

AVERAGE CONTRACTED RATE (ACR) FILING OVERVIEW

Pursuant to Health and Safety Code Section 1371.31

Pursuant to Health and Safety Code Section 1371.31, by July 1, 2017, each health care service plan, and any entity to which it delegates responsibility for payment of claims, shall provide to the Department of Managed Health Care (Department) all of the following:

- I. Data listing its average contracted rates for the plan for services most frequently subject to Section 1371.9 in each geographic region in which the services are rendered for the calendar year 2015;
- II. Its methodology for determining the average contracted rate for the plan for services subject to Section 1371.9. The methodology to determine an average contracted rate shall ensure that the plan includes the highest and lowest contracted rates for the calendar year 2015;
- III. The policies and procedures used to determine the average contracted rates.

The Department provides the following documents to assist health care service plans and delegated entities submit the information required to demonstrate compliance with Assembly Bill (AB) 72 (2016):

1. Attachment 1. Average Contracted Rate Data Worksheet Instructions
2. Attachment 2. Average Contracted Rate Data Worksheet
3. Attachment 3. Average Contracted Rate Methodology Checklist
4. Attachment 4. Policy and Procedure Instructions

These instructions are not intended to be all-inclusive or to replace a health care service plan's obligation to comply with all requirements of the Knox-Keene Health Care Service Act of 1975, as amended¹. The Department may request additional information during its review of the filing.

¹ California Health and Safety Code sections 1340 et seq. (the "Act"). References herein to "Section" are to sections of the Act.