Operator Application

Health Discount Program

Every section must be completed or marked with N/A (Not Applicable) and an appropriate explanation provided.

Section 1 - Fees and Application Submission

Section 1-1 Licensing Fees

Initial license: *$300*. The fee may be paid with a check or via credit card. To make a credit card payment, please call 801-957-9217 after receiving an invoice. The invoice will be provided upon receipt of the application. The application will not be considered until the fee is paid.

License Renewal: *$450*. Licenses renew annually December 31, regardless of when the initial license is issued during the year. Invoices will be emailed in mid-November. The renewal application must be submitted and the fee must be paid no later than the due date on the invoice. Late renewals are subject to late fees and possible administrative action for conducting unlicensed business.

Section 1-2 Application Submission

All submissions must be complete and packaged into **one** PDF document that includes the application, checklist, and required documents described below. Applications will be reviewed within 30 days of receipt. You will be notified by email if additional information is required. You are required to respond within 14 days with any additional information requested. If you fail to provide requested information, the application will be denied and the fees paid will be forfeited.

Please identify each attachment by the section number reference. For instance, 3-1 would identify the Articles of Incorporation.

The license fee will be invoiced to you once we receive your application. The invoice is due upon receipt. Please send an email to hdp@utah.gov as evidence the invoice has been paid, so the application process can continue.

Section 2 –Biographical Information

Entity Type: *Select one*

- ☐ Corporation
- ☐ Limited Liability Company
- ☐ Sole Proprietorship
- ☐ Limited Liability Partnership
- ☐ Limited Partnership
- ☐ Association

Legal Name of Applicant: _____

Name(s) of any/all aliases: _____

EIN: _____

State of Incorporation: _____

Primary Contact. The authorized person responsible for certifying that the Applicant is compliant with Utah statutes and rules.

The email provided in this section will be used for all correspondence.

Name: _____ ***Email address**: _____

Address: _____

Phone: _____ Fax: _____

Mailing Address: _____

Business Address: _____

Licenses are required to report address, email and phone changes within 30 days as required by 31A-23a-412(1)(c) and R590-244-13(2).

Toll Free Phone Number for Members and Providers: _____

Applicant Website Address: _____

Is the Health Discount Program a dental office or physician office offering a health discount program to patients? Yes___ No___

Section 3 - Legal

Section 3-1 Authorized to transact business in Utah

Provide evidence of compliance a person is authorized to transact business in Utah.

Division of Corporations and Commercial Code

Section 3-2 Articles of Incorporation and By-Laws

Provide the applicant's Articles of Incorporation or other organizing documents, including all amendments. Include an executed copy of the By-Laws, Constitution or Operating Agreement in this section.

Section 3-3 Complete list of Principals

Include the following identify information; names, addresses, email addresses, phone numbers.

Section 3-4 Owners/Biographical Affidavits

Submit a biographical affidavit for each person owning 10% or more of the applicant. The form to use is found at: https://content.naic.org/sites/default/files/ucaa-industry-naic-biographical-affidavit.pdf

☐ Applicant is solely owned by another legal entity. In this instance, no biographical affidavits are

- Provide the name, address and phone number for the solely owned legal entity.
  Legal entity ownership information:
  Legal entity name:_____
  Complete address: _____
  Contact person, include phone and email: _____
  _____

Section 3-5 Managers

Provide a list of managers/supervisors responsible for the day-to-day operations.

Section 3-6 Background Questions

1. Has the Applicant or any of its officers, owners, directors, trustees, partners or managers ever been convicted of any criminal offense? Yes___ No___
   If "Yes," provide documentation showing the charges and resolution of the offense.

2. Has the Applicant or any of its officers, owners, directors, trustees, partners, or managers ever had any regulatory action in any jurisdiction? Yes___ No___

   If "Yes," provide documentation showing the charges and resolution of the offense.
3. Does the Applicant or any of its officers, owners, directors, trustees, partners, or managers have any pending criminal, civil or administrative actions pending in any jurisdiction?

   Yes___ No___

   If "Yes," provide documentation showing the charges and resolution of the offense.

