



APPLICATION FOR LICENSURE AS A HEALTH CARE DISCOUNT PLAN

To apply for a Health Care Discount Plan Organization license in the state of Washington, please provide the information and documentation in the order requested on the application. The Office of the Insurance Commissioner (OIC) will examine the application promptly for completeness and compliance as prescribed by Washington requirements.

The application must include the commissioner's prescribed [service of process designation form](#), available through our website, per RCW 48.155.020(3).

As specified under RCW 48.155.020(6), the OIC has ninety days from submission of a completed application to either issue a license if the applicant meets all the requirements for licensure or disapprove the application and state the grounds for disapproval. Applications must be complete upon submission.

All information contained within your submission is a matter of public record. Marking any material as "private" or "confidential" does not preclude its availability or its status as a public document. You can access more information about [Public Record Requests](#) on our website.

Application Submission

The current edition of the prescribed application form is required to ensure conformance with changes to laws and administrative rules. We will not accept outdated forms.

Download and save the application form. Complete the application document with the necessary information, then save and print. After signature by an authorized officer, scan the application form, all required documentation, and any cover letter into a single Adobe® pdf document for electronic submission via email.

- Address the email to CLC@oic.wa.gov.
- The subject line must state "Health Care Discount Plan Application of <your company's legal name>".
- Attach the pdf and send.

\$250.00 Fee Payment

A non-refundable application fee of \$250.00 is required, per RCW 48.155.020(2)(b)(i). Please remit payment to one of the following addresses:

Mailing address:

Attn: Company Supervision Division
Office of the Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255

Delivery (Street) Address:

Attn: Company Supervision Division
Office of the Insurance Commissioner
5000 Capitol Blvd SE
Tumwater, WA 98501

Note: USPS will only accept the PO Box mailing address, and does not allow other shippers to use that address. All non-USPS shippers must use the Street Address. Use of an incorrect address may result in a returned application fee.

Important!

Before conducting discount plan business, a person must obtain a license from the commissioner to operate as a discount plan organization, per RCW 48.155.020(1).

Prior to licensure, RCW 48.155.020(7) requires health care discount plan applicants to establish an internet website to conform to the requirements of RCW 48.155.070(2).

Once Licensed

As required under RCW 48.155.100, each Health Care Discount Plan Organization must provide the OIC at least thirty days advance notice of any change in the organization's name, address, principal business address, mailing address, toll-free telephone number, or internet website address.

Under RCW 48.155.020(8), a license is effective for up to one year, unless prior to its expiration on June 30 the license is renewed, suspended, or revoked. Licenses issued or renewed on or after July 1, 2010, will be subject to renewal annually on July 1. If not renewed, the license will automatically expire on the renewal date.

Each Health Care Discount Plan Organization must submit a renewal application form and a two hundred dollar renewal application fee, at least ninety days before its license expires, per RCW 48.155.020(8) and WAC 284-155-015(2).

If the information required in the annual report is not provided at the time of renewal of a license, a discount plan organization must file an annual report and pay a \$20.00 annual reporting fee no later than March 31 of the following year, per RCW 48.155.110 and WAC 284-155-015(4).

Questions?

For all questions or requests for additional information, please contact a [Company Licensing Specialist](#) (select "Company applications" in the dropdown) or phone 360-725-7200.

Application is hereby made for issuance of a license as a Health Care Discount Plan Organization in the State of Washington.

HEALTH CARE DISCOUNT PLAN BASIC INFORMATION	
1. Legal Name:	
2. DBA or Alternate Name(s): (If none, so state)	
3. Federal Tax Identification Number (FEIN):	
4. Domicile Address:	
5. Physical location/business address:	
6. Mailing Address:	
7. Toll-Free Telephone number: RCW 48.155.090(3)(v)	
8. Website Address: (Website must identify the names and addresses of contracted health care providers. RCW 48.155.070(2), RCW 48.155.090(3)(v)).	
9. Contact Person: (Name, Phone, Email Address required)	

REQUIRED DOCUMENTATION

10. *Attach the referenced items in the order presented below. Use the check box to indicate enclosure of the information.*

- A.** Legal Formation Documents (such as Articles of Incorporation, LLC Certificate). Include all amendments. RCW 48.155.020(2)(b)(ii).
- B.** Internal Governance Documents (such as current By-Laws, Operating Agreement). RCW 48.155.020(2)(b)(iii).
- C.** A current Certificate of Good Standing from the domiciliary state’s Secretary of State. RCW 48.155.020(2)(b)(xvi).
- D.** A Certificate of Registration from the Washington Secretary of State. RCW 48.155.020(2)(b)(xvi).
- E.** A completed Service of Process designation. Please use the commissioner’s [Service of Process Designation](#) form. RCW 48.155.020(2)(b)(xv),RCW 48.155.020(3).
- F.** A complete organization chart showing all significant shareholders, owners, and affiliates of the applicant and percentage of ownership of every person and entity in the chart. RCW 48.155.020(2)(b)(xvi).
- G.** A list of names, addresses, telephone number, and official position and occupation, for each of the directors and officers of the applicant. RCW 48.155.020(2)(b)(v).

For each individual listed, attach a completed Biographical Affidavit. Use the prescribed Form 11 available through the [NAIC Website](#). RCW 48.155.020(2)(b)(vi).

- H.** A complete listing of all significant shareholders or owners, including percentage of ownership. 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).

For each individual listed, attach a completed Biographical Affidavit. Use the prescribed Form 11 available through the [NAIC Website](#). RCW 48.155.020(2)(b)(vi).

