

From: DMHC Licensing eFiling

Subject: APL 22-015 – Financial Reporting Regulation

Date: Tuesday, May 31, 2022 11:26 AM

Attachments: APL 22-015 – Financial Reporting Regulation (5.31.22).pdf

Dear Health Plan Representative,

Please see attached, All Plan Letter (APL) 22-015 – Financial Reporting Regulation. This APL is to notify health care service plans (health plans) about the recent amendments to the annual, quarterly, and monthly financial reporting requirements.

Thank you.



Gavin Newsom, Governor
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Health and Human Services Agency
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ALL PLAN LETTER

DATE: May 31, 2022

TO: All Health Care Service Plans

FROM: Pritika Dutt
Deputy Director, Office of Financial Review

SUBJECT: APL 22-015 – Regulatory Amendments Regarding Annual, Quarterly, and Monthly Financial Reporting

The Department of Managed Health Care (DMHC) issues this All Plan Letter (APL) to notify health care service plans (health plans) about the recent amendments to the annual, quarterly, and monthly financial reporting requirements.¹ The promulgated regulations become effective July 1, 2022. This APL discusses the significant amendments and provides guidance for health plan reporting.

Significant Amendments

The amended regulations:

- Increase Tangible Net Equity requirements for monthly reporting to 150%.
- Incorporate by reference four documents as follows:
 - Annual DMHC Financial Reporting Form (Annual Report; Form No. 10-072)
 - Quarterly DMHC Financial Reporting Form (Quarterly Report; Form No. 10-071)
 - Monthly DMHC Financial Reporting Form (Monthly Report; Form No. 10-071)
 - Annual, Quarterly, Monthly Reporting Forms Instruction Manual (Instruction Manual, Eff., July 1, 2022)

¹ See California Code of Regulations, tit. 28, §§ 1300.84.1, 1300.84.2, 1300.84.03, and 1300.84.3.

Filing Requirements

The DMHC is updating its electronic submission portal to integrate the newly adopted financial reporting forms noted in the amended regulations. Until further notice, health plans will continue to file the annual, quarterly, and monthly reports, as applicable, using existing templates available on the DMHC's website at:
<https://www.dmhc.ca.gov/LicensingReporting/SubmitFinancialReports.aspx>.

For questions regarding this APL, please contact Pritika Dutt, Deputy Director, Office of Financial Review, at Pritika.Dutt@dmhc.ca.gov or (916) 324-8137.