

HEALTH & DISABILITY INSURANCE DATA CALL HDI – 2008

*[** formerly known as - Accident & Health Covered Lives Data Call (AHCL)**]*

STATISTICAL PLAN

INTRODUCTION

This is a statistical plan for the Health & Disability Insurance (HDI-2008) Data Call. This document contains the reporting requirements, due dates and related information needed to complete this data call which is being collected under California Insurance Code Sections §10508.6, §10508.7, §1872.85 and §700 (c).

The statistical plan contains nine sections. These sections are outlined below:

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This study is applicable to all insurers licensed, by the California Department of Insurance, to write business in class 6, Disability lines. Both Property and Casualty Insurance companies and Life Insurance companies may be licensed to write class 6, Disability lines.

California Department of Insurance Jurisdiction:

Pursuant to CIC §10508.6, §10508.7, §1872.85 and §700[c], the State of California requires that every insurer, licensed to write Class 6, Disability business, maintains and reports its data to the Insurance Commissioner in their annual filings. **The CDI is requesting information pertaining to California insureds only.**

Pursuant to 10508.6. (a) The Legislature finds and declares that there is no statutory authority for the commissioner to gather information or data on life insurance, annuity, or disability products for the purpose of evaluating trends in the marketplace or the uses these contracts serve.

(b) The commissioner may collect, compile, analyze, and report data relating to life and disability insurance, annuity contracts, and related contracts offered, issued, delivered, or renewed in this state through any method of marketing.

(c) Any officer, manager, agent, or employee of any institution offering life and disability insurance, annuity contracts, or related contracts, shall, upon request by the commissioner, exhibit to the commissioner all books, records, accounts, documents, or agreements governing its method of operation, together with all data, statistics, and information of every kind and character collected or considered by the institution in the conduct of its operations.

(d) The commissioner may adopt reasonable rules and regulations requiring an annual reporting of the data authorized for collection under this section.

(e) The commissioner may, for the purpose of furthering the uniform administration of regulatory laws, exchange information and data with law enforcement officials of this and other states relating to the implementation of the reporting requirements imposed by this section, and may consult with those officials regarding that information and data.

Pursuant to 10508.7. A person subject to the requirements of Section 10508.6 who submits any false information in connection with a request for information or data pursuant to that section shall be liable for a civil penalty not to exceed one hundred thousand dollars (\$100,000). A person subject to the requirements of Section 10508.6 who fails to comply with a request for information or data pursuant to that section shall be liable for a civil penalty not to exceed five thousand dollars (\$5,000) for each 30-day period in which the person fails to comply. If the failure to comply is willful, the person shall be liable for a civil penalty not to exceed ten thousand dollars (\$10,000) for each 30-day period in which the person fails to comply, but not to exceed an aggregate amount of one hundred thousand dollars (\$100,000). In determining the penalty, the commissioner shall consider the good faith of the person and any similar prior violations by the person under this code.

Pursuant to CIC 1872.85

1872.85. Every admitted disability insurer or other entity liable for any loss due to health insurance fraud doing business in this state shall pay an annual fee to be determined by the commissioner, but not to exceed ten cents (\$0.10) annually for each insured under an individual or group insurance policy it issues in this state, in order to fund increased investigation and prosecution of fraudulent health insurance claims. After incidental expenses, 50 percent of those funds received from the assessment fee per insured shall be distributed to the Bureau of Fraudulent Claims of the Department of Insurance for enhanced investigative efforts, and 50 percent of the funds shall be distributed to local district attorneys, according to population, for investigation and prosecution of health insurance fraud cases. The funds received under this section shall be deposited into the Insurance Fund and be expended and distributed when appropriated by the Legislature.

In the course of its investigation, the Bureau of Fraudulent Claims shall aggressively pursue all reported incidents of probable fraud and, in addition, shall forward to the appropriate disciplinary body the names of any individuals licensed under the Business and Professions Code who are convicted of engaging in fraudulent activity along with all relevant supporting evidence.

