

# Table of Contents

---

Table of Code Sections Affected .....	PAGE xxxii
---------------------------------------	---------------

---

## HEALTH AND SAFETY CODE

### Division 2. Licensing Provisions

#### Chapter 2.2. Health Care Service Plans

##### Article 1. General

###### Sections

1340. Citation of chapter .....	2
1341. Department of Managed Health Care .....	2
1341.1. Principal and branch offices .....	3
1341.2. Personnel of Department of Managed Health Care .....	3
1341.3. Adoption of seal .....	3
1341.4. Managed Care Fund established .....	4
1341.45. Managed Care Administrative Fines and Penalties Fund created; Transfer of monies .....	4
1341.5. Public information .....	5
1341.6. Opinions on questions of law .....	5
1341.7. Conflict of interest .....	5
1341.8. Powers of director .....	6
1341.9. Succession to powers and responsibilities .....	6
1341.10. Unexpended balance of funds .....	6
1341.11. Transfer of employees .....	7
1341.12. Possession of all property .....	7
1341.13. Appointment of officers and employees .....	7
1341.14. Preexisting regulations, orders, and proceedings .....	7
1342. Legislative intent .....	8
1342.1. [Section repealed 2007] .....	8
1342.2. Coverage for COVID-19 costs .....	8
1342.3. [Section repealed 2006] .....	12
1342.3. Coverage for disease prevention and mitigation under public health emergency declaration .....	12
1342.4. Joint working group to ensure clarity for consumers in consistency and enforcement of regulations .....	13
1342.5. Consultation prior to adopting regulations .....	13
1342.6. Effect of antitrust prohibitions on health care services .....	13
1342.7. Authority of department to ensure providers of prescrip- tion drug coverage comply with Knox-Keene Health Care Service Plan Act of 1975 .....	14
1342.71. Outpatient prescription drug coverage .....	16
1342.72. Drug regimen; Multitablet regimen to be as effective as single [Repealed effective January 1, 2023] .....	17
1342.73. Drug formulary [Repealed effective January 1, 2024] .....	17
1342.74. Preexposure and postexposure HIV prophylaxis .....	18
1342.8. Audits or surveys .....	19
1343. Application of chapter; Exemptions .....	19
1343.1. Exception to application of chapter .....	20
1343.3. Authority to conduct pilot programs [Repealed effective January 1, 2028] .....	21

TABLE OF CONTENTS

	PAGE
1343.5. Burden of proof.....	24
1344. Rules; Interpretive opinions; Good faith acts .....	24
1345. Definitions.....	24
1345.5. “Minimum essential coverage” .....	26
Article 2. Administration	
Sections	
1346. Powers of administration.....	29
1346.1. Database of health care service plans.....	30
1346.2. Coordination with Insurance Commissioner to review specified Internet portal and enhancements; Development and maintenance of electronic clearinghouse.....	30
1346.4. Legislative findings; Publication of code provisions .....	30
1346.5. Entity purporting to be exempt health care service plan	31
1347. [Section repealed 2006].....	31
1347.1. [Section repealed 2005].....	31
1347.15. Establishment of Financial Solvency Standards Board; Members; Purpose, Meetings .....	32
1347.5. Implementation of Medi-Cal program’s premium and cost-sharing payments by health care service plan.....	33
1348. Antifraud plan .....	33
1348.5. Compliance with other law .....	34
1348.6. Proscription on payment to health care practitioner to deny, limit, or delay services.....	34
1348.8. Requirements for telephone medical advice services; Forwarding of data to Department of Consumer Affairs ....	34
1348.9. Adoption of regulations establishing Consumer Partici- pation Program; Award of advocacy and witness fees [Re- pealed effective January 1, 2024] .....	36
1348.95. Annual report to department .....	37
1348.96. Submission of data for risk adjustment program .....	38
Article 3. Licensing and Fees	
Sections	
1349. License requirement .....	39
1349.1. Exemptions.....	39
1349.2. Exemption of certain plans .....	39
1349.3. [Section repealed 2002].....	41
1350. License requirement for sponsor of prescription drug plan	41
1350.1. [Section repealed 1984].....	41
1351. Applications for licensure .....	41
1351.1. Authorization for disclosure .....	43
1351.2. Mexican prepaid health plans; Application for licensure in California; Requirements; Fees; Actions to be taken when plan ceases to operate legally in Mexico .....	44
1351.3. Effect of noncompliance .....	46
1352. Amendment for change in information.....	46
1352.1. Filings and findings prior to specified acts .....	47
1353. Applicants to satisfy provisions of chapter .....	48
1354. Denials of applications or disapprovals .....	48
1355. Duration of license .....	48
1356. Fees and reimbursements.....	49
1356.1. Excess charges or assessments.....	50
1356.2. Imposition of additional assessment .....	50

TABLE OF CONTENTS

	PAGE
Article 3.1. Small Employer Group Access to Contracts for Health Care Services	
Sections	
1357. Definitions.....	51
1357.01. Compliance with article.....	58
1357.02. Application of article .....	59
1357.025. Construction of article .....	59
1357.03. Sale of contracts to small employers; Filing of employee participation and employer contribution requirements; Rejection of application; Prohibited activities .....	59
1357.035. Small employer coverage for associations with fewer than 1,000 persons .....	62
1357.04. Notification of premium charges; When coverage becomes effective; Option to change coverage.....	62
1357.05. Exclusion of employee or dependent; Limitation on exclusion of coverage.....	63
1357.06. Preexisting condition provisions.....	63
1357.07. Late enrollees .....	64
1357.08. Services to be provided .....	64
1357.09. When plan not required to offer contract .....	65
1357.10. Requirement that plan discontinue offering contracts or accepting applications .....	66
1357.11. [Section repealed 2011] .....	67
1357.12. Requirements for premiums .....	67
1357.13. Risk rates to be applied.....	68
1357.14. Disclosures required with offer of contract.....	68
1357.15. Notice of material modification; Amendments to plan; Maintenance of information; Availability of risk adjustment factor .....	71
1357.16. Provision of administrative services by qualified associations.....	72
1357.17. Regulations .....	73
1357.18. [Section repealed 2007] .....	74
1357.19. Applicability .....	74
Article 3.11. Insurance Market Reform (Inoperative)	
Sections	
1357.20. Contingent operative term of article (Inoperative).....	74
1357.21. Application of requirements in Article 3.1 (Inoperative)	74
1357.22. Requirements of health care plan contracts for certain large and medium employers (Inoperative).....	75
1357.23. Reasonable efforts to contract with county hospital systems and clinics (Inoperative) .....	76
Article 3.15. Preexisting Condition Provisions	
Sections	
1357.50. Definitions .....	77
1357.51. Preexisting condition; Waivered condition .....	78
1357.52. Exclusion criteria .....	79
1357.53. [Section repealed 2011] .....	79
1357.54. [Section repealed 2011] .....	79
1357.55. Operative date of article.....	79

