



Discount Fee Plan

We secured the **first** successful licensure of a discount fee plan under the Knox-Keene Health Care Service Plan Act of 1975, California's regulatory regimen for HMO's.

The Department of Managed Health Care (Department) has determined that discount fee plans are subject to the Knox-Keene Act and therefore must be licensed. A discount fee plan is one where the subscriber pays a nominal fee to join the plan, which allows the subscriber and dependents access to networks of providers who have contracted to charge reduced fees for their services.

Recently, the Department has filed a number of enforcement actions and has launched investigations of unlicensed discount plans. We represent clients in these activities and in the Department's regulation writing process.

Our attorneys for many years have assisted applicants with both full service and specialized plan licensure, large and small, private and public, and expertly served them following licensure in on-going regulatory matters. One of our former partners, John T. Knox, was the co-author of the Knox-Keene Act.