



Gray Davis, Governor
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June 26, 2003

Dear Plan Administrator:

RE: REVISED FINANCIAL REPORTING FORMS

The Department of Managed Health Care (“Department”) has made changes to the financial reporting forms and instructions. Please note that the following information is for financial reporting only. This process is separate from the eFiling/licensing requirements.

The revised reporting forms and instructions (Revision 6-20-2003) have been posted to the Department’s web site: www.hmohelp.ca.gov/hpp/memos. Some of the changes include:

- The Cash Flows Statement – Indirect Method has been removed.
- Report #4, Enrollment – There are additional sources of enrollment that must be reported. If your Plan provides services to any of the sources of enrollment on lines 601-606, please use those lines to report the enrollment. If there are additional sources of enrollment that your plan offers, but are not listed, please use lines 607-698.
- Schedules C, D, and F (Quarter and Annual Reporting Form) – A column for 1-30 days and a line for Aggregate Accounts not Individually Listed have been added.
- If box 35 (cover page) is checked, a reason for the revision MUST be stated on page 2.
- Annual Reporting Form – Schedule L, Line 25 “Provision for Taxes” will be reported in total. The detail by product line is not required.
- The Quarterly and Annual Reporting Forms – POS TNE(1), Line 14 – The formula has been changed.
- There have been several checks to the “Check My Work” feature, which includes a decimal check. Please ensure that the “Check My Work” button is activated before the reporting forms are submitted to the Department.
- Several formatting feature (bold, wider columns, etc.)
- On Report #4 (Enrollment) and all Schedules, there is a cell marked (**) at the bottom of each page. This cell allows the Plan to enter a note/additional clarification for the reader.

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- The interrogatories and supplemental pages now allow up to 500 characters and/or spaces for text responses.
- Additional changes are in the instructions.
- **NOTE: Please ensure that the new reporting form (Revision 6-20-2003) is used for periods ending 6/30/03 and subsequent. If Revision 6-20-2003 isn't used, your reporting form will not be accepted.**

We appreciate the feedback from the health plans. If you have any comments or questions, please email or call Leslie Nishina at (916) 324-9017 or lnishina@dmhc.ca.gov.

Sincerely,

Michelle Yamanaka
Financial Examiner
Division of Financial Oversight

Cc: Mark Wright, Chief, Division of Financial Oversight