Section 3-7 Licensing in other jurisdictions

1. Provide a list of all states in which the Applicant is or was at any time engaged in the business of a health discount program (also known as a medical discount program or discount medical provider organization.)
2. Provide a list of all health discount program licenses and insurance license(s) held by the applicant.

Section 4 - Operations

Section 4-1 Administrative Process

Provide an explanation of the entity, its facilities and staff, and the health care services or products the entity will provide in Utah.

Section 4-2 Enrollment, Cancellations/Refunds, and Dispute Resolution

1. Provide an explanation of how subscribers are to be enrolled in the health discount program.
2. Provide a description of cancellation/refund policies.
   - ***Refund policies must be in compliance with §31A-8a-205.5 Free look right.***
3. Provide a description of member dispute resolution procedures.

Section 4-3 Fee Schedule

Provide a complete description of all fees charged to members of the health discount program including, but not limited to, periodic fees, processing fees, and cancellation fees.

Section 4-4 Advertisements

1. Provide a description of the proposed method of marketing and distribution of the health discount program.
2. Provide copies of all marketing/advertising material. This includes but is not limited to: direct mail advertisements, newspaper/magazine ads, radio scripts, TV scripts, websites, and emails.

Section 5 - Contracts

Section 5-1 Provider Contracts

Provide a list of all healthcare providers or healthcare provider networks the discount program has contracted with for the provision of services to members. Include an executed copy of each contract with contact information for each provider/provider network.

Section 5-2 Marketer Contracts and Marketer List

Include a copy of each executed agreement/contract and contact information for the marketer.
Provide a list of all marketers the discount program will use to market and promote the program in Utah.

- ***Updated Marketer list are due by the 15th day following the last day of each quarter. Email to: hdp@utah.gov.***

Section 6 - Acknowledgement of Understanding

The Applicant understands and acknowledges that:

1. A current list of marketers is due within 15 days of the last day of each quarter.
2. It is bound by and responsible for the activities of all marketers that promote or sell the health discount program in Utah. The Applicant must provide written approval to the marketer for all marketing materials prior to use. The Applicant must have an executed contract/agreement with the marketer prior to the marketer conducting business in Utah.
3. The Department conducts investigations and audits of health discount programs. The Applicant is expected to respond promptly to inquiries from the Department and cooperate with any investigation or audit.
4. It is required to maintain detailed books and records of all Utah transactions, all contracts or agreements with providers of the services under a health discount program offered in Utah or sold to Utah residents.
5. It may not state or imply that its benefits are insurance. All marketing material must specifically state that the health discount program is not insurance. It may not utilize certain terms that are commonly associated with health insurance plans.
6. It may not state or imply that any health discount program has the approval or endorsement of the Utah Insurance Department.
7. It must conduct business under its legal name, or an alias, filed with the Department before it is used.
8. Any changes to the organization name, change in business, mailing or email address, or change of ownership or principals is required to be reported to the Department thirty (30) days prior to the change.
9. It shall report to the Department any administrative action or criminal prosecution against the health discount program, or an owner, officer, or principal.
    a. disclosures of administrative actions are required to be filed within thirty (30) days of the final disposition of the administrative action
    b. disclosures of criminal prosecutions are required to be filed within thirty (30) days after the initial appearance before a court.
10. The initial license fee is $300. Renewal fees are $450. Renewal fees and applications are due no later than December 31 annually.
11. Fees are non-refundable.
12. Providing false, misleading or incomplete information in connection with this application is grounds for administrative action including denial or revocation of the license.

I HEREBY CERTIFY that the above items have been reviewed, responses are correct, and this application complies with Utah laws and rules. An application will be rejected if an incomplete or false certification is submitted. A false certification is subject to penalties under Utah Code Annotated Section 31A-2-308. Those penalties include monetary forfeitures and/or other sanctions.

Signature of Officer / Authorized Representative [§31A-8a-201(2)(b)]	Date
Print Name	Title

Applicable laws include, but are not limited to §31A-8a , R590-152, R590-102, and R590-244-13