

Covered California  
Certification Application for Plan Year 2021

**Appendix A Definition of Good Standing**

Definition of Good Standing	Agency
<p><u>Verification that issuer holds a state health care service plan license or insurance certificate of authority.</u></p> <ul style="list-style-type: none"> <li>• <input type="checkbox"/> Approved for lines of business sought in the Exchange (e.g., commercial, small group, individual) <input type="checkbox"/></li> <li>• <input type="checkbox"/> Approved to operate in what geographic service areas <input type="checkbox"/></li> <li>• Most recent financial exam and medical survey report reviewed <input type="checkbox"/></li> <li>• <input type="checkbox"/> Most recent market conduct exam reviewed <input type="checkbox"/></li> </ul>	<p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC</p> <p>CDI</p>
<p><u>Affirmation of no material<sup>1</sup> statutory or regulatory violations, including penalties levied, in the past two years in relation to any of the following, where applicable:</u></p> <ul style="list-style-type: none"> <li>• <input type="checkbox"/> Financial solvency and reserves reviewed <input type="checkbox"/></li> <li>• Administrative and organizational capacity acceptable <input type="checkbox"/> <ul style="list-style-type: none"> <li>• Benefit Design <input type="checkbox"/></li> <li>• State mandates (to cover and to offer) <ul style="list-style-type: none"> <li>• <input type="checkbox"/> Essential health benefits (State required)</li> <li>• <input type="checkbox"/> Basic health care services</li> <li>• <input type="checkbox"/> Copayments, deductibles, out-of-pocket maximums</li> <li>• <input type="checkbox"/> Actuarial value confirmation (using 2019 Federal Actuarial Value Calculator) <input type="checkbox"/></li> </ul> </li> </ul> </li> <li>• Network adequacy and accessibility standards are met <input type="checkbox"/> <ul style="list-style-type: none"> <li>• <input type="checkbox"/> Provider contracts</li> </ul> </li> <li>• Language Access <input type="checkbox"/></li> <li>• Uniform disclosure (summary of benefits and coverage) <input type="checkbox"/></li> <li>• Claims payment policies and practices <input type="checkbox"/> <ul style="list-style-type: none"> <li>• <input type="checkbox"/> Provider complaints</li> </ul> </li> <li>• <input type="checkbox"/> Utilization review policies and practices <input type="checkbox"/></li> <li>• <input type="checkbox"/> Quality assurance/management policies and practices <input type="checkbox"/></li> <li>• Enrollee/Member grievances/complaints and appeals policies and practices <input type="checkbox"/></li> <li>• Independent medical review <input type="checkbox"/></li> <li>• <input type="checkbox"/> Marketing and advertising <input type="checkbox"/></li> </ul>	<p>DMHC and CDI</p> <p>DMHC</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p>

• <input type="checkbox"/> Guaranteed issue individual and small group <input type="checkbox"/>	DMHC and CDI
• Rating Factors <input type="checkbox"/>	DMHC and CDI
• <input type="checkbox"/> Medical Loss Ratio <input type="checkbox"/>	DMHC and CDI
• <input type="checkbox"/> Premium rate review <input type="checkbox"/>	DMHC and CDI
• Geographic rating regions	
• Rate development and justification is consistent with ACA requirements	DMHC and CDI

<sup>1</sup>Covered California, in its sole discretion and in consultation with the appropriate health insurance regulator, determines what constitutes a material violation for this purpose.

## Appendix A