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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 53252@ Reinsurance

53252 Reinsurance

(a)

The provisions of Section 53251 notwithstanding, the prepaid health plan may obtain reinsurance for the cost of providing covered services, subject to the following conditions: (1) Reinsurance shall not reduce plan liability below \$5,000 per member for any one 12-month period. (2) Reinsurance may cover both of the following: (A) The total cost of services provided to members under emergency circumstances by nonplan providers, including the cost of inpatient care in a nonplan facility until such time as the member may be safely transported to a plan facility. (B) Up to 90 percent of all expenditures related to the contract exceeding 115 percent of the plan's gross income from capitation payments and third-party recoveries under the terms of the contract during any plan fiscal year.

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