Pursuant to CIC 700(c)

After the issuance of a certificate of authority, the holder shall continue to comply with the requirements as to its business set forth in this code and in the other laws of this state, including, but not limited to, Chapter 5 (commencing with Section 1631), with regard to employees or contractors who solicit, negotiate, or effect insurance.

B. GENERAL RULES

EXPERIENCE PERIOD:

“Covered Lives” provided are to be as of **December 31, 2007**.

“Covered Lives” includes the primary named insured PLUS all dependents covered under contracts that are effective on this date. This comprise all policies issued AND renewed, including contracts in closed blocks of business and contracts assumed from other carriers.

WHO MUST FILE:

All insurers offering any Class 06-Disability lines in California, and under the jurisdiction of the CDI, pursuant to CIC 106(a) & (b). Property and Casualty Insurance companies as well as Life Insurance companies may be licensed to write class 6-Disability lines of coverage.

Insurers who file a **consolidated annual statement**, as a group of companies **may not submit consolidated experience**. If a group has two or more companies writing Class 06, Disability lines, a separate company acknowledgment and data must be submitted for each company.

PENALTIES FOR NON-COMPLIANCE:

Companies that fail to submit a completed Acknowledgement of Receipt Form and Data Workbook (if applicable) by the due date requested will be considered in non-compliance with **California Insurance Code Sections 1859.1, 10508.6 and 10508.7** and will be referred to the Department’s Legal Division for further action.

Non-compliant companies may also be referred to the **Field Rating & Underwriting Bureau** who will collect the required data and bill the time required for examination at the company’s expense pursuant to **CIC 1857.4**.

INDIVIDUAL COMPANY SUBMISSIONS ONLY – NO GROUP SUBMISSIONS:

Insurers who file a consolidated annual statement **may not** submit consolidated experience. This data call is to be reported on a company by company basis.

RE-SUBMISSIONS:

Submissions that do not pass the Department’s validating tests will be returned to the company for corrections. No more than **one (1)** re-submission is acceptable. The company will be allowed **5 working days** to resubmit its data to the Department.

VALIDATING PROCEDURE:

Companies should establish their own validating programs and procedures to detect errors.

All data will be tested for accuracy and reasonability. Rejected data will be returned to the company for correction and resubmission. *If the company believes that the data is correct as submitted, it must provide an explanation in writing.*

C. REPORTING DUE DATES

- The ***Health & Disability Insurance (HDI-2008) Acknowledgement of Receipt Form*** is due no later than **AUGUST 22, 2008**
- The electronic data submission of the ***Health & Disability Insurance (HDI-2008) Data Workbook*** is due no later than **SEPTEMBER 22, 2008**
- **Requests for extensions in reporting** must be received no later than **SEPTEMBER 10, 2008**

All extension requests must be made by e-mailing your request to the Department.

If you have an extension request, and/or questions related to the Statistical Plan or programming of the data workbook, please address your inquiries to the contact persons indicated below. Requests for an extension should be sent via e-mail to the contacts listed below:

SHAWN DADAH HDI TEAM LEADER CALIFORNIA DEPARTMENT OF INSURANCE STATISTICAL ANALYSIS DIVISION dadahs@insurance.ca.gov	LEO LARA PROJECT MANAGER – LIFE & HEALTH STUDIES CALIFORNIA DEPARTMENT OF INSURANCE STATISTICAL ANALYSIS DIVISION laral@insurance.ca.gov
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D. RETRIEVING THE HEALTH & DISABILITY INSURANCE DATA CALL PACKAGE FROM THE INTERNET

To retrieve the reporting forms and instructions for the Health & Disability Insurance (HDI-2008) Data Call, please adhere to the following instructions:

