

TITLE 10. INVESTMENT
CHAPTER 5.8. MANAGED RISK MEDICAL INSURANCE BOARD HEALTHY
FAMILIES PROGRAM
ARTICLE 4. RISK CATEGORIES AND FAMILY CONTRIBUTIONS

Text proposed to be added is displayed in underline type.
Text proposed to be deleted is displayed in ~~strikeout~~ type.

Section 2699.6809 is amended to read:

2699.6809. Determination of Family Contribution for the Program.

- (a) Family child contributions for the program shall consist of one of the following:
- (1) A flat fee in each county for a family value package:
- (A) Seven dollars (\$7) per subscriber child with a maximum required contribution of fourteen dollars (\$14) per month for subscriber children with annual household incomes after income deductions of up to and including 150 percent of the federal poverty level.
- (B) Through January 31, 2009, nine dollars (\$9) per subscriber child with a maximum required contribution of twenty-seven dollars (\$27) per month for subscriber children with annual household incomes after income deductions if greater than 150 percent and up to and including 200 percent of the federal poverty level; these rates are also applicable for subscribers who entered the program as AIM infants. On and after February 1, 2009, and through October 31, 2009, twelve dollars (\$12) per subscriber child with a maximum required contribution of thirty-six dollars (\$36) per month. On and after November 1, 2009, sixteen dollars (\$16) per subscriber child with a maximum required contribution of forty-eight dollars(\$48) per month.
- (C) Through January 31, 2009, fifteen dollars (\$15) per subscriber child with a maximum required contribution of forty-five dollars (\$45) per month for subscriber children with annual household incomes after income deductions greater than 200 percent and up to and including 250 percent of the federal poverty level; these

rates are also applicable, through the first year of eligibility, for subscribers who entered the program as AIM infants and for those AIM infants whose annual household income after deductions remains above 200 percent of the federal poverty level after each Annual Eligibility Review. On and after February 1, 2009, and through October 31, 2009, seventeen dollars (\$17) per subscriber child with a maximum required contribution of fifty-one dollars (\$51) per month. On and after November 1, 2009, twenty-four dollars (\$24) per subscriber child with a maximum required contribution of seventy-two dollars (\$72) per month.

- (2) A flat fee in each county for a family value package that includes a community provider plan:
- (A) Four dollars (\$4) per subscriber child with a maximum required contribution of eight dollars (\$8) per month for subscriber children with annual household incomes after income deductions of up to and including 150 percent of the federal poverty level,
 - (B) Through January 31, 2009, six dollars (\$6) per subscriber child with a maximum required contribution of eighteen dollars (\$18) per month for subscriber children with annual household incomes after income deductions of greater than 150 percent and up to and including 200 percent of the federal poverty level; these rates are also applicable for subscribers who entered the program as AIM infants. On and after February 1, 2009, and through October 31, 2009, nine dollars (\$9) per subscriber child with a maximum required contribution of twenty-seven dollars (\$27) per month. On and after November 1, 2009, thirteen dollars (\$13) per subscriber child with a maximum required contribution of thirty-nine dollars (\$39) per month.
 - (C) Through January 31, 2009, twelve dollars (\$12) per subscriber child with a maximum required contribution of thirty-six (\$36) per month for subscriber children with annual household incomes after income deductions of greater than 200 percent and up to and including 250 percent of the federal poverty level; these rates are also applicable, through the first year of eligibility, for subscribers who entered the program as AIM infants and for those AIM infants whose annual household income after income deductions remains above 200 percent of the federal poverty level after each Annual Eligibility Review. On and after February 1, 2009, and through October 31, 2009, fourteen dollars (\$14) per

subscriber child with a maximum required contribution of forty-two dollars (\$42) per month. On and after November 1, 2009, twenty-one dollars (\$21) per subscriber child with a maximum required contribution of sixty-three dollars (\$63) per month.

* * *

Note: Authority cited: Sections 12693.21, 12693.22 and 12693.755, Insurance Code. Reference: Sections 12693.21, 12693.22, 12693.43, 12693.53 and 12693.755, Insurance Code.

Summary of Public Comments
Regulation ER-7-09
AB 1422 - Healthy Families Program
Subscriber Premium Increase

List of Comments Received

Written comments were received by:

- 100% Campaign (a collaboration of the Children's Partnership, Children Now and Children's Defense Fund California)

Comment #1: The commenter recommends that MRMIB identify the impact of the recent increased premiums on Healthy Families enrollment and report the findings to the legislature and stakeholders as soon as possible.

Response: The comment is neither an objection nor a recommendation made regarding the specific amendment. Therefore, MRMIB rejects the comment. However, MRMIB looks forward to working with the commenter and others to ensure of the success of the program.



January 19, 2010

**Re: ER-7-09 – Proposed Emergency Regulations: AB 1422 HFP
Subscriber Premium Increase**

Dear Ms. Knox:

Thank you for the opportunity to comment on the proposed emergency regulations regarding the AB 1422-related subscriber premium increases (ER-7-09).

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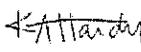
1625 W. Olympic Blvd.
Suite 701
Los Angeles, CA 90015
(213) 355-8787
(213) 355-8795 fax

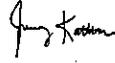
The 100% Campaign – a collaboration of The Children's Partnership, Children Now, and Children's Defense Fund California – understands that these regulations were called for as a part of the combined solution that enabled Healthy Families to re-open in the Summer of 2009. Enabling the Program to stay open was and is our collective priority, and we appreciate your stewardship of the Program. In that spirit of collaborating toward our shared goal of covering California's children, we are providing the following comment.

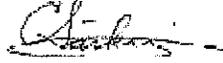
Families with children in the Healthy Families Program have seen their premiums increased in succession, in recent years, first in May 2009, and then in November 2009. Furthermore, the Governor recently called a special session in which he has proposed to dramatically increase premium rates, yet again. It will be imperative that we work with you to better understand the impacts that premium increases have already had on families in California, and that knowledge should be known in order to inform any future premium increases, especially the dramatic increases the Governor has recently proposed. Therefore, we recommend that you identify the impact of the recent increased premiums on Healthy Families enrollment and report your findings to the legislature and stakeholders as soon as possible.

We thank you for your leadership on behalf of California's children. We hope and expect to work closely with you to confront what appears to be the most serious fiscal challenges that Healthy Families has ever seen.

Sincerely,


Kelly Hardy
Associate Director, Health
Children Now


Jenny Kattlove
Director, Strategic Health Initiatives
The Children's Partnership


Cliff Sarkin
Sr. Policy Associate
Children's Defense Fund CA

CC: Lesley Cummings
Janette Lopez
Ernesto Sanchez

**MANAGED RISK MEDICAL INSURANCE BOARD
RESOLUTION**

After considering the public comments submitted to the Board, the Board hereby approves the final adoption of regulation changes for the AB 1422 Healthy Families Program Subscriber Premium Increase, Regulation Package ER-7-09.

CERTIFICATION

I, Lesley Cummings, Executive Director of the Managed Risk Medical Insurance Board, do hereby certify that the foregoing action was duly passed and adopted by the Managed Risk Medical Insurance Board at an official meeting thereof on February 17, 2010.

Dated this 17th day of February, 2010.

Lesley Cummings, Executive Director
Managed Risk Medical Insurance Board