TABLE OF CONTENTS

	PAGE
Article 3.16. Nongrandfathered Small Employer Plans	
Sections	
1357.500. Definitions.....	80
1357.501. Applicability of article .....	85
1357.502. Health care plans subject to article.....	85
1357.502.5. Applicability of article to association, trust, or other organization acting as health care service plan.....	85
1357.503. Small employer health benefit plans; Enrollment periods; Prohibited activities; Participation requirements; Small employer eligibility; Limitations on individual eligibility rules; Single risk pool; Applicability [Repealed effective January 1, 2026] .....	86
1357.503. Offering and issuance of plans; Associations; Multiple employer welfare arrangements [Operative January 1, 2026] .....	93
1357.503.035. Purchase of small employer health coverage by association meeting definition of guaranteed association....	98
1357.504. Premium charges for small employers; Effective date of coverage; Changing coverage .....	99
1357.506. Imposition of preexisting condition provision or waiting or affiliation provision prohibited.....	100
1357.507. Restricting enrollment of late enrollees.....	100
1357.508. Provision of essential health benefits required .....	100
1357.509. Exceptions to requirement of offering health care service plan contract or accepting applications for contract; Plan of rehabilitation .....	100
1357.510. Ending of offering of contracts or accepting of applications.....	102
1357.512. Variance of premium rates [Operative term contingent] .....	102
1357.514. Disclosures in connection with offering .....	103
1357.515. Notice of material modification.....	105
1357.516. Contracts for specific administrative services.....	106
Article 3.17. Grandfathered Small Employer Plans	
Sections	
1357.600. Definitions.....	108
1357.601. Applicability of article .....	116
1357.602. Plans subject to this article.....	116
1357.603. Construction of article.....	116
1357.604. Sale of contracts to small employers; Filing of employee participation and employer contribution requirements; Rejection of application; Prohibited activities .....	117
1357.606. Small employer coverage for associations with fewer than 1,000 persons .....	118
1357.607. Imposition of preexisting condition provision or waiting or affiliation provision prohibited.....	119
1357.608. Late enrollees .....	119
1357.609. Services to be provided .....	119
1357.610. When plan not required to offer contract .....	119
1357.611. Requirement that plan discontinue offering contracts or accepting applications .....	120
1357.612. Requirements for premiums .....	120
1357.613. Risk rates to be applied .....	121
1357.614. Disclosures required with offer of contract .....	121

TABLE OF CONTENTS

	PAGE
1357.615. Notice of material modification; Amendments to plan; Maintenance of information; Availability of risk adjustment factor .....	122
1357.616. Provision of administrative services by qualified associations .....	123
1357.618. Emergency regulations .....	125
Article 3.2. Additional Requirements for Medicare Supplement Contracts [Renumbered] .....	125
Article 3.5. Additional Requirements for Medicare Supplement Contracts	
Sections	
1358. [Section repealed 2000] .....	126
1358.1. Compliance with article .....	126
1358.2. Purpose of article .....	126
1358.3. Applicability of article .....	127
1358.4. Definitions .....	127
1358.5. Required definitions .....	130
1358.6. Prohibited provisions; Medicare supplement contract with prescription drug benefits .....	131
1358.7. Contracts prior to January 1, 2001 .....	132
1358.8. General standards for contracts with effective date prior to June 1, 2010; Core benefits; Additional benefits to Medicare supplement benefit plans B to L .....	132
1358.81. General standards for contracts with an effective date on or after June 1, 2010; Core benefits; Additional benefits	140
1358.9. Standards applicable to contracts with effective date prior to June 1, 2010; Benefit plans that may be offered in state; Availability of contract form containing only core benefits; Innovative benefits .....	145
1358.91. Mandatory standards applicable to contracts with effective date on or after June 1, 2010; Benefit plans that may be offered in state; Innovative benefits .....	148
1358.92. Mandatory standards applicable to policies or certificates delivered or issued for delivery in this state to individuals newly eligible for Medicare on or after January 1, 2020	152
1358.10. Medicare Select contracts .....	153
1358.11. Discriminatory practices; Age; Time periods; Open enrollment periods; Standardized Medicare supplement benefit plan offerings .....	157
1358.12. Guaranteed issue of contract; Eligible persons; Enrollment in case of involuntary termination; Entitlement to benefit packages; Notice of rights; Refund .....	160
1358.13. Compliance with federal statutes .....	165
1358.14. Loss ratio standards; Refund or credit calculations; Prepaid or periodic charges and supporting documentation; Public hearings .....	166
1358.145. Calculation of loss ratios; Copies to department; Compliance with standards .....	168
1358.146. Format for reporting loss ratio experience .....	169
1358.15. Approval of contract by director as prerequisite to advertising or issuance; Requirements; Filing of certain changes; Time periods .....	171
1358.16. Compensation for solicitors and sales representatives	174

TABLE OF CONTENTS

	PAGE
1358.17. Renewal or continuation provision; Amendments to contract; Contract limitations; Notice of right to return; Guide to health insurance; Notice of changes; Outline of coverage; Disclosure pages; Required notices .....	174
1358.18. Application form; Copy to applicant; Notice as to replacement of coverage; Buyer's guide; Group contracts; Health information from applicant who is guaranteed coverage.....	179
1358.19. Director's approval of advertisement .....	183
1358.20. Duties of issuer as to marketing procedures; Prohibited acts .....	184
1358.21. Appropriateness of recommended purchase or replacement; Multiple contracts; Issuance to individual enrolled in Part C .....	185
1358.22. Annual report .....	185
1358.225. Annual filing of list of contracts in state; Contents ...	185
1358.23. Waiver of time periods for preexisting conditions.....	186
1358.24. Adherence to Genetic Information Nondiscrimination Act of 2008 .....	186
 Article 4. Solicitation and Enrollment	
Sections	
1359. Standards for solicitors and solicitor firms .....	189
1360. Untrue or misleading advertising or solicitations .....	189
1360.1. Representations respecting implications of licensing ...	190
1360.5. Representing, constituting, providing services on behalf of Exchange; Unfair business practice .....	190
1361. New or revised advertisements; Filing.....	190
1361.1. Purchase of health care coverage products; Specified methods prohibited.....	191
1362. Definitions.....	192
1363. Disclosure forms or materials .....	193
1363.01. Notice regarding use of formulary by plan; Information regarding drugs on formulary .....	196
1363.02. Findings; Requirements for service plan .....	197
1363.03. Uniform prescription drug information card; Contents of card.....	198
1363.04. Dental services; Uniform benefits and coverage disclosure matrix.....	199
1363.05. Statement to be included in plan's disclosure form; Modification; Notice to enrollees .....	200
1363.06. Comparative benefit matrices [Inoperative; Operative date contingent] .....	201
1363.07. Annual update of comparative benefit matrix by health care service plan; Copies to be mailed to solicitors and employers; Availability of link to matrix on Web site [Inoperative; Operative date contingent] .....	203
1363.1. Disclosure on binding arbitration.....	203
1363.2. Use of emergency response system .....	204
1363.5. Disclosure of process used to authorize or deny services; Requirements for criteria used; Notice accompanying disclosure to public.....	204
1364. Supplemental disclosure information.....	205
1364.1. Notice of reduction in emergency service .....	205

