

HEALTH CARE DISCOUNT PLAN ORGANIZATION APPLICATION

COMPANY INFORMATION	
1. Legal Name:	
2. DBA Name(s): (If applicable)	
3. Federal Tax Identification Number (FEIN): RCW 48.155.020(2)(b)(iv)	
4. Domicile Address: (Address where the entity was legally formed) RCW 48.155.020(2)(b)(iv)	
5. Physical Address: RCW 48.155.020(2)(b)(iv)	
6. Mailing Address: RCW 48.155.020(2)(b)(iv)	
7. Toll-Free Telephone Number: RCW 48.155.090(3)(a)(v)	
8. Website URL: RCW 48.155.070(2) RCW 48.155.090(3)(a)(v)	
9. Primary Contact Person: Name, Phone, Email Address required	
10. Designated Compliance Officer: Name, Address, Telephone Number, Email Address required RCW 48.155.120	

REQUIRED DOCUMENTATION	
11. Attach a supplemental document for all questions below, in the order presented. Use the check box to indicate enclosure of the information.	Relevant Statute
<input type="checkbox"/> A. Legal Formation Documents (such as Articles of Incorporation, LLC Certificate). Include <u>all</u> amendments.	RCW 48.155.020(2)(b)(ii)
<input type="checkbox"/> B. Internal Governance Documents (such as current By-Laws, Operating Agreement). Include <u>all</u> amendments.	RCW 48.155.020(2)(b)(iii)
<input type="checkbox"/> C. A current Certificate of Good Standing from the domiciliary state's Secretary of State.	RCW 48.155.020(2)(b)(xvi)
<input type="checkbox"/> D. A Certificate of Existence from the Washington Secretary of State.	RCW 48.155.020(2)(b)(xvi)
<input type="checkbox"/> E. A listing of all states in which the applicant is, or at any time was, engaged in the business of a Discount Plan Organization.	RCW 48.155.020(2)(b)(xvi)
<input type="checkbox"/> F. A listing showing all discount plan licenses held or applied for by the applicant from any governmental agency. For each licensing authority, include the dates of licensure, current licensure status, and a copy of each license.	RCW 48.155.020(2)(b)(xvi)

ORGANIZATIONAL STRUCTURE	
12. Attach a supplemental document for all questions below, in the order presented. Use the check box to indicate enclosure of the information.	Relevant Statute
<input type="checkbox"/> A. A complete organization chart showing: <ul style="list-style-type: none"> • All significant shareholders, • Owners, and • Affiliates of the applicant <p>Include the percentage of ownership of every person and entity in the chart.</p>	RCW 48.155.020(2)(b)(xvi)

<input type="checkbox"/> B. A list of names for each of the directors and officers, significant shareholders, or owners of the applicant. Include any person or entity owning (or having the right to acquire) 10% or more of the voting securities of the applicant.	RCW 48.155.020(2)(b)(v)
<input type="checkbox"/> C. For each person listed in 11.B, attach a completed NAIC Form 11 Biographical Affidavit, available through the NAIC website .	RCW 48.155.020(2)(b)(vi)
<input type="checkbox"/> D. A disclosure of the extent and nature of any contracts or arrangements between any individual who is responsible for conducting the applicant's affairs and the discount plan organization, including all possible conflicts of interest. If no such conflict exists, so state.	RCW 48.155.020(2)(b)(v)(B)

FINANCIALS AND INDEMNITY	
13. Attach a supplemental document for all questions below, in the order presented. Use the check box to indicate enclosure of the information.	Relevant Statute
<input type="checkbox"/> A. A copy of the applicant's most recent audited financial statement. The statement must show a minimum of net worth of \$150,000. Note: If the applicant has a publicly traded parent entity which prepares consolidated audited financial statements, the applicant may submit the parent entity's audited financial statements in lieu of its own. In addition, a written guaranty that the minimum capital requirements under RCW 48.155.030 will be met by the parent entity must be provided.	RCW 48.155.020(2)(b)(xii) RCW 48.155.030 WAC 284-155-020
<input type="checkbox"/> B. Each licensed discount plan organization shall have <u>one</u> of the following forms of indemnification: <ul style="list-style-type: none"> A surety bond of at least \$35,000 to be used in the discretion of the Insurance Commissioner to protect the financial interest of WA members, or Note: This bond must be issued by an insurance company holding a Washington Certificate of Authority, and the bond must be in the legal name of the discount plan organization. Establish a depository account with the Insurance Commissioner, maintaining a market value of at least \$35,000. For either method, use the prescribed form available through our website .	RCW 48.155.040 WAC 284-155-025

