

**DEPARTMENT OF INSURANCE****Legal Division**

45 Fremont Street, 24<sup>th</sup> Floor  
San Francisco CA 94105

**Guidance 1163:4**

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Pursuant to Senate Bill 1163 (Chapter 661, Statutes 2010), the California Department of Insurance issues the following guidance regarding compliance.<sup>1</sup> Further guidance may be forthcoming in the future.

**Preliminary Rate Information**

In order to facilitate the Department's review of rates under Insurance Code section 10181.11(b) in a manner that permits correction of potentially unreasonable proposed rates before they are implemented, insurers are encouraged to provide preliminary information regarding rates no later than 120 days before the first date the rates are proposed to be implemented. The preliminary information should contain all information, analysis of factors, and actuarial certification described in Guidance 1163:2. The preliminary information should be provided to the Department through SERFF, with a notation in the SERFF "Filing Description" field that it is preliminary rate information. The preliminary information will be posted to the Department's website, per Insurance Code section 10181.7(a).

Thereafter, a rate filing reflecting the preliminary information, and including any changes or additions to the preliminary information, must be filed with the Department at least 60 days prior to the first date the rates are proposed to be implemented. The rate filing should be filed through SERFF as an amendment to the preliminary information, with a

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<sup>1</sup> Senate Bill 1163 provides, at Insurance Code section 10181.2, that Article 4.5 (Insurance Code section 10181 *et seq.*) does not

apply to a specialized health insurance policy; a Medicare supplement policy subject to Article 6 (commencing with Section 10192.05); a health insurance policy offered in the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code); a health insurance policy offered in the Healthy Families Program (Part 6.2 (commencing with Section 12693)), the Access for Infants and Mothers Program (Part 6.3 (commencing with Section 12695)), the California Major Risk Medical Insurance Program (Part 6.5 (commencing with Section 12700)), or the Federal Temporary High Risk Pool (Part 6.6 (commencing with Section 12739.5)); a health insurance conversion policy offered pursuant to Section 12682.1; or a health insurance policy offered to a federally eligible defined individual under Chapter 9.5 (commencing with Section 10900).

Accordingly, the above guidance does not apply to the types of insurance listed in Insurance Code section 10181.2.

“Note to Reviewer” sent through SERFF indicating that the rate filing has been submitted, and describing any changes or additions. The consumer notice required by Insurance Code section 10113.9 or 10199.1 must be delivered concurrently with the submission of the rate filing to the department. The rate filing, with changes or additions to the preliminary information and any other information filed to support the rates, will also be posted to the Department’s website, per Insurance Code section 10181.7(a).

For questions, please contact Bruce Hinze at [bruce.hinze@insurance.ca.gov](mailto:bruce.hinze@insurance.ca.gov).

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