TABLE OF CONTENTS

	PAGE
1364.5. Filing of procedures to protect confidentiality; Statement for enrollees and subscribers; Notice of availability.....	205
1365. Cancellation and non-renewal of enrollment or subscription .....	206
1365.5. Modification of or refusal to enter contract on discriminatory basis .....	210
1366. Name of plan.....	210
1366.1. Geographic accessibility standard; Applicability; Notice of material modification of plan and public hearing.....	211
1366.2. Availability to group subscribers of termination date of health care contracts in geographic area; Definitions.....	212
1366.3. Plan ceasing to offer individual coverage; Regulations for implementation; Exceptions to applicability.....	212
1366.4. Nonphysician providers .....	213
1366.6. Sale of products by health care service plans; Levels of coverage [Operative term contingent] .....	214
1366.6. Sale of products by health care service plans; Levels of coverage [Operative date contingent].....	215
Article 4.5. California COBRA Program	
Sections	
1366.20. Citation; Intent; Adoption of emergency regulations ...	217
1366.21. Definitions governing article .....	218
1366.22. Inapplicability of requirements .....	219
1366.23. Requirement to offer continuation coverage .....	220
1366.24. Disclosures.....	221
1366.25. Notification requirements; Contract with employer or administrator to perform administrative obligation; Coverage under American Recovery and Reinvestment Act of 2009	223
1366.26. Rate limits .....	229
1366.27. Termination of continuation coverage .....	229
1366.28. Failures to comply.....	231
1366.29. Continuing coverage for enrollees who have exhausted continuation coverage under COBRA.....	231
Article 4.6. Coverage for Federally Eligible Defined Individuals	
Sections	
1366.35. Required coverage [Inoperative; Operative date contingent] .....	232
1366.50. Notice of eligibility for reduced-cost coverage through California Health Benefit Exchange or no-cost coverage through Medi-Cal.....	234
Article 5. Standards	
Sections	
1367. Requirements for health care service plans .....	239
1367.001. Individual or group health care service plan restrictions on lifetime and annual limits on dollar value of covered benefits; Exceptions .....	241
1367.002. Group or individual nongrandfathered health care service plan minimum required coverage.....	241
1367.003. Rebate on pro rata basis; Conditions; Minimum medical loss ratios; Total amount of rebate; Adoption of regulations; Applicability .....	242



TABLE OF CONTENTS

	PAGE
1367.004. Plans covering dental services; MLR annual report requirement; Examination by director; Use of data by Legislature; Compliance guidance exempt from APA.....	244
1367.005. Individual or small group health care service plan to cover essential health benefits; Provisions.....	245
1367.006. Nongrandfathered individual and group health care service plans that cover essential health benefits; Limit on annual out-of-pocket expenses for covered essential health benefits.....	249
1367.0061. Accrual balance toward annual deductible and annual out-of-pocket maximum; Notice to enrollee; Availability of information.....	250
1367.0065. [Section repealed 2016] .....	251
1367.007. Limitation on deductible for small employer health care service plan.....	252
1367.008. Levels of coverage for nongrandfathered individual market; Determination of actuarial value for nongrandfathered individual health care service plans; Catastrophic plan.....	252
1367.0085. Actuarial value for nongrandfathered bronze level high deductible health plan.....	253
1367.009. Levels of coverage for nongrandfathered small group market; Determination of actuarial value for nongrandfathered small employer health care service plans.....	254
1367.01. Written policies and procedures for review and approval, modification, delay or denial of services; Medical director to ensure compliance; Compliance review .....	255
1367.010. Minimum value of sixty percent for large group health care service plan contract .....	259
1367.012. Renewal of small employer health care service plan contract; Notice; Exemptions; Amendments for compliance.....	259
1367.015. Decisions to deny requests by providers for authorization or claim reimbursement for mental health services ....	261
1367.016. Premium payments from third-party entities; Reimbursement; Dispute resolution .....	261
1367.02. Filing relating to any economic profiling policies or procedures; Availability to public; “Economic profiling”.....	266
1367.03. Development of standards for timely access to health care services.....	267
1367.031. Information regarding standards for timely access to health care services .....	273
1367.035. Standards for timely access to health care services; Required inclusion of network adequacy data.....	275
1367.04. Language assistance in obtaining health care services; Adoption of regulations and standards; Considerations; Reports; Public input; Contracts .....	276
1367.041. Required non-English insurance documents .....	280
1367.042. Information made available by health care service plan.....	281
1367.045. Void and unenforceable contract provision .....	282
1367.05. Contract with dental college .....	282
1367.06. Service plan to cover outpatient prescription drug benefits to provide coverage for inhaler spacers, nebulizers, and peak flow meters when medically necessary for treatment of pediatric asthma.....	283



TABLE OF CONTENTS

	PAGE
1367.07. Report by health care service plan on cultural appropriateness in specified contexts.....	284
1367.08. Compensation disclosure .....	284
1367.09. Return to skilled nursing.....	285
1367.1. Application to transitionally licensed plans .....	286
1367.2. Coverage for alcoholism; Notice of coverage.....	286
1367.3. Coverage plan for comprehensive preventive care of children .....	286
1367.34. Coverage for adverse childhood experiences screenings [Effective January 1, 2022] .....	287
1367.34. Coverage for home test kits by health care service plans [Effective January 1, 2022] .....	288
1367.35. Comprehensive preventive care of children of specified ages.....	288
1367.36. Costs of required immunization of children.....	289
1367.4. Effect of blindness on coverage.....	290
1367.41. Pharmacy and therapeutics committee.....	290
1367.42. Enrollee access to prescription drug benefits at in-network retail pharmacy; Effect on cost-sharing .....	291
1367.43. Prorated cost for partial fill of prescription .....	292
1367.45. Coverage for approved AIDS vaccine; Cost effective price .....	292
1367.46. Coverage for HIV testing required .....	292
1367.47. Maximum amount health care service plan may require enrollee to pay at point of sale for covered prescription drug .....	293
1367.49. Information to be furnished to consumers or purchasers concerning cost range of procedure or full course of treatment, or quality of services performed by provider or supplier; Review of methodology and data; Online posting; Definitions.....	293
1367.5. Health service plan contract restrictions .....	294
1367.50. Disclosure of claims data to qualified entity.....	295
1367.51. Coverage of equipment and supplies for treatment of diabetes; Prescription items; Outpatient self-management and training.....	295
1367.54. California Prenatal Screening Program .....	296
1367.6. Coverage for breast cancer screening, diagnosis, and treatment; Denial of enrollment or coverage on grounds related to breast cancer; Prosthetic devices or reconstructive surgery .....	297
1367.61. Coverage for prosthetic devices to restore method of speaking incident to laryngectomy.....	298
1367.62. Restrictions on limiting inpatient hospital care following childbirth; Proscription on specified treatment and coverage practices; Notice of required coverage.....	298
1367.625. Maternal mental health program .....	299
1367.63. Reconstructive surgery.....	300
1367.635. Mastectomies and lymph node dissections .....	301
1367.64. Coverage for screening and diagnosis of prostate cancer .....	302
1367.65. Coverage for mammography for screening and diagnostic purposes.....	303
1367.656. Healthcare coverage for orally administered anticancer medication [Repealed effective January 1, 2024] .....	303
1367.66. Coverage for annual cervical cancer screening test.....	304
1367.665. Coverage for cancer screening tests .....	304

