

§ 1399.80. Definitions

For purposes of this article, the following definitions shall apply:

(a) “Consumer operated and oriented plan” means a nonprofit member organization or nonprofit member corporation that has been established

consistent with the requirements of Section 1322 of PPACA and Subpart F (commencing with Section 156.500) of Part 156 of Subchapter B of Subtitle A of Title 45 of the Code of Federal Regulations and remains in full compliance with those requirements. A consumer operated and oriented plan shall also be known as a “CO-OP.”

(b) “Formation board” means the initial board of directors of a CO-OP before it has begun accepting enrollment and had an election by the members of the CO-OP to the board of directors.

(c) “Member” includes all individuals, including dependents, 18 years of age or older covered under health care service plan contracts issued by the CO-OP health care service plan.

(d) “Operational board” means the board of directors elected by the members of the CO-OP after it has begun accepting enrollment under its health care service plan contracts.

(e) “PPACA” means the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), and any rules or regulations issued thereunder.

(f) “Nonprofit member organization” or “nonprofit member corporation” means a nonprofit public benefit corporation organized under Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code, a nonprofit mutual benefit corporation organized under Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code, or a similar entity organized under applicable provisions of the Corporations Code, or in the case of a foreign corporation, a nonprofit public benefit corporation, a mutual benefit corporation, or a similar entity organized under nonprofit laws in a state other than California.

(g) “Solvency loan” means a loan provided by the federal Centers for Medicare and Medicaid Services to a nonprofit member organization or nonprofit member corporation seeking to become licensed as a CO-OP health care service plan, to be used to assist in meeting the state’s fiscal soundness and solvency requirements.

(h) “Start-up loan” means a loan provided by the federal Centers for Medicare and Medicaid Services to a nonprofit member organization or nonprofit member corporation seeking to become licensed as a CO-OP health care service plan, to be used for allowed expenses associated with establishing a CO-OP, as further specified by PPACA.

HISTORY:

Added Stats 2012 ch 859 § 2 (AB 1846), effective January 1, 2013.