- Go to the Department of Insurance web site at <http://www.insurance.ca.gov>.
- Select the **INSURERS** link.
- From the INSURERS page, select the **DATA & REPORTS** link located in the left-hand column of the page.
- Select the **STATISTICAL PLANS** and then **Reporting Year 2008 Statistical Plans** link.
- A message will appear requesting a user name and password. Enter the following:
User Name: DATANSTATS (case sensitive)
Password: STAT2008 (case sensitive)
- Select **HEALTH & DISABILITY INSURANCE DATA CALL (HDI-2008)**.
- From the HDI-2008 site, you can retrieve:
 - ***HDI-2008 Acknowledgement of Receipt Form – DUE AUGUST 22, 2008* This form must be returned via e-mail per the instructions included in the form.***
 - ***HDI-2008 Data Workbook – DUE SEPTEMBER 22, 2008. This form must be returned via e-mail per the instructions included in the workbook.***
 - ***HDI-2008 Statistical Plan – Contains detailed instructions on how to complete the Health & Disability Insurance (HDI-2008) Data Workbook.***
 - ***HDI-2008 Affidavit Form - A notarized affidavit confirming the validity of the data workbook. This form needs to be completed manually and mailed to the Department.***
- * **IMPORTANT** Regardless of your reporting status, the **Acknowledgement of Receipt Form MUST BE RETURNED NO LATER THAN AUGUST 22, 2008.**

E. METHOD OF REPORTING

- The HDI-2008 Data Workbook is available on the Internet (see Section D for retrieval instructions).
- In an effort to reduce reporting costs incurred by insurance companies and increase efficiency in reporting, **we are requiring that the data workbook be submitted via e-mail.**
- The HDI-2008 Data Workbook must be submitted via e-mail attachment to the following e-mail address: [**submissions@insurance.ca.gov**](mailto:submissions@insurance.ca.gov)
- For your convenience, we have included a macro that will automatically send your completed data workbook to the California Department of Insurance. Click on the “**Company Contact Worksheet**” and ***scroll down to the bottom of the worksheet.*** The instructions for sending your completed data workbook can be found in the section entitled: “**Complete the attached worksheets and E-Mail This Form to CDI**”

NOTE: A printed “hard copy” WILL NOT BE ACCEPTED by the Department. If you are unable to process an Excel 97 file, please contact this office for further instructions (Section F).

AFFIDAVIT FORM – Pursuant to our internal procedures, mandated legislative filings must be submitted with an affidavit completed and signed under oath before a notary public. Submit this form via mail to the address listed in Section F.

F. CALIFORNIA DEPARTMENT OF INSURANCE CONTACT INFO.

If you have an **extension request**, and/or **questions related to the statistical plan or the data workbook**, please address your inquiries or concerns to the contact persons indicated below. Requests for an extension, should be in writing (via e-mail listed below).

SHAWN DADAH RESEARCH ANALYST II STATISTICAL ANALYSIS DIVISION CALIFORNIA DEPARTMENT OF INSURANCE dadahs@insurance.ca.gov	LEO LARA PROJECT MANAGER – LIFE & HEALTH STUDIES STATISTICAL ANALYSIS DIVISION CALIFORNIA DEPARTMENT OF INSURANCE laral@insurance.ca.gov
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Mailing Address for Affidavit Form

California Department of Insurance
Attention: HDI-2008 (formerly AHCL Data Call)
300 South Spring Street, 14th Floor
Los Angeles, CA 90013

G. INSTRUCTIONS FOR DOWNLOADING & COMPLETING THE DATA WORKBOOK

The purpose of this section is to provide you with the reporting instructions necessary for downloading and completing the HDI-2008 Data Workbook.

