

FINAL STATEMENT OF REASONS

UPDATE OF INITIAL STATEMENT OF REASONS

In consideration of public comments, the regulation text was modified. Specifically, the proposed repeal of Title 22, California Code of Regulations, Article 3, which includes Section 53820 has been withdrawn.

As authorized by Government Code Section 11346.9(d), the Department of Health Care Services (Department) incorporates by reference the Initial Statement of Reasons for this regulatory action, with the following modification:

Article 3 and Section 53820

~~Article 3 and Section 53820 "Maximum Enrollment Levels," are being repealed. The purpose of this section was to explain the factors the Department would consider when establishing the Commercial Plan maximum enrollment levels. This section is no longer necessary because the Department's managed care model has evolved since this regulation section was added. While the original intent was to indirectly protect safety-net providers that contracted with the Local Initiatives, this protection is no longer necessary because safety-net providers are now contracted through both the Commercial Plans and the Local Initiatives. Currently, the Department annually re-determines the ratio of default enrollment assignments by using various nationally approved plan performance measures.~~

LOCAL MANDATE DETERMINATION

The Department has determined that the proposed regulations would not impose a new mandate on local agencies or school districts, nor are there any costs for which reimbursement is required by Part 7 (commencing with Section 17500) of Division 4 of the Government Code.

ALTERNATIVES CONSIDERED

The Department has determined that no reasonable alternative considered by the Department or that has otherwise been identified and brought to the attention of the Department would be more effective in carrying out the purpose for which this regulatory action was taken, would be as effective and less burdensome to affected private persons than the regulatory action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

SUMMARY AND RESPONSE TO COMMENTS

The Department has attached the following addendums to the Final Statement of Reasons (FSOR):

ADDENDUM 1- List of Commenters

ADDENDUM 2 – Summary and Response to Public Comments