TABLE OF CONTENTS

	PAGE
1367.668. Insurance contract colorectal cancer screening requirement .....	305
1367.67. Coverage for osteoporosis.....	305
1367.68. Coverage for surgical procedure for conditions affecting upper or lower jawbone.....	306
1367.69. Obstetrician-gynecologists as eligible primary care physicians .....	306
1367.695. Requirement for enrollee’s choice of obstetrical or gynecological services provider .....	306
1367.7. Coverage for prenatal diagnosis of genetic disorders of fetus .....	307
1367.71. General anesthesia and associated facility charges for dental procedures.....	307
1367.8. Coverage for handicapped persons .....	308
1367.9. Coverage for conditions attributable to diethylstilbestrol .....	308
1367.10. Disclosure of effect of participation in plan on choice of provider .....	309
1367.11. Direct reimbursement to providers of covered medical transportation services .....	310
1367.12. Number of forms to be submitted per claim for payment or reimbursement .....	310
1367.15. Closure of “block of business”.....	310
1367.18. Coverage for orthotic and prosthetic devices and services; Benefit amount .....	312
1367.19. Coverage for special footwear for those suffering from foot disfigurement .....	312
1367.20. Provision of list of prescription drugs on plan’s formulary .....	313
1367.205. Formularies to be posted on Internet Web site; Required updates; Template .....	313
1367.206. Step therapy; Exception .....	314
1367.21. Limitation or exclusion of coverage for drug prescribed for use different from which drug was approved.....	315
1367.215. Coverage of pain management medications for terminally ill patients .....	317
1367.22. Plan’s obligations relating to drug previously approved for enrollee’s medical condition.....	317
1367.23. Plan provision requiring notification of group contractholders and subscribers of cancellation.....	318
1367.24. Process for authorization of medically necessary nonformulary prescription drug; Required recordkeeping by plan; Review of plan’s provision of prescription drug benefits .....	319
1367.241. Prior authorization for prescription drugs.....	321
1367.243. Prescription drug reporting requirements for health service plans reporting rate information; Legislative report on drug cost impact on health care premiums .....	323
1367.244. Request for exception to plan’s step therapy process for prescription drugs .....	324
1367.25. Contraceptive coverage .....	324
1367.26. [Section repealed 2016] .....	327
1367.27. Provider directory .....	327
1367.29. Issuance of identification card to assist enrollee with accessing health benefits coverage information; Contents of identification card .....	335

TABLE OF CONTENTS

	PAGE
1367.30. Group health care service plan contracts; Applicable law.....	336
1367.31. Referral requirement prohibited for receiving reproductive and sexual health care coverage or services .....	337
1368. Grievance systems .....	337
1368.01. Time period in which to resolve grievances; Expedited review for cases involving serious threat to patient’s health .....	342
1368.015. Online grievance procedure.....	343
1368.016. Establishment of Internet Web site; Link to specified information required; Updates; Applicability of section.....	345
1368.02. Toll-free telephone number for complaints.....	346
1368.03. Participation in plan’s grievance process before complaint with department.....	347
1368.04. Enforcement by director; Violations; Administrative penalty .....	347
1368.05. Direct consumer assistance activities by Department of Managed Health Care; Contracts with community-based consumer assistance organizations .....	348
1368.1. Information provided by plan denying coverage to enrollee with terminal illness; Conference to review information.....	349
1368.2. Hospice care .....	349
1368.5. Pharmacist coverage.....	350
1368.6. Pilot project to assess the impact of health care service plan and prohibitions of dispensing prescription drugs; Required reporting [Repealed effective January 1, 2023].....	351
1368.7. State of emergency; Access to medically necessary health care services; Disruption to operation of health care service plan.....	351
1369. Participation by subscribers and enrollees .....	352
1370. Review procedures .....	352
1370.1. Review subcommittees .....	353
1370.2. Review of appeal of contested claim.....	353
1370.4. Independent external review process for coverage decisions on experimental or investigational therapies.....	354
1370.6. Coverage for approved clinical trials .....	356
1371. Reimbursement of claims; Contested claims .....	359
1371.1. Notification to provider of overpayment; Reimbursement; Contested claims; Accrual of interest .....	362
1371.2. Prohibited request for reimbursement or reduction of level of payment .....	363
1371.22. Acceptance of lowest payment rate charged by provider to patient or third-party; Inapplicability of policy provision to cash payments made to provider by patient without private or public health care.....	363
1371.25. Liability .....	363
1371.3. Assignment of right to reimbursement.....	363
1371.30. Independent dispute resolution process for noncontracting individual health professional .....	364
1371.31. Reimbursement rate for noncontracting individual health professional; Reporting requirements; Exemptions .....	366
1371.35. Time limits for reimbursement, contest, or denial of certain claims; What constitutes complete claim; Claims excepted from time limits .....	368
1371.36. Denial of payment based on authorization.....	370

TABLE OF CONTENTS

	PAGE
1371.37. Prohibition against unfair patterns .....	371
1371.38. Regulations and reports .....	372
1371.39. Instances of unfair payment patterns .....	372
1371.4. Authorization for emergency services .....	373
1371.5. Use of emergency response system .....	375
1371.55. Services received from noncontracting air ambulance provider; "In-network cost-sharing amount" .....	375
1371.8. Rescission or modification of authorization after service provided .....	376
1371.9. "In-network cost-sharing amount" for services provided by noncontracting individual health professional; Exemptions .....	377
1372. Contracts; Use of evidence of coverage; Exception .....	380
1373. Required or prohibited contract provisions .....	380
1373.1. Conversion provisions .....	385
1373.2. Conversion rights of dependent spouse upon change of status .....	386
1373.3. Selection of primary care physician .....	386
1373.4. Limitation on copayments and deductibles for specified maternity services .....	386
1373.5. Coverage of spouses covered under terms of same master contract; Maximum contractual benefits .....	387
1373.6. Conversion coverage .....	387
1373.62. [Section repealed 2008] .....	390
1373.620. Required notices for health care service plans .....	390
1373.621. Additional benefits for former employee meeting ten- ure and age requirements and for employee's spouse or former spouse; Applicability .....	391
1373.622. Provision of coverage after termination of pilot pro- gram; Applicable rules .....	394
1373.65. Termination of contract with provider group or general acute care hospital; Written notice; Right of enrollee to keep provider for designated time period .....	395
1373.7. Out of state contracts; Psychologist licensure requirements .....	396
1373.8. Contractees' right to select licensed professionals in California to perform contract services .....	397
1373.9. Duty to give reasonable consideration to proposals for affiliation .....	397
1373.95. Written policy on continuity of care from health care service plan .....	398
1373.96. Completion of covered services .....	400
1373.10. Acupuncture .....	403
1373.11. Affiliation with podiatrists .....	404
1373.12. Duty of health care service plan to consider affiliation with chiropractors .....	404
1373.13. Discrimination against licensed dentists; Legislative intent .....	404
1373.14. Exclusion of victims of progressive, degenerative and dementing illnesses .....	405
1373.18. Calculation of enrollee copayments for specified con- tracts of health care service plan .....	405
1373.19. Selection of arbitrator .....	405
1373.20. Arbitration requirements .....	406
1373.21. Written arbitration decisions .....	407

