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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

|->

Section 53324@ Financial Resources

53324 Financial Resources

(a)

Each plan shall maintain adequate financial resources to carry out its contractual obligations. The level of such resources shall be determined for each plan by the Department and shall include, but not necessarily be limited to, the following: (1) Tangible net equity as defined in Title 10, California Administrative Code, Section 1300.76. (2) Working capital trends. (3) Profit and loss trends. (4) Enrollment growth.

(1)

Tangible net equity as defined in Title 10, California Administrative Code, Section 1300.76.

(2)

Working capital trends.

(3)

Profit and loss trends.

(4)

Enrollment growth.

(b)

Administrative costs incurred by a plan and its affiliates shall not exceed the limits established by Title 10, California Administrative Code, Section 1300.78.

(c)

Each plan shall submit to the Department, within 45 days after the close of each fiscal quarter, a quarterly financial report in the format prescribed by Title 10, California Administrative Code, Section 1300.84.2. The Department may at its discretion waive this reporting requirement.

(d)

Each plan shall submit to the Department a copy of any financial report submitted to any other public or private organization, if such report differs in content from any financial report already submitted to the Department.