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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 8@ CALIFORNIA PARTNERSHIP FOR LONG-TERM CARE

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Article 2@ CONDITIONS OF ISSUER PARTICIPATION

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Section 58057@ Termination of Issuer Participation

58057 Termination of Issuer Participation

(a)

Approval of the long-term care Partnership Policy or Certificate of each Issuer is conditional upon the Issuer fully complying with all requirements of this Chapter. The Director of the Department of Health Services may disqualify any Issuer from participation in the California Partnership for Long-Term Care, and may remove the approval status of any Partnership Policy or Certificate issued by an Issuer, whenever the Issuer fails to comply with any and all requirements of this Chapter.

(b)

Any disqualification of an Issuer from participation in the California Partnership for Long-Term Care, or the removal of the certification of any Partnership Policy or Certificate, shall be after notice and hearing conducted in accordance with Chapter 5, Part 1, Division 3, Title 2 of the Government Code (sections 11500 et seq.).

(c)

The Director may temporarily suspend any Issuer from participation in the California Partnership for Long-Term Care prior to a hearing when there is a substantial probability that federal financial participation will be adversely impacted by the Department's continued certification of the Issuer's Policy or Certificate or by the Issuer's continued participation in the California Partnership for Long-Term Care, or where the activities of the participating Issuer are either detrimental to the public interest or adversely impact other participating Issuers,

Partnership Policy or Certificate holders, or the California Partnership for Long-Term Care. The Director shall notify the Issuer of any temporary suspension, and the effective date thereof, and at the same time shall serve the Issuer with a written description of the basis for the suspension. Upon the receipt of a notice of defense from the Issuer, the Director shall set the matter for hearing within 30 days after receipt of such notice. The temporary suspension shall remain in effect until such time as the hearing is completed and the Director has made a final determination on the merits. The temporary suspension shall be deemed vacated if the Director fails to make a determination on the merits within 60 days after the hearing was completed.

(d)

If the Department of Health Services withdraws from the California Partnership for Long-Term Care or removes the certification status of any long-term care insurance Policy or Certificate, a Policy or Certificate holder who purchased a Policy or Certificate while the Policy or Certificate was certified will retain his or her right to the Medi-Cal Property Exemption. An individual who applies for any policy or certificate after the removal of certification status will have no right to the Medi-Cal Property Exemption.

(e)

Any Issuer whose approval to market Partnership Policies or Certificates is removed by the Director or any issuer who discontinues selling a Partnership-approved Policy or Certificate, shall continue to comply with all requirements of this Chapter including the documentation and reporting requirements set forth in Article 6.