

**DIVISION OF FINANCIAL OVERSIGHT
UPDATE TO THE FSSB
NOVEMBER 9, 2011**

RECENT ACTIVITIES

DFO's Licensees as of November 3, 2011 & August 3, 2011

	NOV 2011	AUG 2011
● Full Service Plans	55	56
● Dental Plans	18	18
● Psychological Plans	11	11
● Vision Plans	10	10
● Pharmacy Plans (Medicare Part D)	6	6
● Discount Plans (2 full service, 2 dental)	4	4
● Chiropractic Plans	3	3
● Dental/Vision Plan	2	2
● Grand Total	109	110

Full Service Enrollment @ June 30, 2011 Compared to March 31, 2011

● Major Enrollment Blocks:	6.30.11	3.31.11
● Large Group	8,111,283	8,147,629
● Small Group & Individual	1,164,869	1,168,979
● PPO Group & Individual	1,662,320	1,676,616
● Medi-Cal	5,217,243	5,099,989
● Medicare Risk & Medicare Supp	2,022,440	2,008,235
● Apprx Total Full Service Lives	22,000,000	21,800,000

Closely Monitored Plans: Plans below 130% of Minimum Required TNE, Filing Monthly Financials, New or Fiscally Challenged Plans as of June 30, 2011 compared to March 31, 2011

	6.30.11	3.31.11
● Full Service Plans	23 (1,503,846 lives) (3 New Plans) (3 Financial Issues)	22
● Dental Plans	6 (2 Financial Issues)	5
● Pharmacy Plans	5 (3 New Plans)	4
● Discount Plans	3	3
● Psychological Plans	2 (1 Financial Issues)	1
● Vision Plans	2 (1 Financial Issues)	1
● GRAND TOTAL	41 of 109(37.6%)	36 of 110(32.7%)
● # of Plans TNE DEFICIENT	3 (56,603 specialty lives) (2 Vision plans, 1 Dental plan)	

Type of Full Service Plan below 130% of Minimum Required TNE, Filing Monthly Financials, New or Fiscally Challenged Plans as of June 30, 2011 compared to March 31, 2011

	6.30.11	3.31.11
Medicare Plans	14	14
Medi-Cal Plans	5	6
Commercial Plans	4	2
GRAND TOTAL	23	22

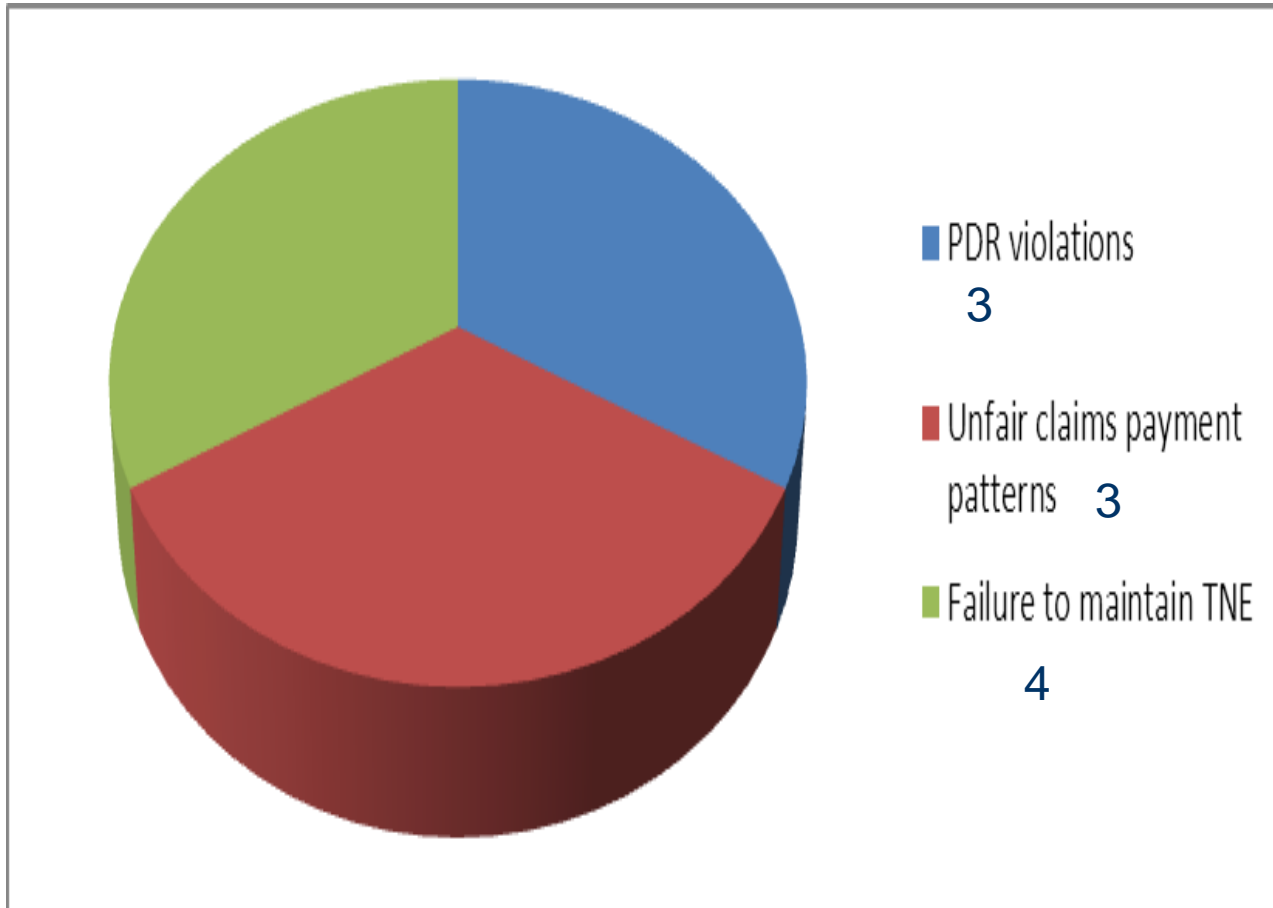
**PLAN RESERVES - Average Percentage TNE over Minimum
 Required TNE as of June 30, 2011 compared to 3.31.11**

	6.30.11	3.31.11
● Commercial Plans (7 Large Plans)	1,046%	1,010%
● Regional Medi-Cal Plans excluding 1 outlier	482%	458%
● Medi-Cal (COHS & LI's) excluding 1 outlier	371%	341%

DFO Activities

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Exams Completed	32	39	32	25	29	11
Exams Started	37	46	32	22	33	8
Financial Statements Received	1,174	1,506	1,261	1,610	1,273	317
Health Plan Filings Reviewed	1,045	2,146	2,981	2,603	2,358	1,029
MLR Exams Started (MRMIB)	12	13	11	13	11	2
MLR Exams Started (DHCS) Effective 2011/2012	N/A	N/A	N/A	N/A	N/A	5
SB1163 Rate Filings	N/A	N/A	N/A	N/A	57	13

Enforcement Referral Type thus far in 2011 (Total of 11 Referrals)



WHAT'S NEXT

- The Department has begun the second round of claim initiative examinations.
- The Department will be routinely conducting these examinations every 18 months.
- DFO is performing MLR examinations of Medi-Cal Managed Care health plans for DHCS due to the 1115 Waiver California Section 1115 Medicaid Demonstration Waiver Program specific to the Seniors and Persons with Disabilities from DHCS.
- DFO is in the process of implementing Senate Bill 51 pertaining to MLR filings for affected plans.

Questions?