

§ 1385.14. Information required

(a) This section shall apply only to a health care service plan covering dental services and a specialized health care service plan covering dental services, as defined in Section 1374.194.

(b) On or after January 1, 2025, and at least annually thereafter, a plan shall file with the department the information required by this article, as applicable, including, but not limited to, all of the following:

- (1) Type of plan involved, such as for profit or not for profit.
- (2) Product type, such as a preferred provider organization or health maintenance organization.
- (3) Whether the products are opened or closed.
- (4) Annual rate.
- (5) Total earned premiums in each plan contract form.
- (6) Total incurred claims in each plan contract form.
- (7) Review category: initial filing for new product, filing for existing product, or resubmission.
- (8) Average rate of increase.
- (9) Effective date of rate increase.
- (10) Number of subscribers or enrollees affected by each plan contract form.
- (11) A comparison of claims cost and rate changes over time.
- (12) Any changes in enrollee cost sharing over the prior year associated with the submitted rate filing.
- (13) Any changes in enrollee benefits over the prior year associated with the submitted rate filing.
- (14) Any changes in administrative costs.

(15) Variation in trend, by geographic region, if the plan serves more than one geographic region.

(16) The loss ratio for the plan contract as described in Section 1367.004.

(17) Proposed and effective rates for all products.

(18) A rating manual that outlines the methodology used in the development of the premium rates, along with a description of how rates were determined.

(19) The base rate or rates and the factors used to determine the base rate or rates.

(20) Trend, including overall average, and by-product, if different.

(21) Any other factors affecting dental premium rates.

(22) An actuarial certification signed by a qualified actuary.

(23) Any other information required for the department to make its determination.

(c)(1) The plan shall file with the department the required information at least 120 days before any change in the methodology, factors, or assumptions that would affect rates.

(2) A plan shall respond to the department's request for any additional information necessary for the department to complete its review of the plan's rate filing for individual and group plan contracts within five business days of the department's request or as otherwise required by the department.

(3) If a plan fails to provide all the information the department requires in order for the department to make its determination, the department may determine that a plan's rate change is unreasonable or not justified.

(4) If the department determines that a plan's rate change for individual or group plan contracts is unreasonable or not justified consistent with this article, the plan shall provide notice of that determination to an individual or group applicant or subscriber.

(5) The department may contract with a consultant or consultants with expertise to assist the department in its review. Contracts entered into pursuant to the authority in this article shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, and the State Contract Act (Chapter 1 (commencing with Section 10100) of Part 2 of Division 2 of the Public Contract Code).

(d) For all plans covering dental services, the department shall issue a determination that the plan's rate change is unreasonable or not justified no later than 60 days following receipt of all the information the department requires to make its determination. The determination by the department shall also apply to the methodology, factors, and assumptions used to determine rates.

(e) The department may review the rate filings to ensure compliance with the law, as described in Section 1385.11, excluding subdivision (c).

(f) The department may require all health care service plans to submit all rate filings to the National Association of Insurance Commissioners' System for Electronic Rate and Form Filing (SERFF). Submission of the required rate filings to SERFF shall be deemed to be filing with the department for purposes of compliance with this section.

(g)(1) The department may adopt emergency regulations implementing this section. The initial adoption of emergency regulations implementing this section and the readoption of emergency regulations authorized by this subdivision shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare.

(2) On or before July 1, 2024, the director may issue guidance to plans regarding compliance with this section. This guidance shall not be subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(3) The department shall consult with the Department of Insurance when issuing guidance on adopting necessary regulations pursuant to this subdivision.

HISTORY:

Added Stats 2023 ch 557 § 3 (AB 1048),
effective January 1, 2024.

ARTICLE 7

Discipline

Section

1386. Suspension or revocation of license; Grounds for disciplinary action; Order to individual.

1387. Civil penalties.

1388. Discipline of person acting as solicitor or solicitor firm.

1389. Petition to reinstate license.

HISTORY: Added Stats 1975 ch 941 § 2, operative July 1, 1976.