The Data Workbook is the primary element of the HDI – 2008 submission. Within the workbook, you will find nine worksheets. These worksheets are as follows:

- Company Contact Worksheet
- Hospital, Medical & Surgical Reimbursement Worksheet
- Individual Health Rescissions Worksheet * **New for 2008** *
- Specialized & Specified Medical Reimbursement Plans Worksheet
- Association Plans Worksheet
- Administrative Services (ASO) Worksheet * **Revised for 2008** *
- Specified Cash Benefits Worksheet
- Medicare Supplement Worksheet
- Long Term Care Worksheet
- Loss of Time Worksheet
- Self-Funded Insurance Programs Worksheet

Upon accessing the data workbook on the Department's Internet web site, you can move from worksheet to worksheet by clicking the worksheet "tabs" at the bottom of your screen.

Complete all the worksheets provided. If you have no information to report, please enter "0" in the appropriate boxes.

If your company cannot read or load the Microsoft Excel workbook, please contact the Department of Insurance contact person listed in Section F of this statistical plan.

DOWNLOADING INSTRUCTIONS

1. You will first need to retrieve the data workbook, from the CDI website, requiring:

- **Internet Explorer Version 5** or
- **Netscape Navigator**

See the section below entitled, **Opening File From Department Web Site**, which outlines some of the varying messages and/or procedures you may encounter when using **Internet Explorer** as opposed to **Netscape Navigator**. It is possible to retrieve the Transmittal Form using either version.

2. Secondly, you will also need to complete this form in:

- **Microsoft Excel 97 or higher** – The data workbook will only run on Microsoft Excel 97 or higher. If you are experiencing difficulty in opening the transmittal files, please contact Shawn Dadah via e-mail at: dadahs@insurance.ca.gov

G. INSTRUCTIONS FOR DOWNLOADING & COMPLETING THE DATA WORKBOOK

OPENING FILE FROM DEPARTMENT WEB SITE

Upon entering the HEALTH & DISABILITY INSURANCE (HDI-2008) web site, click on the data workbook link to bring up the Excel workbook file, *HDI-2008.xls*.

You may see different messages appear when using *Internet Explorer* or *Netscape Navigator* to access the Data workbook. **Please refer to the appropriate sections below to SAVE the transmittal data to your local drive or a diskette before starting your data entry.**

1. If You Are Using Internet Explorer Version 5 –

- A message will be displayed...*Microsoft Excel...The Workbook you are opening contains Macros...*
- Select **Yes**. *Enables the macros that are needed to run the workbook. Calculations have been programmed and are automatic once data are provided.*

To **save** the file to a diskette after retrieving file from the Department web site, adhere to the following instructions:

- At the **TOP LEFT-HAND** corner of the HEALTH & DISABILITY INSURANCE (HDI-2008)Excel worksheet, **CLICK** on the button labeled "**DOWNLOAD DATA WORKBOOK**".
- Select the **path** where you wish to save file. If you are planning to save this file to a DISKETTE, choose the "a:\\" drive, otherwise, choose "c:\\" for your hard-drive.
- Under **FILE NAME** type *HDI-2008.xls*
- Select **SAVE**.
- Go to STEP 3 below and begin entering data.

2. If You Are Using Netscape Navigator –

- A message will be displayed...
- Select **SAVE TO DISK** and choose the path where you would like to save your file.
- Under **FILE NAME** type *HDI-2008.xls*.
- Select **SAVE**.
- **EXIT** Internet
- Proceed to STEP 3 below.

3. AFTER YOU HAVE DOWNLOADED FILE - Retrieve file by using Microsoft Excel (97 or higher versions) and proceed with data entry

- **OPEN** MS Excel (version 1997 or higher).
- From Excel, **RETRIEVE** and **OPEN** the file (HDI-2008.xls) from where you have saved it. When opening the file, a dialog box will appear on the screen asking if you wish to **enable macros**.
- Select **Enable Macros**.
- Complete the form using Microsoft Excel (Office 97 version or higher).
- Submit as an Excel attachment to the e-mail address listed in Section E, Method of Reporting.

G. INSTRUCTIONS FOR COMPLETING THE DATA WORKBOOK

ENTERING DATA: As stated in the beginning of Section G, the HDI workbook has a number of worksheets. The workbook should automatically open to the Company Information Worksheet. If not, simply click on the worksheet entitled, “COMPANY INFORMATION WORKSHEET”.
IMPORTANT: Be sure that your company’s contact information is filled out completely.

