State of California
Office of Administrative Law

In re: **California Health Benefit Exchange** **Regulatory Action:** **Title 10, California Code of Regulations** **Adopt sections: 6428, 6430** **Amend sections:** **Repeal sections:**	**NOTICE OF APPROVAL OF EMERGENCY REGULATORY ACTION** **Government Code Sections 11346.1 and 11349.6** **OAL File No. 2015-0126-02 E**

This emergency rulemaking by the California Health Benefit Exchange ("HBEX") adopts 10 CCR §§ 6428 and 6430. Specifically, these regulations establish the process and requirements for eligible health issuers in both the Individual Exchange and the Small Business Health Options Program Exchange to submit proposed qualified health plans ("QHPs") for both recertification and new health issuer entrants who are eligible and elect to propose QHPs for the Plan Year 2016. The forms used for both recertification and new health issuer entrants are also being created through this rulemaking.

OAL approves this emergency regulatory action pursuant to sections 11346.1 and 11349.6 of the Government Code.

This emergency regulatory action is effective on 2/5/2015 and will expire on 2/5/2017. The Certificate of Compliance for this action is due no later than 2/4/2017.

Date: 2/5/2015

Steven J. Escobar
Attorney

For: DEBRA M. CORNEZ
Director

Original: Peter Lee
Copy: Andrea Rosen

STATE OF CALIFORNIA--OFFICE OF ADMINISTRATIVE LAW

NOTICE PUBLICATION/REGULATIONS SUBMISSION EMERGENCY

(See instructions on reverse)

STD. 400 (REV. 01-2013)

For use by Secretary of State only

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER
	Z-		2015-0126-02E

For use by Office of Administrative Law (OAL) only

2015 JAN 26 PM 3:50

OFFICE OF ADMINISTRATIVE LAW

NOTICE | REGULATIONS

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

FEB 05 2015

3:25 PM

AGENCY WITH RULEMAKING AUTHORITY: California Health Benefit Exchange

AGENCY FILE NUMBER (If any):

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE

3. NOTICE TYPE	4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
☐ Notice re Proposed Regulatory Action ☐ Other			

OAL USE ONLY	ACTION ON PROPOSED NOTICE	NOTICE REGISTER NUMBER	PUBLICATION DATE
	☐ Approved as Submitted ☐ Approved as Modified ☐ Disapproved/ Withdrawn		

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S): 2016 Qualified Health Plan Recertification and New Entrant

1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S):

2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)

SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)

ADOPT: 6428, 6430

AMEND:

TITLE(S): 10

REPEAL:

3. TYPE OF FILING

- ☐ Regular Rulemaking (Gov. Code §11346)
- ☐ Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)
- ☒ Emergency (Gov. Code, §11346.1(b))
- ☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.
- ☐ Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)
- ☐ Emergency Readopt (Gov. Code, §11346.1(h))
- ☐ File & Print
- ☐ Other (Specify)
- ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
- ☐ Print Only

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)

- ☐ Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))
- ☒ Effective on filing with Secretary of State
- ☐ §100 Changes Without Regulatory Effect
- ☐ Effective other (Specify)

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

- ☐ Department of Finance (Form STD. 399) (SAM §6660)
- ☐ Fair Political Practices Commission
- ☐ State Fire Marshal
- ☐ Other (Specify)

7. CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional)
Andrea Rosen	(916) 228-8343		andrea.rosen@covered.ca.gov

8. **I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.**

SIGNATURE OF AGENCY HEAD OR DESIGNEE: [signature] DATE: 1/20/15

TYPED NAME AND TITLE OF SIGNATORY: Peter V. Lee, Executive Director

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

FEB 05 2015

Office of Administrative Law

Title 10, California Code of Regulations

Adopt Section 6428, which is new regulation text, to read:

Section 6428: Qualified Health Plan (QHP) Issuer Recertification Application for Plan Year 2016 dated January 15, 2015

The purpose of this section is to set forth the requirements for eligible applicants to request recertification of their QHPs for the Plan Year 2016 for the individual Exchange and for the SHOP Exchange. Applicants must complete the QHP Issuer Recertification Application for Plan Year 2016 dated January 15, 2015, a form which is incorporated by reference, in order for Issuer's QHPs to be recertified for sale through Covered California in 2016. If an applicant meets the requirements for recertification, that issuer will be approved to offer, market and sell certified QHPs through Covered California for the Plan Year 2016. If an applicant's QHPs fail to meet the requirements for recertification for 2016, Covered California will decertify some or all of the applicant's plans for 2016.

(a) The definitions in Section 6410 of Article 2 of this chapter shall govern this section unless a conflict exists. If a conflict exists, definitions in Section 6428 shall prevail.

