DHCSP pro rata reimbursement	50 Ill. Adm. Code 2051.320(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	
Required Disclosures	50 Ill. Adm. Code 2051.320(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	
Not an Insurance Policy	50 Ill. Adm. Code 2051.320(d)(1)	That it is not insurance;	
Providers and Services	50 Ill. Adm. Code 2051.320(d)(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;	
The Plan Does Not Make Payments to Providers	50 Ill. Adm. Code 2051.320(d)(3)	That the plan does not make payments directly to the providers of discounted health care services;	
Beneficiary Must Pay for All Discounted Services	50 Ill. Adm. Code 2051.320(d)(4)	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.	
Toll-Free Number and Website Access	50 Ill. Adm. Code 2051.320(d)(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.	
Itemized Discounted Health Care Services Plan Costs	50 Ill. Adm. Code 2051.320(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.	
Limitation on Fees	50 Ill. Adm. Code 2051.320(f)	Any initial one-time processing, administrative or other such non-regular or periodic charge may not exceed \$30.	

Listing of Private Label Marketers	50 Ill. Adm. Code 2051.320(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 the contracts. A listing of private label marketers must contain: (1) the name, address and FEIN of the private label marketers; (2) any DBA used by the private label marketer; and (3) all product names used by the private label marketer.	
Administrator Responsibilities for Private Label Marketers	50 Ill. Adm. Code 2051.320(h)	A DHCSP administrator shall ensure that any private label marketer who it identifies under subsection (g) or with whom it has an obligation to identify under subsection (g): (1) prominently discloses within all descriptions of benefits and member materials the name of any 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.	
Private Label Marketers Not Identified	50 Ill. Adm. Code 2051.320(i)	A private label marketer that is not identified as such pursuant to subsection (g) must register as a DHCSP administrator under this Part.	
Participating Provider Listings	50 Ill. Adm. Code 2051.320(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.	

FIDUCIARY AND BONDING REQUIREMENTS	REFERENCE 50 Ill. Adm. Code 2051.340	COMMENTS	REFERENCE Please type or print where the information is located.
Holder of Bond	50 Ill. Adm. Code 2051.340(c)(2)	The bond shall be held by the Director in favor of the beneficiaries and payors of services under the preferred provider program operated by the administrator. The bond shall be executed by a surety company and payable to any party injured under the terms of the bond.	

Declaration:

The undersigned declares that the statements made in this application are true, correct and complete to the best of his/her knowledge and belief.

Signature

Date

Print Name and Title

Phone

(Source: Amended at 43 Ill. Reg. 11356, effective September 24, 2019)