TABLE OF CONTENTS

	PAGE
1374. Coverage less favorable for employees than spouses.....	408
1374.1. Availability of dependent coverage.....	408
1374.3. Compliance with standards for insurance incident to support and for insurance coverage relating to Medi-Cal beneficiaries.....	408
1374.5. Unenforceability of lifetime waiver of mental health services coverage in nongroup contract.....	409
1374.51. Voluntariness of psychiatric admission not to be used when determining eligibility for reimbursement.....	409
1374.55. Coverage for treatment of infertility; “Subsidiary”.....	409
1374.551. Standard fertility preservation services; Basic health care service.....	410
1374.56. Coverage for testing and treatment of phenylketonuria (PKU).....	411
1374.57. Exclusion of dependent child.....	412
1374.58. Group health care service plan to offer coverage for registered domestic partner equal to that provided to spouse.....	412
1374.7. Discrimination on basis of genetic characteristics.....	413
1374.75. Discrimination by health care service plan providers against victims of domestic violence.....	414
1374.8. Disclosure to employer that employee is receiving services.....	414
1374.9. Administrative penalties for discrimination on basis of genetic characteristics.....	415
1374.10. Inclusion of benefits for home health care.....	415
1374.11. Prisoners’ claims.....	416
1374.12. Restrictions on liability for expenses incurred while in state hospital.....	417
1374.13. Telehealth; Restrictions; Construction.....	417
1374.14. Telehealth services reimbursement.....	418
1374.141. Conditions for third-party telehealth service offer by health care service plan.....	419
1374.15. Disclosure of method used in calculating contract payment rates.....	421
1374.16. Standing referral to specialist.....	421
1374.17. Prohibition against denial of coverage for organ or tissue transplantation services based on HIV status.....	423
1374.19. Service plan or contract covering dental services; Coordination of benefits required.....	423
1374.192. Reimbursement for business expenses to prevent spread of diseases causing public health emergencies.....	424
1374.193. Service plan or contract covering dental services; Third party access to provider network contract, dental services, or contractual discounts.....	425
1374.195. Covered dental services; Contracts; Charge for services; Evidence of coverage and disclosure form; Required statement.....	427
Article 5.5. Health Care Service Plan Coverage Contract Changes	
Sections	
1374.20. Prohibitions on changing premium rates of health care service plan; Exemptions.....	428
1374.21. Notice of change in premium rates or coverage.....	429
1374.22. Delivery of notice; Contents.....	430

TABLE OF CONTENTS

	PAGE
1374.23. Time of delivery of notice for specified plans .....	431
1374.24. Limitation on liability of plan.....	431
1374.25. Proof of mailing of notice .....	431
1374.255. Prohibition against changing cost-sharing design during plan year; Applicability .....	431
1374.26. Adoption of regulations .....	432
1374.27. Penalties for violation.....	432
1374.28. Suspension of authority of plan to transact business .....	432
1374.29. Purpose of article .....	432
Article 5.55. Appeals Seeking Independent Medical Reviews	
Sections	
1374.30. Establishment of Independent Medical Review System; Participation; Conditions for application for independent review; Forms.....	433
1374.31. Imminent threat to health; Expeditious review .....	437
1374.32. Medical review organizations .....	438
1374.33. Analysis and determination .....	441
1374.34. Prompt implementation of decision; Review and audit .....	443
1374.35. Reimbursement of costs.....	444
1374.36. Report on implementation of article .....	444
Article 5.6. Point-of-Service Health Care Service Plan Contracts	
Sections	
1374.60. Definitions .....	445
1374.62. Application to risk transferred through reinsurance ...	446
1374.64. Plan criteria .....	446
1374.65. Plan contract requirements .....	449
1374.66. Allowable plan provisions.....	450
1374.67. Limitations .....	451
1374.68. Requirements.....	451
1374.69. Notice of material modification .....	452
1374.70. [Section repealed 1995] .....	453
1374.71. Notice of material modification; Exemption.....	453
1374.72. Health plan to cover mental illness and emotional disturbance [Repealed] .....	453
1374.72. Health plan to cover mental health and substance use disorder .....	453
1374.721. Medical necessity determination; Utilization review criteria .....	456
1374.722. Coverage for medically necessary treatment of mental health and substance use disorders delivered at school sites; Compliance guidance .....	459
1374.73. Coverage for behavioral health treatment for pervasive developmental disorder or autism .....	461
1374.74. Autism Advisory Task Force; Duties; Report .....	463
1374.76. Provision of covered mental health and substance use disorder benefits .....	464
Article 6. Operation and Renewal Requirements and Procedures	
Sections	
1375. [Section repealed 1978].....	465
1375.1. Contents of plan.....	465
1375.2. Transitionally licensed plans .....	466

TABLE OF CONTENTS

	PAGE
1375.3. Meet and confer with director prior to filing petition for bankruptcy; Information to ensure continuity of care.....	466
1375.4. Required provisions for contract between health care service plan and risk-bearing organization; Regulations; Sanctions for plan’s failure to comply with contractual requirements; Report; Exemption.....	467
1375.5. Contract provision requiring risk-bearing organization to be at financial risk for provision of health care services.....	470
1375.6. Contract provision requiring provider to accept certain rates or methods of payment.....	471
1375.7. Health Care Providers’ Bill of Rights.....	471
1375.8. Written request by provider to assume financial risk allowed when negotiating initial contract or renewing exist- ing contract.....	474
1375.9. Health care service plan; Primary care physician to enrollee ratios.....	475
1376. Rules and regulations; Surety bond.....	476
1376.1. Exemption of county or city plan from deposit require- ments related to financial responsibility.....	476
1377. Reserves or insurance to be maintained by certain plans for payments to subscribers or providers.....	477
1378. Administrative costs.....	479
1379. Contracts with health care providers.....	479
1379.5. Contract between plan and health care provider who provides health care services in Mexico; Requirements; Plan’s obligations.....	480
1380. Surveys of health delivery systems.....	480
1380.1. Legislative findings and declarations; Standards for uniform medical quality audit system.....	483
1380.3. Coordination of surveys.....	484
1381. Records; Location and inspection.....	484
1382. Examinations of fiscal and administrative affairs of plans	484
1383. Annual report to department.....	486
1383.1. Policy on second medical opinion.....	486
1383.15. Second opinion.....	486
1384. Audit reports and financial statements.....	488
1385. Books of account.....	489
 Article 6.1. Pharmacy Benefit Management Services	
Sections	
1385.001. “Pharmacy benefit manager” defined.....	490
1385.002. Authority of department.....	490
1385.003. Required disclosures of health care service plan.....	491
1385.004. Requirements of pharmacy benefit manager.....	491
1385.005. Required registration for pharmacy benefit manager	492
1385.006. Discipline for failure to comply.....	493
1385.007. Task Force on Pharmacy Benefit Management Report- ing; Reporting requirements [Repealed].....	493
 Article 6.2. Review of Rate Increases	
Sections	
1385.01. Definitions.....	494
1385.02. Applicability of article.....	495



TABLE OF CONTENTS

	PAGE
1385.03. Filing of rate information for health care service plan contracts prior to implementing any rate change; Disclosure of information .....	495
1385.04. Filing of rate information for large group health care service plan contracts prior to implementing any rate change; Disclosure of information and aggregate data.....	500
1385.043. Annual report of information on premiums .....	500
1385.045. Filing of weighted average rate increase for large group health care service plan contracts; Disclosure of information and aggregate data .....	502
1385.046. Large group contractholder application to review rate change; Review procedure.....	505
1385.05. Authority of department; Information that may be requested .....	505
1385.06. Submission of filing; Contents; Contract with independent actuary or actuaries.....	506
1385.07. Publication of information; Confidential information; Information to be included.....	506
1385.08. Issuance of guidance to health care service plans regarding compliance with article.....	507
1385.09. Filing by health care service plan contract documenting cost savings and impact on rates.....	508
1385.10. Health care service plan annual claims reporting requirements .....	508
1385.11. Review of rate filings by department; Report; Unreasonable rate increase finding .....	509
1385.13. Duties of department; Submission of information .....	510
Article 7. Discipline	
Sections	
1386. Suspension or revocation of license; Grounds for disciplinary action; Order to individual .....	510
1387. Civil penalties .....	512
1388. Discipline of person acting as solicitor or solicitor firm....	512
1389. Petition to reinstate license.....	514
Article 7.5. Underwriting Practices	
Sections	
1389.1. Applications for coverage; HIV test prohibition.....	515
1389.2. Written statement of actuarial basis .....	515
1389.21. Proscription against rescission, cancellation, or limitation of policy, or rise in premiums after 24 months following issuance of health care service plan contract.....	515
1389.25. Written notice required for changes in premium rate or coverage for individual plan contract; Information on new coverage options in case of rejection .....	516
1389.3. Postclaims underwriting .....	518
1389.4. Written policies required; Filing; Posting (Inoperative November 1, 2013; Operative date contingent) .....	518
1389.4. Written policies required; Filing; Exceptions (Operative term contingent).....	519
1389.5. Right to transfer to another individual plan (Inoperative; Operative date contingent).....	520
1389.6. Compensation of a person or entity employed or contracted; Performance goals or quotas.....	522

