

Covered California
Certification Application for Plan Year 2022

Appendix A Definition of Good Standing

Definition of Good Standing	Agency
<u>Verification that issuer holds a state health care service plan license or insurance certificate of authority.</u> <ul style="list-style-type: none"> • Approved for lines of business sought in the Exchange (e.g., commercial, small group, individual) • Approved to operate in what geographic service areas • Most recent financial exam and medical survey report reviewed • Most recent market conduct exam reviewed 	<p>DMHC and CDI</p> <p>DMHCand CDI</p> <p>DMHC</p> <p>CDI</p>
<u>Affirmation of no material¹ statutory or regulatory violations, including penalties levied, in the past two years in relation to any of the following, where applicable:</u> <ul style="list-style-type: none"> • Financial solvency and reserves reviewed • Administrative and organizational capacity acceptable <ul style="list-style-type: none"> • Benefit Design • State mandates (to cover and to offer) <ul style="list-style-type: none"> • Essential health benefits (State required) • Basic health care services • Copayments, deductibles, out-of-pocket maximums • Actuarial value confirmation (using 2022 Federal Actuarial Value Calculator) • Network adequacy and accessibility standards are met <ul style="list-style-type: none"> • Provider contracts • Language Access • Uniform disclosure (summary of benefits and coverage) • Claims payment policies and practices <ul style="list-style-type: none"> • Provider complaints • Utilization review policies and practices • Quality assurance/management policies and practices • Enrollee/Member grievances/complaints and appeals policies and practices • Independent medical review • Marketing and advertising 	<p>DMHC and CDI</p> <p>DMHC</p> <p>DMHC and CDI</p> <p>DMHCand CDI</p> <p>DMHCand CDI</p> <p>DMHCand CDI</p> <p>DMHCand CDI</p> <p>DMHC and CDI</p> <p>DMHCand CDI</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHCand CDI</p> <p>DMHCand CDI</p> <p>DMHC</p> <p>DMHC and CDI</p> <p>DMHC and CDI</p> <p>DMHCand CDI</p>

• Guaranteed issue individual and small group	DMHCand CDI
• Rating Factors	DMHC and CDI
• Medical Loss Ratio	DMHCand CDI
• Premium rate review	DMHCand CDI
• Geographic rating regions	
• Rate development and justification is consistent with ACA requirements	DMHC and CDI

¹Covered 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