

§ 1346. Powers of administration

(a) The director shall administer and enforce this chapter and shall have the following powers:

(1) Recommend and propose the enactment of any legislation necessary to protect and promote the interests of the public, subscribers, enrollees, and providers of health care services in health care service plans in the State of California.

(2) Provide information to federal and state legislative committees and executive agencies concerning plans.

(3) Assist, advise, and cooperate with federal, state, and local agencies and officials to protect and promote the interests of plans, subscribers, enrollees, and the public.

(4) Study, investigate, research, and analyze matters affecting the interests of plans, subscribers, enrollees, and the public.

(5) Hold public hearings, subpoena witnesses, take testimony, compel the production of books, papers, documents, and other evidence, and call upon other state agencies for information to implement the purposes, and enforce this chapter.

(6) Conduct audits and examinations of the books and records of plans and other persons subject to this chapter, and may prescribe by rule or order, but is not limited to, the following:

(A) The form and contents of financial statements required under this chapter.

(B) The circumstances under which consolidated statements shall be filed.

(C) The circumstances under which financial statements shall be audited by independent certified public accountants or public accountants.

(7) Conduct necessary onsite medical surveys of the health delivery system of each plan.

(8) Propose, develop, conduct, and assist in educational programs for the public, subscribers, enrollees, and licensees.

(9) Promote and establish standards of ethical conduct for the administration of plans and undertake activities to encourage responsibility in the promotion and sale of plan contracts and the enrollment of subscribers or enrollees in the plans.

(10) Advise the Governor on all matters affecting the interests of plans, subscribers, enrollees, and the public.

(11) Determine that investments of a plan's assets necessary to meet the requirements of Section 1376 are acceptable. For those purposes, reinvestment in the plan and investment in any obligations set forth in Article 3 (commencing with Section 1170) of, and Article 4 (commencing with Section 1190) of, Chapter 2 of Part 2 of Division 1 of the Insurance Code shall be considered acceptable. All other assets shall be invested in a prudent manner.

(b) The powers enumerated in subdivision (a) shall not limit, diminish, or otherwise restrict the other powers of the director specifically set forth in this chapter and other laws.

HISTORY:

Added Stats 1975 ch 941 § 2, operative July 1, 1976. Amended Stats 1991 ch 898 § 1 (SB

118); Stats 1999 ch 525 § 43 (AB 78), operative July 1, 2000.