TABLE OF CONTENTS

	PAGE
1389.7. Issuance of new individual plan contract where contract rescinded; Premium rate; Preexisting condition provision; Notice; Contract effective date (Inoperative; Operative date contingent) .....	522
1389.7. Issuance of new individual plan contract where contract rescinded; Premium rate; Preexisting condition provision; Notice; Contract effective date; Applicability (Operative term contingent).....	523
1389.8. Duty with regard to assisting applicant for a health care service plan; Attestation; Civil penalty.....	524
 Article 8. Other Enforcement Procedures	
Sections	
1390. Violation of chapter; Penalties .....	525
1391. Cease and desist orders .....	525
1391.5. Immediate order to discontinue unsafe practice.....	526
1392. Injunctions and other equitable relief.....	526
1392.5. Receiver, monitor, conservator, or other fiduciary or officer.....	527
1393. Vesting of title to assets; Taking possession of business	529
1393.5. Civil penalties for violation of license provisions .....	531
1393.6. Administrative penalties for violation of provisions relating to small employer group access to contracts for health care services and preexisting condition provisions and late enrollees .....	531
1394. Penalties not exclusive .....	532
1394.1. Complaint for involuntary dissolution of plan .....	532
1394.2. Priority of claims .....	532
1394.3. Applicable law in involuntary dissolution actions .....	533
 Article 8.5. Service of Process	
Sections	
1394.5. Methods of service .....	533
1394.7. Definitions; Insolvency of health care service plan.....	534
1394.8. Definitions; Insolvency of specialized health care service plan.....	536
 Article 9. Miscellaneous	
Sections	
1395. Advertising; Contracts with licensed professionals; Offices; Misrepresentations by plan; Compliance by plan.....	539
1395.5. Contract to restrict health care provider's advertising	540
1395.6. Disclosure relating to health care provider's participation in network; Disclosures by contracting agent conveying its list of contracted health care providers and reimbursement rates; Election by provider to be excluded from list; Demonstration by payor of entitlement to pay contracted rate .....	541
1395.7. Staff-model dental health care service plan; Compliance with policies and procedures.....	544
1396. Misstatements or omissions in documents filed .....	544
1396.5. Privileges of nonprofit hospital corporations which indemnified subscribers.....	545
1397. Hearings; Judicial review .....	545
1397.5. Summary of complaints against plans .....	545
1397.6. Contracts with medical consultants .....	546

TABLE OF CONTENTS

	PAGE
1398. [Section repealed 2000].....	546
1398.5. References to prior law.....	546
1399. Surrender of license; Summary suspension or revocation of license.....	546
1399.1. Administrative actions applicable to transitionally licensed plans.....	547
1399.3. Material change to contract effective upon delivery of notice by health care service plan to solicitor.....	547
1399.5. Legislative intent; Application of chapter.....	547
Article 9.5. Claims Reviewers	
Sections	
1399.55. Disclosure of rationale for rejection of claim from health care provider or patient.....	548
1399.56. Compensation of person retained to review claims for health care services.....	548
1399.57. Application of article to Medi-Cal services or benefits.....	548
Article 10. Discontinuance and Replacement of Group Health Care Service Plan Contracts	
Sections	
1399.60. Application.....	549
1399.61. Definitions.....	549
1399.62. Extension of benefits.....	549
1399.63. Required coverage following discontinuance of prior contract or policy.....	550
1399.64. Compliance requirement.....	552
Article 10.2. Mergers and Acquisitions of Health Care Service Plans	
Sections	
1399.65. Mergers, consolidation or acquisition of health care service plans; Requirements.....	552
1399.66. Material modifications fees; Reimbursement of costs from health care service plan to director.....	554
Article 10.5. Individual Access to Contracts for Health Care Services [Renumbered].....	
	555
Article 11. Nonprofit Plans	
Sections	
1399.70. Submission of copy of articles of incorporation; Report.....	555
1399.71. Submission of public benefit program.....	556
1399.72. Approval for conversion from nonprofit to for-profit status.....	558
1399.73. Contents of application; Fee; Contracts for review.....	559
1399.74. Adoption of regulations; Notice; Public records; Public hearing.....	559
1399.75. Application of article.....	560
1399.76. Exceptions.....	561
Article 11.1. Consumer Operated and Oriented Plans	
Sections	
1399.80. Definitions.....	561
1399.81. Issuance of license.....	562
1399.83. Licensees subject to specified provisions of law.....	562

TABLE OF CONTENTS

	PAGE
1399.84. Loan documentation.....	563
1399.86. Prohibitions in PPACA apply; Additional requirements	563
1399.88. Full compliance with requirements of PPACA governing CO-OPs .....	564
Article 11.5. Individual Access to Contracts for Health Care Services	
Sections	
1399.801. Definitions.....	565
1399.802. Compliance with chapter and article.....	566
1399.803. Application of article.....	567
1399.804. Availability of contracts to federally eligible defined individuals.....	567
1399.805. Notification of premium charges; Commencement of coverage; Changes.....	568
1399.806. Prohibited exclusions .....	570
1399.809. Discontinuation of plan.....	570
1399.810. Renewal of contracts.....	570
1399.811. Premium requirements .....	571
1399.812. Consistent application of premiums .....	574
1399.813. Disclosure .....	574
1399.814. Exemption from requirement to offer to individuals	574
1399.815. Notice of amendments .....	574
1399.816. [Section repealed 2013].....	575
1399.817. Regulations.....	575
1399.818. Date of applicability of article .....	576
1399.900–1399.904. [Reserved] .....	576
Article 11.7. Child Access to Health Care Coverage (Inopera- tive; Operative date contingent)	
Sections	
1399.825. Definitions (Inoperative; Operative date contingent)	576
1399.826. Child coverage; Preexisting condition; Issuance or offering of individual coverage may not be conditioned; When coverage becomes effective; Establishment of rules for eligibility; Construction (Inoperative; Operative date contingent) .....	577
1399.827. Applicability of article (Inoperative; Operative date contingent) .....	578
1399.828. Availability of plan’s health care service plan contracts to late enrollees; Prohibited activities; Compensation to solicitor prohibited (Inoperative; Operative date contingent)	579
1399.829. Characteristics to be considered in establishing rates; Limitations (Inoperative; Operative date contingent).....	579
1399.832. When plan not required to offer contract or accept applications (Inoperative; Operative date contingent) .....	581
1399.833. Requirement that plan discontinue offering contracts or accepting applications (Inoperative; Operative date contingent) .....	582
1399.834. Renewal of contracts; Plan ceasing to offer individual coverage (Inoperative; Operative date contingent) .....	582
1399.835. Issuance of guidance to health plans regarding com- pliance with article (Inoperative; Operative date contingent)	582
1399.836. Operation of article (Inoperative; Operative date contingent) .....	583