Continue entering the appropriate data, as requested by each worksheet. To move from worksheet to worksheet, click the worksheet tabs at the bottom of your screen.

VALIDATE and confirm your entries.

SAVE: Save the entire workbook on diskette or on your hard drive. If unable to submit data to this Department via the desired e-mail method, contact the CDI Contact Person listed in Section F of this statistical plan.

SUBMISSION OF DATA: Submit your completed data workbook to the California Department of Insurance as explained under Method of Reporting in Section E of this statistical plan. *A completed HEALTH & DISABILITY INSURANCE (HDI-2008) filing consists of a completed data workbook and a notarized affidavit.*

IMPORTANT: As discussed in Section E of this Statistical Plan, a completed and notarized AFFIDAVIT Form must be submitted in conjunction with your electronic submission of the data workbook, and must be mailed to the Department (see CDI address in Section F).

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET

Company Contact

Worksheet:

This worksheet will contain your company name and contact information. This will include company's NAIC number and mailing address, as well as detailed contact information such as e-mail address and fax number.

Hospital, Medical & Surgical Reimbursement

Worksheet:

HOSPITAL, MEDICAL & SURGICAL POLICIES ["HEALTH" INSURANCE] -REIMBURSEMENT ONLY - Insert total AGGREGATE number of covered lives (in TABLE-A) that are covered under ALL permanent and short term duration plans.

- Totals for each group & individual policy in TABLE-A **must be equal** to the sum of the group & individual policy counts in TABLE-B.
- **"Health" insurance** is defined in CIC §106 as: "§106(b)...the term "health insurance" for purposes of this code shall mean an individual or group disability insurance policy that provides coverage for hospital, medical, or surgical benefits." **Include only policies that pay benefits on an expense reimbursement basis. These policies may also be known as Comprehensive Health, Major Medical, Fee-for Service or Straight Indemnity policies.**
- **CONVERSION FACTORS:** If your company uses conversion factors to develop the covered lives data in Table – A, answer "YES" to the conversion factor question and report the conversion factor in the CONVERSION FACTOR WORKSHEET at the end of the workbook.
- In order to avoid duplicative reporting of covered lives data, please be sure that covered lives data reported in Tables A & B of the Hospital, Medical & Surgical Reimbursement worksheet are not included in covered lives counts for other tables in the HDI Data Workbook. Refer to CDI Contact (page 8) if you have any questions.

(continued on next page)

**Hospital, Medical &
Surgical Reimbursement
Worksheet:**
(continued from page 12)

Table – A requires companies to report all Hospital, Medical & Surgical Reimbursement covered lives into two categories:
1) Annual Term Policies and;
2) Short-Term Policies

ANNUAL TERM POLICIES

TABLE – A (Covered Lives on Annual Term Policies or

Contracts): Annual term policies are defined as policies intended to provide coverage for **a term of one-year or greater.**

This table requires you to provide the total number of EPO, PPO and Straight Indemnity covered lives for both group and individual policies.

****California Insureds Only****

These policies may also be known as Comprehensive Health, Major Medical, Fee-for Service or Straight Indemnity policies. Include only policies that pay benefits on an expense reimbursement basis.

SHORT-TERM POLICIES

TABLE – A (Covered Lives on Short-Term Policies or

Contracts): Short term policies are defined as policies intended to provide coverage for **a term of less than a year.**

This table requires you to provide the total number of EPO, PPO and Straight Indemnity covered lives for both group and individual policies.

****California Insureds Only****

These policies may also be known as Comprehensive Health, Major Medical, Fee-for Service or Straight Indemnity policies. Include only policies that pay benefits on an expense reimbursement basis.

