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Title 22@ Social Security

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Division 3@ Health Care Services

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Subdivision 1@ California Medical Assistance Program

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Chapter 4@ Prepaid Health Plans

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Article 3@ OPERATIONAL REQUIREMENTS

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Section 53350@ Civil Penalties

53350 Civil Penalties

(a)

The Director may, except as provided in Section 53352 subsection (a), impose one or more of the civil penalties specified in (b) upon a plan which fails to comply with the provisions of Chapter 8, Part 3, Division 9, Welfare and Institutions Code, the provisions of this Chapter, or the terms of the plan contract.

(b)

Civil penalties imposed by the Director shall be in the amounts specified below with respect to violation of any provision of:

- (1) Article 3 excluding Sections 53312 and 53314. (A) First violation: \$500. (B) Second violation: \$1,000. (C) Third and each subsequent violation: \$5,000.
- (2) Article 4. (A) First violation: \$1,000. (B) Second and each subsequent violation: \$5,000.
- (3) Article 5. (A) First violation: \$1,000. (B) Second and each subsequent violation: \$1,000.
- (4) Sections 53312 and 53314 of this Chapter. (A) First violation: \$500, plus \$25 per day for each day that the item to be submitted is late. (B) Second and each subsequent violation: \$500, plus \$25 per day for each day that the item to be submitted is late.
- (5) The contract which is not specifically governed by regulation in this Chapter. (A) First violation: \$500. (B) Second and subsequent violations: \$1,000.
- (6) Chapter 8, Part 3, Division 9 of the Welfare and Institutions Code which is not specifically addressed by regulations in this Chapter. (A) First violation: \$1,000. (B) Second and subsequent violations: \$1,000.

(1)

Article 3 excluding Sections 53312 and 53314. (A) First violation: \$500. (B) Second violation: \$1,000. (C) Third and each subsequent violation: \$5,000.

(A)

First violation: \$500.

(B)

Second violation: \$1,000.

(C)

Third and each subsequent violation: \$5,000.

(2)

Article 4. (A) First violation: \$1,000. (B) Second and each subsequent violation: \$5,000.

(A)

First violation: \$1,000.

(B)

Second and each subsequent violation: \$5,000.

(3)

Article 5. (A) First violation: \$1,000. (B) Second and each subsequent violation: \$1,000.

(A)

First violation: \$1,000.

(B)

Second and each subsequent violation: \$1,000.

(4)

Sections 53312 and 53314 of this Chapter. (A) First violation: \$500, plus \$25 per day for each day that the item to be submitted is late. (B) Second and each subsequent violation: \$500, plus \$25 per day for each day that the item to be submitted is late.

(A)

First violation: \$500, plus \$25 per day for each day that the item to be submitted is late.

(B)

Second and each subsequent violation: \$500, plus \$25 per day for each day that the item to be submitted is late.

(5)

The contract which is not specifically governed by regulation in this Chapter. (A) First violation: \$500. (B) Second and subsequent violations: \$1,000.

(A)

First violation: \$500.

(B)

Second and subsequent violations: \$1,000.

(6)

Chapter 8, Part 3, Division 9 of the Welfare and Institutions Code which is not specifically addressed by regulations in this Chapter. (A) First violation: \$1,000. (B) Second and subsequent violations: \$1,000.

(A)

First violation: \$1,000.

(B)

Second and subsequent violations: \$1,000.

(c)

The counting of violations for the purposes of Welfare and Institutions Code Section 14304(b)(3) shall:(1) Be done without regard to contract term. (2) Commence with violations occurring on or after the effective date of this section.

(1)

Be done without regard to contract term.

(2)

Commence with violations occurring on or after the effective date of this section.

(d)

Imposition of penalties, under the provisions of subsection (a) shall follow administrative proceedings held in accordance with the provisions of Chapter 5 (commencing with Section 11500), Part 1, Division 3, Title 2, Government Code.

(e)

The Department shall issue a letter of noncompliance to a plan found by the administrative proceedings addressed in subsection (d) to be in violation of any provision of law, regulation or the contract. The letter of noncompliance shall include the violation, sanctions to be imposed and corrective action to be taken within stated time limits. Failure to comply with corrective actions within the time limits given shall be deemed to be a subsequent violation for the purposes of subsection (c).