TABLE OF CONTENTS

	PAGE
Article 11.8. Individual Access to Health Care Coverage	
Sections	
1399.845. Definitions.....	583
1399.846. Sole proprietorships and partnerships; Individual health care service plans.....	584
1399.847. Applicability of article.....	585
1399.848. Individual health benefit plans; Annual enrollment period; Special enrollment period; Effective date.....	585
1399.849. Individual health benefit plans; Preexisting condition provisions prohibited; Enrollment periods; Triggering events; Coverage effective date; Plans offered outside Exchange; Limitations on eligibility rules; Single risk pool; Applicability.....	585
1399.851. Prohibited activities for insurer, agent, or broker; Applicability; Enforcement.....	590
1399.853. Renewability; When insurer ceases offering plans....	591
1399.855. Determination of premium rates (Operative term contingent).....	591
1399.857. Requirements not placed on carriers.....	593
1399.858. Discontinuing of offering contracts or acceptance of applications.....	594
1399.859. Notice to applicant or subscriber of eligibility for lower cost coverage through Exchange; Applicability.....	595
1399.861. Notice to subscriber of individual grandfathered health plan of health insurance options; Inclusion of notice in renewal material and application for dependent coverage.....	595
1399.862. Implementation of article.....	596
1399.863. Adoption of emergency regulations.....	596
1399.864. Requirements of health care service plan that contracts with California Health Benefit Exchange to offer a qualified bridge plan; Medical loss ratio; Marketing and sales; Initial open enrollment (For inoperative date and repeal see subd (g)).....	596
Article 11.9. Health Equity and Quality	
Sections	
1399.870. Health Equity and Quality Committee.....	598
1399.871. Establishment of standard measures and annual benchmarks for equity and quality in health care delivery; National Committee for Quality Assurance accreditation....	600
1399.872. Annual report; Department review and compliance determination; Noncompliance.....	601
1399.873. Applicability of article.....	602
1399.874. Director enforcement authority; Written forms, policies, rules and other guidance without regulatory action....	603
<b>CALIFORNIA CODE OF REGULATIONS</b>	
Title 28. Managed Health Care	
Division 1. The Department of Managed Health Care	
Chapter 1. Department Administration	
Article 1. Conflict of Interest	
Section	
1000. Conflict of Interest for the Department of Managed Health Care.....	605

TABLE OF CONTENTS

	PAGE
Article 2. Administration	
Sections	
1001. Department Internet Web Page and Web Addresses .....	610
1002. Appearance and Practice Before the Department .....	610
1002.4. Public Meetings and Hearings .....	610
1003. Public Comment During Department Meetings .....	611
1004. Verification .....	612
1005. Interpretive Opinions .....	612
1006. Inspection of Public Records .....	613
1007. Request for Confidentiality .....	614
1008. Availability of Department Forms, Publications and Notices; Fees .....	615
1009. Retention of Department Records .....	616
1010. Consumer Participation Program .....	617
1011. Assessment for University of California Analysis of Proposed Mandate Legislation .....	621
Article 3. Electronic Filing	
Section	
1300.41.8. Electronic Filing .....	622
Chapter 2. Health Care Service Plans	
Article 1. Exemptions	
Sections	
1300.43. Small Plans .....	624
1300.43.1. New Plans .....	624
1300.43.2. Extension for Enrollers Under Medi-Cal Program .....	624
1300.43.3. Ambulance Plans: Conditional Exemption .....	624
1300.43.4. Employee Welfare Benefit Plans [Repealed] .....	628
1300.43.5. Exemption for Licensees of Insurance Commissioner [Repealed] .....	628
1300.43.6. Moribund Plans .....	628
1300.43.7. Student Emergency Care Arrangements .....	629
1300.43.8. Public Agencies .....	629
1300.43.9. Unlicensed Solicitors and Solicitor Firms .....	630
1300.43.10. Nonprofit Retirees' Plan .....	630
1300.43.11. Exemption for Solicitors of Nonprofit Retirees' Plans .....	632
1300.43.12. Medi-Cal Dental Contract .....	632
1300.43.13. Mutual Benefit Plans .....	633
1300.43.14. Employee Assistance Programs .....	635
1300.43.15. Foreign Plans .....	638
Article 2. Administration	
Sections	
1300.44. Interpretive Opinions .....	639
1300.44.1. Application for Exemption from Rule .....	639
1300.45. Definitions .....	639
1300.46. Prohibition of Bonuses or Gratuities in Solicitations .....	641
1300.47. Advisory Committee on Managed Health Care .....	641
Article 3. Plan Applications and Amendments	
Sections	
1300.49. General Licensure Requirements .....	642
1300.50. Notice of Intention to Apply for Plan License .....	645

TABLE OF CONTENTS

	PAGE
1300.51. Application for License as a Health Care Service Plan or Specialized Health Care Service Plan .....	645
1300.51.1. Individual Information Sheet .....	670
1300.51.2. Consent to Service of Process .....	673
1300.51.3. Preparation and Amendment of Application for License As a Health Care Service Plan Under Section 1300.51 .....	674
1300.52. Amendments to Plan Application .....	675
1300.52.1. Notice of Material Modification .....	676
1300.52.2. Change in Plan Personnel .....	678
1300.52.3. Filings and Actions Relating to Charitable or Public Activities .....	678
1300.52.4. Standards for Amendments and Notices of Material Modification .....	679
Article 4. Solicitors	
Sections	
1300.57. Solicitor Application .....	681
1300.57.1. Solicitor Firm Application by Person Not Licensed by Insurance Commissioner .....	681
1300.57.2. Amendment to Solicitor Firm Application .....	681
1300.57.3. Fees Payable by Licensed Insurance Agents and Brokers .....	681
1300.57.4. Solicitor Financial Records Authorization .....	681
1300.59. Plan Assurances Prior to Solicitation .....	681
1300.59.1. Examination Fee .....	681
1300.59.2. Waiver of Examination Requirements .....	681
Article 5. Advertising and Disclosure	
Sections	
1300.61. Filing of Advertising and Disclosure Forms .....	682
1300.61.1. Exempt Advertising .....	682
1300.61.3. Deceptive Advertising .....	682
1300.63. Disclosure Form .....	683
1300.63.1. Evidence of Coverage .....	685
1300.63.2. Combined Evidence of Coverage and Disclosure Form .....	686
1300.63.3. Experimental Disclosure .....	689
1300.63.50. Medicare Supplement Additional Disclosure [Repealed] .....	689
1300.64.50. Medicare Supplement Application Information [Repealed] .....	689
1300.64.51. Medicare Supplement “Buyer’s Guide” [Repealed] .....	690
1300.64.52. Standards for Marketing Medicare Supplement Contracts [Repealed] .....	690
1300.64.53. Reporting of Multiple Coverage [Repealed] .....	690
1300.64.54. Replacement Contracts: Elimination of Waiting Periods [Repealed] .....	690
1300.64.55. Permitted Compensation Arrangements for the Sale of Medicare Supplement Contracts [Repealed] .....	690
Article 6. Appeals on Cancellation	
Sections	
1300.65. Cancellations, Rescissions, and Nonrenewals of an Enrollment or Subscription .....	691
1300.65.1. Cancellations, Rescissions, or Nonrenewals for Reasons Other than Nonpayment of Premiums .....	696