(continued on next page)

**Hospital, Medical &
Surgical Reimbursement
Worksheet:**
(continued from page 13)

Table – B : Of the total Hospital, Medical & Surgical Reimbursement covered lives reported (in TABLE - A), provide a breakdown of these total lives by insurance product.

TABLE – B:

Definition of terms for Table-B:

MEDICAL PLAN NAME: This is the name of your company’s medical plan product. For example: “RIGHTCHOICE PPO 5000”

CONSUMER-DIRECTED HEALTH PLANS: A consumer-directed health plan (CDHP) is a high-deductible plan (as defined by the IRS Publication 969) offered together with a personal account that can be used to pay a portion of the medical expense not paid by the plan.

If the plan is a consumer-directed health plan, check the box entitled “YES”.

If this plan is not a consumer-directed health plan, leave the box “blank.”

PLAN DESCRIPTION: Provide a brief description of your company’s medical plan product.

Please be sure to include a **summarized list** of benefits covered.

For example:

Doctor’s Office Visits
Professional Services
Hospital In-Patient
Hospital Out-Patient
Prescription Drugs
Physical and Occupational Therapy

**Hospital, Medical &
Surgical Reimbursement
Worksheet:
(continued from page 14)**

TABLE – B (CONTINUED)

DEDUCTIBLE AMOUNTS: Provide all deductible amounts available with this plan. If there are multiple deductible amounts, please list all available.

TOTAL GROUP POLICIES: Includes employer-sponsored group coverage ONLY, including Union Plans covering employer groups.
NOTE: Covered lives data pertaining to Association-sponsored group plans covering employer groups are also requested in this section.

TOTAL INDIVIDUAL POLICIES: Contracts that are issued to individuals who are not part of an employer-sponsored group plan. These also include ASSOCIATION-sponsored group plans marketed to and covering INDIVIDUALS.

For more detailed definitions of terms used in the worksheet, explanatory “comments” embedded in the worksheet cells. Simply click on the question/item and an explanation will appear for your review.

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Individual Health Rescissions Worksheet:

This worksheet applies to your company's experience under **individual health insurance business** as reported under TABLE – A (INDIVIDUAL COVERED LIVES).

Tables – C, D & E Apply to individual health insurance business only.

If your company has reported **individual covered lives** under Table-A, it must complete Tables C, D & E.

TABLE – C: INDIVIDUAL HEALTH INSURANCE IN-FORCE BUSINESS

*** New For 2008 ***

- Total Number of Policies In-Force: Please enter the total number of POLICIES IN-FORCE for all individual health insurance business. Individual health insurance business is defined as a disability policy that provides coverage for hospital, medical or surgical benefits.
- Total Number of Covered Lives In-Force: Please enter the total number of COVERED LIVES IN-FORCE for all individual health insurance business. Individual health insurance business is defined as a disability policy that provides coverage for hospital, medical or surgical benefits. "Covered Lives" includes the primary named insured PLUS all dependents covered under contracts that are effective on this date. This comprise all policies issued AND renewed, including contracts in closed blocks of business and contracts assumed from other carriers.

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Individual Health Rescissions Worksheet (continued):

*** New For 2008 *** TABLE – D: NEWLY ISSUED POLICIES DURING CALENDAR YEAR 2007 - INDIVIDUAL HEALTH PRODUCTS ONLY

- Total Number of New Policies Issued In Calendar Year 2007: Please enter the total number of NEW POLICIES ISSUED for all individual health insurance business during calendar year 2007. This amount should represent the total number of policies issued as new business. Individual health insurance business is defined as a disability policy that provides coverage for hospital, medical or surgical benefits.
- Total Number of Lives Covered Under New Policies Issued in Calendar Year 2007: Please enter the total number of COVERED LIVES under all new individual health policies issued in Calendar Year 2007. This amount should represent the total number of covered lives issued as new business. Individual health insurance business is defined as a disability policy that provides coverage for hospital, medical or surgical benefits. “Covered Lives” includes the primary named insured PLUS all dependents covered under contracts that are effective on this date. This comprise all policies issued AND renewed, including contracts in closed blocks of business and contracts assumed from other carriers.

