

From: DMHC Licensing eFiling
Subject: All Plan Letter SBX2
Date: Tuesday, April 5, 2016 2:11:00 PM
Attachments: All Plan Letter SBX2.doc

Dear Health Plan Representative,

This e-mail is being sent to all applicable plans in regards to SBX2. Attached you will find an All Plan Letter dated April 5, 2016.

Thank you for your attention to this matter.

ALL PLAN LETTER

DATE: April 5, 2016

TO: Full Service Health Plans

FROM: **Nancy P. Wong**
Deputy Director, Office of Plan Licensing

SUBJECT: Data regarding CDI affiliates

Recently enacted Revenue and Taxation Code section 12202.2 reduces the gross premiums tax obligations of qualifying corporate affiliates of certain health plans licensed under the Knox-Keene Health Care Service Plan Act of 1975 (the Act), as amended.

In order to compile the most accurate data, the Department of Managed Health Care (the Department) is requesting that health plans submit an Exhibit E-1, as a Report/Other filing type via the Department's eFiling web portal and title the filing "CDI Affiliate Data" by close of business on **Wednesday, April 13, 2016**. Please include responses to the following:

1. Did the plan have at least one enrollee enrolled in the base year (the 12-month period of October 1, 2014 through September 30, 2015)¹
2. Is the plan subject to the tax imposed by Welfare and Institutions Code section 14199.54?

If the answer to either of the above questions is no, please provide an explanation of the plan's assertion. If the answer to the above questions is yes, please respond to the following:

3. Does the plan have a corporate affiliate² that offers health insurance as defined by Insurance Code section 106(b)? If yes, please provide the following information:
 - a. The name of the corporate affiliate
 - b. The California identification number of the corporate affiliate

If you have any questions regarding this letter, please contact Nancy Wong at (916) 323-1228.

¹ Enrollment for purposes of this section does not include individuals enrolled in a Medicare plan, who receive health care services through a health plan pursuant to a subcontract from another health plan, or who are enrollees through the Federal Employees Health Benefits Act of 1959. Revenue and Taxation Code section 12202.2(a)(2).

² Corporate affiliate as defined in Taxation and Revenue Code section 12202.2(b).