OPERATIONS	
14. Attach a supplemental document for all questions below, in the order presented. Use the check box to indicate enclosure of the information.	Relevant Statute
<input type="checkbox"/> A. A summary description of the applicant, its facilities, personnel, and the health care services for which a discount will be made available under each discount plan.	RCW 48.155.020(2)(b)(vii)
<input type="checkbox"/> B. A full description of the established and maintained member complaint procedures.	RCW 48.155.020(2)(b)(xiv)
<input type="checkbox"/> C. A full disclosure of the following: <ul style="list-style-type: none"> • The existence and amount of any periodic charge or processing fee for the applicant's discount plan, and • Cancellation provisions, and • Refund provisions 	RCW 48.155.060(1), (2), (3)

MARKETING	
15. Attach a supplemental document for all questions below, in the order presented. Use the check box to indicate enclosure of the information.	Relevant Statute
<input type="checkbox"/> A. A description of the proposed methods of marketing including, but not limited to: <ul style="list-style-type: none"> • The use of marketers • Use of the internet • Sales by telephone • Sales by electronic mail • Sales by facsimile machine • Use of salespersons to market the discount plan benefits 	RCW 48.155.020(2)(b)(xiii)
<input type="checkbox"/> B. A list with the name, address, telephone number, and email address of all persons who will market each discount plan offered by the applicant. <ul style="list-style-type: none"> • If the person who will market a discount plan is an entity, identify the entity, and • If the marketer will be using a website approved by the applicant, please include the marketer's website address. 	RCW 48.155.020(2)(b)(x) RCW 48.155.020(2)(b)(xvi)

<p>This list must be maintained and updated within 60 days of <u>any</u> change in the information.</p> <p>An updated list must be enclosed with <u>all</u> future renewal applications.</p>	
<p><input type="checkbox"/> C. A copy of the form of (e.g., a sample contract) of any contract made or to be made between the applicant and any person, corporation, partnership, or other entity performing any function for the provision of health care services to members and discounts to be made available to members, including but not limited to the following functions:</p> <ul style="list-style-type: none"> • Marketing • Enrollment • Administration • Subcontracting <p>The applicant must cite the location of the contract provisions required under RCW 48.155.080(2)(b) for each contract.</p>	<p>RCW 48.155.020(2)(b)(xi) RCW 48.155.080(2)</p>

HEALTH CARE PROVIDER AGREEMENTS & CONTRACTS	
<p>16. Attach a supplemental document for all questions below, in the order presented. Use the check box to indicate enclosure of the information. <u>Please note:</u> Health Care Provider Agreements must have complete citations upon submission.</p>	<p>Relevant Statute</p>
<p><input type="checkbox"/> A. A current list of all in-force or proposed direct agreements between the DPO to Healthcare Providers.</p> <p>Provide a copy of the form for each agreement.</p> <p>If no agreements are executed, provide a sample or template of the agreement.</p> <p>The applicant must cite the location of the following required provisions:</p> <ul style="list-style-type: none"> • A list of the health care services and products to be provided at a discount, • The amount (or amounts) of the discounts, or; <ul style="list-style-type: none"> ○ A fee schedule that reflects the health care provider's discounted rates, • That the health care provider may <u>not</u> charge members more than the discounted rate. 	<p>RCW 48.155.020(2)(b)(viii) RCW 48.155.070(1)(b)(iii) RCW 48.155.020(2)(b)(xvi)</p>

<p><input type="checkbox"/> B. A current list of all in-force or proposed agreements between the DPO and Healthcare Provider Networks.</p> <p>Provide a copy of the form for each agreement.</p> <p>If no agreements are executed, provide a sample or template of the agreement.</p> <p>The applicant must cite the location of the following required provisions:</p> <ul style="list-style-type: none"> • Authorization for the health care provider network to contract with the DPO on behalf of the health care provider; • Requires the health care provider network to maintain an up-to-date list of its contracted health care providers <u>and</u> to provide this list monthly to the DPO; • The agreement(s) must require that the downstream contract(s) between the Healthcare Provider Network and its healthcare providers contain the following: <ul style="list-style-type: none"> ○ A list of the health care services and products to be provided at a discount; ○ The amount (or amounts) of the discounts, or; <ul style="list-style-type: none"> ▪ A fee schedule that reflects the health care provider's discounted rates. ○ That the health care provider may <u>not</u> charge members more than the discounted rate. 	<p>RCW 48.155.070(1)(c)(i-iii) RCW 48.155.020(2)(b)(xvi)</p>
<p><input type="checkbox"/> C. A current list of all in-force or proposed agreements between the DPO and Intermediary Entities which give the DPO access to the Intermediary's Healthcare Provider Network(s).</p> <p>Provide a copy of the form for each agreement.</p> <p>If no agreements are executed, provide a sample or template of the agreement.</p> <p>The applicant must cite the location of the following required provisions:</p> <ul style="list-style-type: none"> • Requires the downstream Intermediary-to-Provider Network agreement to include: <ul style="list-style-type: none"> ○ Authorization for the health care provider network to contract with the DPO on behalf of the health care provider; ○ Requires the health care provider network to maintain an up-to-date list of its contracted health care providers <u>and</u> to provide this list monthly to the DPO; 	<p>RCW 48.155.070(1)(d), RCW 48.155.020(2)(b)(xvi)</p>