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Individual Health Rescissions Worksheet (continued):

**TABLE – D: NEWLY ISSUED POLICIES DURING CALENDAR YEAR 2007 -
INDIVIDUAL HEALTH PRODUCTS ONLY (CONTINUED FROM PAGE 17)**

*** New For 2008 ***

- Total Number of New Policies Issued Directly to Online Applicant by Company: Please enter the total number of new individual health policies ISSUED DIRECTLY TO ONLINE APPLICANT BY COMPANY (for calendar year 2007). Individual health insurance business is defined as a disability policy that provides coverage for hospital, medical or surgical benefits.
- Total Number of New Policies Issued Through Agents Using Online Application Submission: Please enter total number of new individual health policies ISSUED THROUGH AGENTS USING ONLINE APPLICATION SUBMISSION (FOR CALENDAR YEAR 2007). Individual health insurance business is defined as a disability policy that provides coverage for hospital, medical or surgical benefits.
- Total Number of New Policies Issued Based on Online Application: Please enter total number of new POLICIES ISSUED BASED ON ONLINE APPLICATION (FOR CALENDAR YEAR 2007). Individual health insurance business is defined as a disability policy that provides coverage for hospital, medical or surgical benefits.
- Total Number of New Policies Issued Through Agents: Please enter total number of new POLICIES ISSUED THROUGH AGENTS (FOR CALENDAR YEAR 2007). This total MUST NOT INCLUDE NEW POLICIES ISSUED THROUGH AGENTS USING ONLINE APPLICATION. Individual health insurance business is defined as a disability policy that provides coverage for hospital, medical or surgical benefits.

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Individual Health Rescissions Worksheet (continued):

**TABLE – E: RESCISSION EXPERIENCE DURING CALENDAR YEAR 2007
INDIVIDUAL HEALTH PRODUCTS ONLY**

*** New For 2008 ***

- Total Number of Policies Rescinded During Calendar Year 2007: Please enter the total number of POLICIES RESCINDED (CALENDAR YEAR 2007).
- Total Number of Insureds Rescinded During Calendar year 2007 (Regardless of Start Date of Policy): For all policies rescinded during calendar year 2007, enter the TOTAL NUMBER OF INSUREDS RESCINDED.
- Total Number of Rescinded Policies Appealed During Calendar Year 2007: Please provide the TOTAL NUMBER OF RESCISSIONS THAT WERE APPEALED (CALENDAR YEAR 2007).
- Total Number of Rescissions Upheld on Appeal During Calendar Year 2007: Please enter the total number of rescissions/grievances wherein the DECISION TO RESCIND WAS UPHELD AND THE APPEAL WAS DENIED (CALENDAR YEAR 2007).
- Total Number of Insureds Affected by Upheld Rescissions During Calendar Year 2007: **For all rescissions/grievances wherein the decisions to rescind was upheld and the appeal was denied**, ENTER THE TOTAL NUMBER OF INSUREDS AFFECTED.
- Total Number of Rescissions Reversed on Appeal During Calendar Year 2007: Please enter the total number of number of rescissions wherein COVERAGE WAS REINSTATED AS A RESULT OF AN APPEAL OR GRIEVANCE (CALENDAR YEAR 2007).
- Total Number of Insureds Affected by Reversed Rescissions During Calendar Year 2007: **For all rescissions/grievances wherein coverage was reinstated as a result of an appeal or grievance**, ENTER THE TOTAL NUMBER OF INSUREDS AFFECTED.

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Specialized & Specified Disease Worksheet:

This worksheet contains two (2) tables:

TABLE – F: This table requires you to provide the total number of covered lives under your Specialized Medical Reimbursement Health Plans (*Include any Vision, Dental, Acupuncture, Chiropractic, or other plan designed to reimburse for expenses incurred for a specified service*) for group and individual policies.