TABLE OF CONTENTS

	PAGE
1300.65.2. Cancellations or Nonrenewals for Nonpayment of Premiums.....	698
1300.65.3. Cancellations or Nonrenewals for Nonpayment of Premiums: APTC Enrollee .....	700
1300.65.4. Grievance Form for Cancellations, Rescissions, and Nonrenewals of an Enrollment or Subscription.....	704
1300.65.5. Notice of Right of Enrollee to Submit a Grievance ...	707
1300.66. Deceptive Plan Names .....	708
Article 7. Standards	
Sections	
1300.67. Scope of Basic Health Care Services.....	709
1300.67.01. COVID-19 Diagnostic Testing .....	711
1300.67.003. State Medical Loss Ratio Annual Report.....	714
1300.67.005. Essential Health Benefits .....	715
1300.67.04. Language Assistance Programs .....	739
1300.67.05. Acts of War Exclusions .....	745
1300.67.1. Continuity of Care.....	746
1300.67.1.3. Block Transfer Filings .....	746
1300.67.2. Accessibility of Services.....	751
1300.67.2.1. Geographic Accessibility Standards.....	752
1300.67.2.2. Timely Access to Non-Emergency Health Care Services .....	753
1300.67.3. Standards for Plan Organization.....	760
1300.67.4. Subscriber and Group Contracts .....	760
1300.67.8. Contracts with Providers .....	763
1300.67.10. Discrimination Prohibited [Repealed].....	763
1300.67.11. Disclosure of Conflicts of Interest.....	764
1300.67.12. Contracts with Solicitor Firms .....	764
1300.67.13. Coordination of Benefits (“COB”) .....	765
1300.67.205. Standard Prescription Drug Formulary Template	769
1300.67.24. Outpatient Prescription Drug Copayments, Coinsurance, Deductibles, Limitations and Exclusions .....	776
1300.67.241. Prescription Drug Prior Authorization or Step Therapy Exception Request Form Process.....	781
1300.67.50. Certain Medicare Supplement Contracts: Presumption of Unfairness [Repealed].....	784
1300.67.51. Medicare Supplement Contract Provisions [Repealed] .....	784
1300.67.52. Medicare Supplement Additional Benefit Requirements [Repealed] .....	784
1300.67.53. Medicare Supplement Minimum Aggregate Benefits [Repealed] .....	784
1300.67.55. Medicare Supplement Reporting Requirements [Repealed] .....	785
1300.67.56. Transitional Requirements for the Conversion of Medicare Supplement Contracts to Conform to Medicare Program Revisions [Repealed] .....	785
1300.67.57. Format For Notices of Changes in Coverage [Repealed] .....	785
1300.67.58. Participating Physician or Supplier Claims Form Requirement (Compliance with Section 4081 of the Omnibus Budget Reconciliation Act of 1987) [Repealed] .....	785
1300.67.59. Format for Reporting Loss Ratio Experience [Repealed] .....	785

TABLE OF CONTENTS

	PAGE
Article 8. Self-Policing Procedures	
Sections	
1300.67.60. Standing Referral to HIV/AIDS Specialist [Renumbered] .....	786
1300.68. Grievance System.....	786
1300.68.01. Expedited Review of Grievances .....	794
1300.68.2. Hospice Services .....	796
1300.69. Public Policy Participation by Subscribers .....	799
1300.70. Health Care Service Plan Quality Assurance Program	800
1300.70.4. Independent Medical Reviews Experimental and In- vestigational Therapies.....	803
1300.71. Claims Settlement Practices .....	804
1300.71.4. Emergency Medical Condition and Post-Stabilization Responsibilities for Medically Necessary Health Care Services .....	817
1300.71.31. Methodology for Determining Average Contracted Rate; Default Reimbursement Rate.....	818
1300.71.38. Fast, Fair and Cost-Effective Dispute Resolution Mechanism .....	821
1300.71.39. Unfair Billing Patterns.....	826
1300.73.21. Arbitration and Settlement Agreements .....	826
1300.74.16. Standing Referral to HIV/AIDS Specialist .....	827
1300.74.30. Independent Medical Review System .....	829
1300.74.72. Mental Health Parity. ....	832
1300.74.73. Pervasive Developmental Disorder and Autism Coverage.....	834
Article 9. Financial Responsibility	
Sections	
1300.75. Agreements with Subsequent Providers [Repealed] ....	835
1300.75.1. Fiscal Soundness, Insurance, and Other Arrangements.....	835
1300.75.2. Plan As Subsequent Provider [Repealed] .....	836
1300.75.3. Subsequent Provider Exemption [Repealed].....	836
1300.75.4. Definitions .....	836
1300.75.4.1. Risk Arrangement Disclosure.....	838
1300.75.4.2. Organization Information .....	840
1300.75.4.3. Plan Reporting.....	847
1300.75.4.4. Confidentiality .....	848
1300.75.4.5. Plan and Sub-Delegating Organization Compliance	849
1300.75.4.6. Department Costs .....	852
1300.75.4.7. Organization Evaluation .....	852
1300.75.4.8. Corrective Action .....	853
1300.76. Plan Tangible Net Equity Requirement .....	856
1300.76.1. Deposits .....	857
1300.76.2. Solicitor Firm Financial Requirement.....	858
1300.76.3. Fidelity Bond.....	858
1300.76.4. Prohibited Financial Practices.....	859
1300.77. Reimbursements .....	860
1300.77.1. Estimated Liability for Reimbursements.....	861
1300.77.2. Calculation of Estimated Liability for Reimbursements.....	861
1300.77.3. Report on Reimbursements Exceeding Ten Percent	864
1300.77.4. Reimbursements on a Fee-for-Services Basis: Deter- mination of Status of Claims .....	865

TABLE OF CONTENTS

	PAGE
1300.78. Administrative Costs .....	865
Article 10. Medical Surveys	
Sections	
1300.80. Medical Survey Procedure.....	867
1300.80.10. Medical Survey: Report of Correction of Deficiencies	869
Article 11. Examinations	
Sections	
1300.81. Removal of Books and Records from State.....	869
1300.82. Examination Procedure.....	870
1300.82.1. Additional or Nonroutine Examinations and Surveys	870
Article 12. Reports	
Sections	
1300.83. Annual Report [Repealed] .....	871
1300.84. Financial Statements .....	871
1300.84.05. Change of Independent Accountant .....	872
1300.84.06. Plan Annual Report.....	873
1300.84.1. Verification of Reports [Repealed] .....	874
1300.84.2. Quarterly Financial Reports .....	874
1300.84.3. Monthly Financial Reports.....	875
1300.84.4. Financial Reports by Solicitor Firms [Repealed].....	876
1300.84.5. Public Entity Plans.....	876
1300.84.6. Plan Annual Enrollee Report .....	878
1300.84.7. Special Reports Relating to Charitable or Public Activities.....	879
Article 13. Books and Records	
Sections	
1300.85. Books and Records.....	880
1300.85.1. Retention of Books and Records.....	881
Article 14. Miscellaneous Provisions	
Sections	
1300.86. Assessment of Administrative Penalties.....	881
1300.87. Civil Penalties.....	882
1300.89. Petition for Restoration .....	882
1300.89.21. Rescissions .....	885
1300.99. Application to Surrender License.....	886
1300.99.7. Application for Conversion or Restructuring .....	888
Article 15. Charitable or Public Activities	
Sections	
1300.824. Requirements Relating to Charitable or Public Activ- ity Filings.....	888
1300.824.1. Notices and Requests for Approval of Certain Transactions.....	889
1300.826. Request for Ruling on Proposed Action or Article Amendment .....	889
<b>Index</b> .....	I-1