<ul style="list-style-type: none"> ○ The agreement must require that the downstream Provider Network-to-Healthcare Providers agreement contains the following: <ul style="list-style-type: none"> ▪ A list of the health care services and products to be provided at a discount; ▪ The amount (or amounts) of the discounts, or; <ul style="list-style-type: none"> • A fee schedule that reflects the health care provider's discounted rates. ▪ That the health care provider may <u>not</u> charge members more than the discounted rate. 	
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GENERAL QUESTIONS

Please acknowledge your agreement by answering "Yes" or "No" to each of the following questions.

Note: False or misleading statements may result in denial of application, loss of registration, and/or other action or penalty.

17. Are there any formal or informal regulatory actions, pending or which have been taken, against the applicant or any of its officers, directors, trustees, partners, or members by any governmental agency? **RCW 48.155.020(6)(a)(i)(B)**

☐ Yes

☐ No

18. Has the applicant or any of its officers, directors, trustees, partners, or members been convicted of any criminal or civil offenses (other than minor traffic violations)? **RCW 48.155.020(6)(a)(i)(B)**

☐ Yes

☐ No

19. Are there any pending criminal or civil actions (other than minor traffic violations) against the applicant or any of its officers, directors, trustees, partners, or members? **RCW 48.155.020(6)(a)(i)(B)**

☐ Yes

☐ No

20. Are there any formal or informal regulatory actions, including denial or suspension of a registration, pending or which have been taken, against the applicant by any governmental agency? **RCW 48.155.020(10)**

☐ Yes

☐ No

STATEMENTS OF UNDERSTANDING

Please read the following Statements of Understanding.

Issuance of a Health Care Discount Plan Organization License requires understanding each of the below statements and other applicable statutes under Chapter 48.155 RCW and 284-155 WAC.

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| <ul style="list-style-type: none"> ▪ The applicant must complete the attached Service of Process Designation, using the Insurance Commissioner's prescribed form. | RCW 48.155.020(3) |
| <ul style="list-style-type: none"> ▪ All websites, advertisements, marketing efforts, promotions, marketing materials, discount plan documents, brochures, discount plan cards, and any other communication provided to prospective members and members will conform to the provisions of the Chapter. | RCW 48.155.070
RCW 48.155.090 |
| <ul style="list-style-type: none"> ▪ The Insurance Commissioner may conduct investigations as deemed necessary, and at the expense of the DPO, to determine whether any person has violated any provision of this chapter. | RCW 48.155.050 |
| <ul style="list-style-type: none"> ▪ The applicant is required to maintain detailed books and records of: <ul style="list-style-type: none"> ○ All Washington transactions. ○ All contracts or agreements with providers of the services under a discount plan offered in Washington or sold to Washington residents. ○ All telephone scripts for marketing activities to which this chapter applies. ○ The applicant shall maintain the books and records for at least two years. | RCW 48.155.050
WAC 284-155-030 |
| <ul style="list-style-type: none"> ▪ The applicant is bound by and responsible for the activities of any marketer, and that it must provide prior written approval for all advertisements, marketing materials, brochures, and discount cards used by any marketer. | RCW 48.155.080 |
| <ul style="list-style-type: none"> ▪ The applicant must conduct all business in its own legal name. This includes, but is not limited to, all written communications, and requires prominent display of the full legal name. | RCW 48.155.090 |
| <ul style="list-style-type: none"> ▪ The applicant must not state, characterize, or imply that its benefits are insurance. It may not utilize certain terms commonly associated with the business of insurance. | RCW 48.155.090 |
| <ul style="list-style-type: none"> ▪ The applicant must not state, suggest, or imply that any DPO or plan has the approval or endorsement of the Office of Insurance Commissioner. | RCW 48.155.090(2)(d) |

