

**TITLE 10, INVESTMENT, CALIFORNIA CODE OF REGULATIONS
CHAPTER 5.5 MAJOR RISK MEDICAL INSURANCE BOARD
MAJOR RISK MEDICAL INSURANCE PROGRAM
AMEND SECTION 2698.401**

FINAL STATEMENT OF REASONS

LOCAL MANDATE DETERMINATION

The proposed regulations do not impose any mandate on local agencies or school districts.

SUMMARY AND RESPONSE TO COMMENTS RECEIVED DURING THE INITIAL NOTICE PERIOD

The originally proposed text was made available and open for comment for at least 45 days from January 31, 2014 to March 17, 2014. The Board did not receive any comments on the proposed text.

ALTERNATIVES THAT WOULD LESSEN ADVERSE ECONOMIC IMPACT ON SMALL BUSINESSES

No alternatives were proposed to the Board that would lessen any adverse economic impact on small business.

ALTERNATIVES DETERMINATION

The Managed Risk Medical Insurance Board has determined that no alternative would be more effective in carrying out the purpose for which the regulation is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

The regulation adopted by the Board is the only regulatory provision identified by the Board that accomplishes the goal of subsidizing subscriber premiums to 100 percent of standard average individual rates for the Major Risk Medical Insurance Program. No other alternatives have been proposed or otherwise brought to the Board's attention.