WEST VIRGINIA CODE: §33-25D-16

§33-25D-16. Agent licensing and appointment required; regulation of marketing.

(a) Prepaid limited health service organizations are subject to the provisions of article twelve of this chapter.

(b) With respect to individual or group contracts covering fewer than twenty-five subscribers, after a subscriber signs a prepaid limited health service organization enrollment application and before the prepaid limited health service organization may process the application changing or initiating the subscriber coverage, each prepaid limited health service organization shall verify in writing, in a form prescribed by the commissioner, the intent and desire of the individual subscriber to join the prepaid limited health service organization. The verification shall be conducted by someone outside the prepaid limited health service organization's marketing department and shall show that:

(1) The subscriber intends and desires to join the prepaid limited health service organization;

(2) If the subscriber is a Medicare or Medicaid recipient, the subscriber understands that by joining the prepaid limited health service organization he or she will be limited to the benefits provided by the prepaid limited health service organization, and Medicare or Medicaid will pay the prepaid limited health service organization for the subscriber coverage;

(3) The subscriber understands the applicable restrictions of prepaid limited health service organizations, especially that he or she must use the prepaid limited health service organization providers and secure approval from the prepaid limited health service organization to use health care providers outside the plan; and

(4) If the subscriber is a member of a prepaid limited health service organization, the subscriber understands that he or she is transferring to another prepaid limited health service organization.

(c) The prepaid limited health service organization may not pay a commission, fee, money or any other form of scheduled compensation to any health insurance agent until the subscriber's application has been processed and the prepaid limited health service organization has confirmed the subscriber's enrollment by written notice in the form prescribed by the commissioner. The confirmation notice shall be accompanied by the evidence of coverage required by section eleven of this article and shall confirm:

(1) The subscriber's transfer from his or her existing coverage, such as from Medicare, Medicaid, another prepaid limited health service organization, etc., to the new prepaid limited health service organization; and

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(2) The date enrollment begins and when benefits will be available.

(d) The enrollment process is considered complete seven days after the prepaid limited health service organization mails the confirmation notice and evidence of coverage to the subscriber. Each prepaid limited health service organization is directly responsible for enrollment abuses.

(e) The commissioner may propose rules for legislative approval in accordance with the provisions of article three, chapter twenty-nine-a of this code, to regulate marketing of prepaid limited health service organizations by persons compensated directly or indirectly by the prepaid limited health service organization. The rules may prohibit door-to-door solicitations, may prohibit commission sales, and may provide for other proscriptions required to effectuate the purposes of this article.

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