- I.** 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).
- J.** A copy of the form of any contract made or arrangement to be made between the applicant and any individual responsible for conducting the applicant's affairs, including all members of the board of directors, board of trustees, executive committee, or other governing board or committee, the officers, contracted management company personnel, and any person or entity owning or having the right to acquire ten percent or more of the voting securities of the applicant. RCW 48.155.020(2)(b)(ix).
- K.** The name, address, and *direct* contact information (telephone and email) of the designated compliance officer responsible for ensuring compliance. RCW 48.155.120.
- L.** 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)
- M.** A current listing and copy of all contracts made between the applicant and any health care providers or health care provider networks regarding the provision of health care services to members and discounts to be made available to members. RCW 48.155.020(2)(b)(viii), RCW 48.155.070(1).
- N.** Provide a list with the name, address, telephone number, and email address of all persons who will market each discount plan offered by the applicant. If the person who will market a discount plan is an entity, identify the entity. RCW 48.155.020(2)(b)(x). 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)(xvi).

This list must be maintained and updated within sixty days of any change in the information. An updated list must be sent to the commissioner as part of the discount plan organization's renewal application. RCW 48.155.020(2)(b)(x).

- O.** A copy of any contract made or to be made between the applicant and any person, corporation, partnership, or other entity performing any function, including marketing, administration, enrollment, and subcontracting for the provision of health care services to members and discounts to be made available to members. RCW 48.155.020(2)(b)(xi), RCW 48.155.080(2).
- P.** A description of the proposed methods of marketing including, but not limited to, describing the use of marketers, use of the internet, sales by telephone, electronic mail, or facsimile machine, and use of salespersons to market the discount plan benefits. RCW 48.155.020(2)(b)(xiii).
- Q.** A full description of the established and maintained member complaint procedures. RCW 48.155.020(2)(b)(xiv).
- R.** A full disclosure of the existence and amount of any periodic charge or processing fee for the applicant's discount plan. RCW 48.155.060.
- S.** Identification (including name, address, telephone number, and website address) of each provider or provider network for each plan offered. For each contracted entity, include a copy of the written agreement. Each agreement must meet all provisions under RCW 48.155.070.

- T.** A copy of the applicant's most recent audited financial statement. The statement must show a minimum of net worth of \$150,000. RCW 48.155.020(2)(b)(xii), RCW 48.155.030, WAC 284-155-020.

Note: If the applicant is an affiliate of a parent entity that is publicly traded and that prepares audited financial statements reflecting the consolidated operations of the parent entity, the applicant may submit the audited financial statement of the parent entity and a written guaranty that the minimum capital requirements required under RCW 48.155.030 will be met by the parent entity instead of the audited financial statement of the applicant.

- U.** Each licensed discount plan organization shall have one of two forms of indemnification. RCW 48.155.040, WAC 284-155-025:
- A surety bond in its own name in an amount not less than \$35,000 to be used in the discretion of the commissioner to protect the financial interest of WA members. The bond must be issued by an insurance company holding a WA Certificate of Authority; or
 - In lieu of the bond, a licensed discount plan organization may establish a depository account with the commissioner, continually having a market value of not less than \$35,000.

For either method, use the prescribed form available through our [website](#).

- V.** 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).
- W.** 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).

GENERAL QUESTIONS

Please answer "Yes" or "No" to each of the following questions. False or misleading answers may result in denial of application, loss of licensure, and/or other action or penalty.

- 11.** 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? Yes No
- 12.** 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)? Yes No
- 13.** 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? Yes No
- 14.** 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? Yes No

If the answer is Yes, to any of the above, attach a supplementary statement of explanation.

STATEMENTS OF UNDERSTANDING

Please acknowledge your agreement by answering "Yes" or "No" to each of the following questions. False or misleading statements may result in denial of application, loss of licensure, and/or other action or penalty.

- 15.** The DPO understands that the 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. Yes No
- 16.** The DPO understands that it is required to maintain detailed books and records of all Washington transactions, all contracts or agreements with providers of the services under a discount plan offered in Washington or sold to Washington residents, and all telephone scripts for marketing activities to which this chapter applies. The discount plan organization shall maintain the books and records for at least two years. RCW 48.155.050, WAC 284-155-030. Yes No
- 17.** The DPO understands that it is bound by and responsible for the activities of any marketer, and that the DPO must provide prior written approval for all advertisements, marketing materials, brochures, and discount cards used by any marketer. RCW 48.155.080. Yes No
- 18.** The DPO understands that it 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. Yes No
- 19.** The DPO understands that it may not state, characterize, or imply that its benefits are insurance. It may not utilize certain terms commonly associated with the business of insurance. It may 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. Yes No
- 20.** The DPO understands and will abide by provisions of this Chapter. It agrees that any failure to adhere to the statutory requirements constitutes grounds for disciplinary action, including suspension, revocation, or non-renewal of the license. RCW 48.155.050(4), RCW 48.155.110(3)(b) RCW 48.155.130. Yes No
- 21.** The DPO agrees to provide at least 30 days' advance notice of any change in the discount plan organization's name, address, principal business address, mailing address, toll-free telephone number, or internet web site address. RCW 48.155.100. Yes No
- 22.** The DPO has included the application fee of \$250 within this submission, and understands that the fee is non-refundable regardless of the disposition of the application. RCW 48.155.020(2)(b)(i). Yes No

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 - My Commission Expires:

(Seal or Stamp)

*In addition to penalties for perjury, RCW 48.155.020 authorizes the Commissioner to deny, suspend, or revoke licensure if the provider does not meet the requirements of RCW 48.155, has violated RCW 48.01.030, RCW 48.30, and any applicable provisions of Title 284 WAC.