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| <ul style="list-style-type: none"> ▪ The applicant will abide by the provisions of this Chapter. Any failure to adhere to the statutory requirements constitutes grounds for disciplinary action, including suspension, revocation, or non-renewal of the license. | <p>RCW 48.155.050(4)
 RCW 48.155.110(3)(b)
 RCW 48.155.130</p> |
| <ul style="list-style-type: none"> ▪ The applicant must provide at least 30 days' advance notice of any change in the discount plan organization's: <ul style="list-style-type: none"> ○ Legal Name ○ Domicile, principal business, or mailing addresses ○ Toll-free telephone number ○ Internet website address/addresses | <p>RCW 48.155.100</p> |
| <ul style="list-style-type: none"> ▪ The applicant may charge a periodic membership fee. In addition, it may charge a one-time processing fee of no more than \$30.00. | <p>RCW 48.155.060(1)</p> |
| <ul style="list-style-type: none"> ▪ The applicant must provide written documents that contain all Terms and Conditions of the Discount Plan to each member within 14 days of enrollment. These documents must include a list of all charges and fees. | <p>RCW 48.155.060(1)
 RCW 48.155.090(4)(b)
 RCW 48.155.090(4)(a)(ii)</p> |
| <ul style="list-style-type: none"> ▪ The applicant must file its annual report no later than March 31st of the following year. | <p>RCW 48.155.110</p> |
| <ul style="list-style-type: none"> ▪ An Application fee of \$250 is required upon submission. The fee is non-refundable regardless of the disposition of the application. | <p>RCW 48.155.020(2)(b)(i)</p> |

CERTIFICATION

I declare under penalty of perjury under the laws of the state of Washington that I am duly authorized to make this application on behalf of the applicant, that the foregoing statements and information regarding the applicant and the contents of all attachments are true and correct.

Signature of Company Officer

Printed Full Legal Name

Title

State of _____

County of _____

Signed and Sworn to (or affirmed) before me this _____ day of _____ 20____ By

Name of person making statement

Notary Public Signature

My Commission Expires: _____

(Seal or Stamp)



OFFICE of the
INSURANCE
COMMISSIONER
WASHINGTON STATE

STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER
APPOINTMENT OF ATTORNEY TO ACCEPT SERVICE

Entity Legal Name: _____

Home Office Address: _____

City, State, Zip: _____ WA OIC # _____

The Entity is authorized to transact business in Washington under Title 48 RCW as a:

<i>Licensee/Registrant Type</i>	<i>Statute governing the appointment</i>
<input type="checkbox"/> Service Contract Provider	RCW 48.110.030
<input type="checkbox"/> Protection Product Guarantee Provider	RCW 48.110.055
<input type="checkbox"/> Life Settlement Provider	RCW 48.102.011
<input type="checkbox"/> Reinsurance Intermediary Broker/Manager	RCW 48.94.010
<input type="checkbox"/> Healthcare Discount Plan Organization	RCW 48.155.020
<input type="checkbox"/> Charitable Gift Annuity Issuer	RCW 48.38.010
<input type="checkbox"/> Risk Purchasing Group	RCW 48.92.080
<input type="checkbox"/> Risk Retention Group	RCW 48.92.040
<input type="checkbox"/> Health Care Benefit Manager	RCW 48.200.300
<input type="checkbox"/> Rating Organization	RCW 48.19.170

The Entity is duly organized under the laws of the State of _____. The Entity hereby appoints the Insurance Commissioner of the State of Washington, and any successor in office, as its lawful attorney to receive service of all legal process issued against it in the state of Washington upon causes of action arising within the state of Washington. Service upon the Commissioner as attorney constitutes service upon the Provider.

The Entity designates the following natural or corporate person to whom the Commissioner must forward legal process so served on him or her:

Legal Name: _____

Email Address: _____

Street Address: _____

City, State, Zip: _____

The appointment of the Insurance Commissioner of the State of Washington as attorney is irrevocable, binds any successor in interest or to the assets or liabilities of the Entity, and remains in effect for as long as there could be any cause of action against the Entity arising out of any of the Entity's contracts, transactions or obligations in this state. This designation will remain in place until the Entity files a new designation. Any service of process will be accomplished and processed in accordance with RCW 48.02.200.

I acknowledge that I am authorized to execute and am executing this document on behalf of the Entity. IN WITNESS OF THIS APPOINTMENT, the Entity has caused this instrument to be executed in its name by the undersigned at the City of _____, in the State of _____, this _____ day of _____, 20_____.

Signature of Authorized Person: _____

Printed Name: _____

Title: _____