(b) Applicants eligible to complete the QHP Issuer Recertification Application for Plan Year 2016 dated January 15, 2015 to be recertified to participate in the Individual Exchange in 2016 are limited to the entities listed below:

(1) Blue Cross of California dba Anthem Blue Cross
(2) California Physicians' Service dba Blue Shield of California
(3) Chinese Community Health Plan, Inc.
(4) Health Net Life Insurance Company
(5) Health Net of California, Inc.
(6) Kaiser Foundation Health Plan, Inc.
(7) L.A. Care Health Plan Joint Powers Authority
(8) Molina Healthcare of California
(9) Sharp Health Plan
(10) County of Santa Clara dba Valley Health Plan
(11) Western Health Advantage
(12) Alameda Alliance Joint Powers Authority dba Alameda Alliance for Health
(13) Ventura County dba Ventura County Health Care Plan

(c) Applicants eligible to complete the QHP Issuer Recertification Application for Plan Year 2016 dated January 15, 2015 to be recertified to participate in the SHOP Exchange are limited to the entities listed below:

(1) California Physicians' Service dba Blue Shield of California
(2) Chinese Community Health Plan, Inc.
(3) Health Net Life Insurance Company
(4) Kaiser Foundation Health Plan, Inc.
(5) Sharp Health Plan
(6) Western Health Advantage

(d) Submission Requirements. Entities eligible to apply to be recertified to participate in the Individual Exchange or in the SHOP Exchange must comply with the submission dates and requirements as follows:

(1) Submit a notice to Covered California indicating the applicant's intent to request recertification no later than 5:00 pm Pacific Time on February 16, 2015.
(2) Complete the application referenced in subdivision (e) and submit to Covered California in its entirety no later than 5:00 pm Pacific Time on May 1, 2015.

(e) Qualified Health Plan (QHP) Issuer Recertification Application for Plan Year 2016 dated January 15, 2015. Applicants who are eligible to complete the QHP Issuer Recertification Application for Plan Year 2016 for participation in the Individual Exchange or in the SHOP Exchange must complete the following: QHP Issuer Recertification Application for Plan Year 2016 dated January 15, 2015.

Authority: Government Code Sections 100504 and 100505.

Reference: Government Code Sections 100502, 100503, 100504 and 100505.

Title 10, California Code of Regulations

Adopt Section 6430, which is new regulation text, to read:

Section 6430: Qualified Health Plan (QHP) New Entrant Certification Application for Plan Year 2016 dated January 15, 2015

The purpose of this section is to set forth the requirements for eligible applicants to request certification as a Qualified Health Plan for the Plan Year 2016 dated January 15, 2015 for the individual Exchange and for the SHOP Exchange. Applicants must complete the Qualified Health Plan (QHP) New Entrant Certification Application for Plan Year 2016 dated January 15, 2015, which is incorporated by reference, in order to request certification of its plan offerings as Qualified Health Plans for 2016 Plan Year. If an applicant meets the requirements for certification and Covered California, in its sole discretion, determines that Qualified Health Plans proposed by the applicant meet the requirements and are necessary, some or all of that applicant's proposed plans may be certified as Qualified Health Plans by Covered California for the Plan Year 2016. If an applicant fails to meet the requirements for certification as a Qualified Health Plan for 2016 or if Covered California, in its sole discretion, determines that the applicant's offerings are not necessary in a given geographic service area, Covered California may decline to certify some or all of the applicant's proposed plans for 2016.

(a) The definitions included in 10 CCR 6410 shall govern this section. If a conflict exists, definitions in Section 6430 shall prevail.

(b) Applicants eligible to complete the Qualified Health Plan (QHP) New Entrant Certification Application for Plan Year 2016 dated January 15, 2015 to be certified to participate in the Individual Exchange in 2016 are limited to entities below:

(1) Health issuers who received their license or certificate of authority to offer, market or sell health insurance or a health plan from a California state regulator after August 2012; or

(2) Medi-Cal Managed Care Plan (MMCP): An entity contracting with the Department of Health Care Services to provide health care services to enrolled Medi-Cal beneficiaries under Chapter 7, commencing with Section 14000, or Chapter 8, commencing with Section 14200, of Division 9, Part 3, of the Welfare and Institutions Code; or

(3) Health issuers proposing to serve Covered California enrollees who reside in zip codes identified in Appendix B of the QHP New Entrant Certification Application for Plan Year 2016 dated January 15, 2015 in the Individual market for 2016. Appendix B identifies zip codes where Covered California offers fewer than three plans in 2015.

(c) Applicants who are eligible to complete the Qualified Health Plan (QHP) New Entrant Certification Application for Plan Year 2016 dated January 15, 2015 for participation in the SHOP Exchange include any entity licensed to offer, market or sell small group health insurance in California.

(d) Submission Requirements: Entities eligible to apply for certification to participate in the Individual or SHOP Exchange must comply with the submission date and requirements as follows:

(1) Submit a notice to Covered California indicating the applicant's intent to request certification no later than 5:00 pm Pacific Time on February 16, 2015.
(2) Complete the application referenced in subdivision (e) and submit to Covered California in its entirety no later than 5:00 pm Pacific Time on May 1, 2015.

(e) Qualified Health Plan (QHP) New Entrant Certification Application for Plan Year 2016: Applicants who are eligible to complete the Qualified Health Plan (QHP) New Entrant Certification Application for Plan Year 2016 for participation in the Individual or SHOP Exchange must complete the following: QHP New Entrant Certification Application for Plan Year 2016 dated January 15, 2015.

Authority: Government Code Sections 100504 and 100505.

Reference: Government Code Sections 100502, 100503, 100504 and 100505.