



Rules of
**Department of Insurance,
Financial Institutions and
Professional Registration**

**Division 200—Insurance Solvency and Company Regulation
Chapter 19—Discount Medical Plans**

Title	Page
20 CSR 200-19.020 Scope and Definitions.....	3
20 CSR 200-19.050 Registration	3
20 CSR 200-19.060 Net Worth Requirements	3



**Title 20—DEPARTMENT OF
INSURANCE, FINANCIAL
INSTITUTIONS AND
PROFESSIONAL REGISTRATION**
Division 200—Insurance Solvency and
Company Regulation
Chapter 19—Discount Medical Plans

20 CSR 200-19.020 Scope and Definitions

PURPOSE: This rule sets out the scope of the rules in this chapter and provides definitions to aid in the interpretation of the rules in this chapter.

(1) The rules in this chapter apply to discount medical plan organizations transacting business under sections 376.1500 to 376.1532, RSMo. The rules are to be read together with Chapter 536, RSMo.

(2) The definitions located in section 376.1500, RSMo apply to the rules in this chapter.

AUTHORITY: sections 374.045 and 376.1528, RSMo 2016. Original rule filed Nov. 1, 2007, effective June 30, 2008. Amended: Filed Oct. 30, 2018, effective April 30, 2019.*

**Original authority: 374.045, RSMo 1967, amended 1993, 1995, 2008 and 376.1528, RSMo 2007.*

20 CSR 200-19.050 Registration

PURPOSE: This rule implements the registration of all discount medical plan organizations doing business in this state.

(1) Registration Forms. The following form has been adopted and approved for filing with the department:

(A) The Discount Medical Plan Organization Registration form (Form DM-1).

(2) Application and Fees.

(A) Initial Registration. Each discount medical plan organization shall register with the director by—

1. Completion and filing of a Form DM-1 in accordance with the instructions contained therein;

2. Payment of the two hundred fifty dollar (\$250) registration fee; and

3. Demonstration of compliance with the net worth requirement under rule 20 CSR 200-19.060.

(B) Renewal Registration. Each discount medical plan organization may renew its registration between thirty (30) days prior to and

the anniversary date of its initial registration by—

1. Submission of any amendments to the Form DM-1;

2. Payment of the two hundred fifty dollar (\$250) annual registration fee; and

3. Demonstration of compliance with the net worth requirement under rule 20 CSR 200-19.060.

(3) Copies of the Form DM-1 may be obtained from the department's web site, www.insurance.mo.gov.

AUTHORITY: sections 374.045, 376.1504, and 376.1528, RSMo 2016. Original rule filed Nov. 1, 2007, effective June 30, 2008. Amended: Filed Oct. 30, 2018, effective April 30, 2019.*

**Original authority: 374.045, RSMo 1967, amended 1993, 1995, 2008; 376.1504, RSMo 2007; and 376.1528, RSMo 2007.*

20 CSR 200-19.060 Net Worth Requirements

PURPOSE: This rule implements the requirement that discount medical plan organizations maintain a certain net worth.

(1) The net worth referenced in section 376.1518, RSMo shall be determined according to generally accepted accounting principles (GAAP) or the statutory statement of accounting principles (SSAP).

(2) The net worth requirement is ongoing and subject to review by the director through examination. Each discount medical plan organization is required to demonstrate it meets the requirement at registration and at annual renewal.

(A) Registration. At the time of registration, each discount medical plan organization will demonstrate that it meets the net worth requirement according to GAAP or SSAP by one (1) of the following means:

1. A report of an audit by an independent certified public accountant (CPA). Such report must include:

A. Either—

(I) The statement of profit or loss, balance sheet, and statement of cash flows of the discount medical plan organization as of a date not more than twelve (12) months prior to the date of such organization's registration; or

(II) The consolidated statement of profit or loss, balance sheet, and statement of cash flows of the discount medical plan organization and entities affiliated with the dis-

count medical plan organization as of a date not more than twelve (12) months prior to the date of such organization's registration, as well as the consolidating worksheets that specifically show the account entries of the discount medical plan organization itself and which reconcile to such consolidated statement of profit or loss, balance sheet, and statement of cash flows; and

B. A statement by the independent CPA that recognizes without qualification the right of the director to rely on such report; or

2. A report of examination conducted by the director pursuant to sections 374.202 to 374.207 and 376.1506, RSMo, except that such examination will be conducted on the basis of GAAP or SSAP, which will review and opine on the discount medical plan organization's statement of profit or loss, balance sheet, and statement of cash flows as of a date not more than twelve (12) months prior to the date of such organization's registration.

(B) Renewal of Registration. At the time of renewal, each discount medical plan organization will demonstrate that it meets the net worth requirement according to GAAP or SSAP by filing a statement sworn to or affirmed by two (2) or more officers of such organization, which statement consists of the statement of profit or loss, balance sheet, and statement of cash flows of the discount medical plan organization as of a date not more than twelve (12) months prior to the date of such organization's renewal of registration.

(C) Five- (5-) Year Report. At least once every five (5) years, each discount medical plan organization shall file with the director at the time of renewal a report of an audit by an independent CPA or a director's examination as provided in subsection (2)(A).

AUTHORITY: sections 374.045, 374.202 to 374.207, 376.1506, and 376.1528, RSMo 2016. Original rule filed Nov. 1, 2007, effective June 30, 2008. Amended: Filed Nov. 19, 2018, effective May 30, 2019.*

**Original authority: 374.045, RSMo 1967, amended 1993, 1995, 2008; 374.202, RSMo 1992, amended 2008; 374.205, RSMo 1992, amended 1997, 1999, 2016; 374.207, RSMo 1992; 376.1506, RSMo 2007; and 376.1528, RSMo 2007.*