For group covered lives, include employer-sponsored plans AND association-sponsored plans marketed to EMPLOYERS OR UNIONS ONLY.

For individual covered lives, include plans marketed to INDIVIDUALS, including association-sponsored plans that market to individuals.

CONVERSION FACTORS: If your company uses conversion factors to develop the covered lives data in Table – C, answer “YES” to the conversion factor question and report the conversion factor in the CONVERSION FACTOR WORKSHEET at the end of the workbook.

TABLE – G: This table requires you to provide the total number of covered lives under your Specified Disease Medical Reimbursement Plans [*Include those policies that reimburse for expenses incurred as the result of named diseases (Cancer, Multiple Sclerosis, Parkinson's, etc.)*] for group and individual policies.

For group covered lives, include employer-sponsored plans AND association-sponsored plans marketed to EMPLOYERS OR UNIONS ONLY.

For individual covered lives, include plans marketed to INDIVIDUALS, including association-sponsored plans that market to individuals.

CONVERSION FACTORS: If your company uses conversion factors to develop the covered lives data in Table – D, answer “YES” to the conversion factor question and report the conversion factor in the CONVERSION FACTOR WORKSHEET at the end of the workbook.

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Association Plans Worksheet:

TABLE – H: This table asks if your company insures association group plans that are **currently marketed** to **California individuals**? If “YES” this table requires you to list each of these associations and the number of covered lives insured under each association.

This table also asks if your company insures association group plans that are **currently marketed** to **California employers**? If “YES” this table requires you to list each of these associations and the number of covered lives insured under each association.

This table requires the total number of California lives covered under all types of association health plans.

Administrative Services Worksheet:

TABLE – I: This table applies to companies that perform non-risk-bearing *administrative services* (ASO) for self-insured employer/union health care service plans.

*** Revised For 2008 ***

- If your company maintains ASO contracts, please provide the name your company uses as an ASO and as it would appear on a member's identification card.
- If your company maintains ASO contracts, this table requires the total number of California lives covered under all ASO contracts.
- If your company offers **stop-loss insurance coverage** for your ASO contracts, this table requires the total number of California lives covered under all ASO contracts with stop-loss insurance coverage.

Specified (FIXED) Cash Benefits

Worksheet:

This worksheet contains three (3) tables:

TABLE – J: This table requires you to provide the total number of covered lives under your Specified (FIXED) Cash Benefit Plans (*Include ONLY those policies which pay a specified cash benefit when the terms of the contract are met.*) for group and individual policies.

CONVERSION FACTORS: If your company uses conversion factors to develop the covered lives data in Table – G, answer “YES” to the conversion factor question and report the conversion factor in the CONVERSION FACTOR WORKSHEET at the end of the workbook.

TABLE – K: Of the total Specified(FIXED) Cash Benefit Plan covered lives reported (in Table - G), this table requires a breakdown of these total lives by policy type offered by your company in Table - H. Enter the number of respective covered lives for group & individual policies.

Totals for group/individual Specified(FIXED) Cash Benefit Plan covered lives reported in TABLE-G **must be equal** to the sum of all group/individual Specified(FIXED) Cash Benefit plan covered lives reported in TABLE-H.

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Medicare Supplement Worksheet:

This worksheet contains three (3) tables:

TABLE – L: This table requires you to provide the total number of covered lives under your Medicare Supplement plans (*Medicare Supplement: Individual or group disability policies, approved by the commissioner, which are advertised, marketed, or designed primarily as supplements to reimbursements under Medicare for the hospital, medical, or surgical expenses of persons eligible for Medicare. [CIC §10192.4(l)].* **[Do not include employer-sponsored group health plans for retirees—include these under “Hospital, Medical & Surgical Reimbursement”]** for group and individual policies.

CONVERSION FACTORS: If your company uses conversion factors to develop the covered lives data in Table – I, answer “YES” to the conversion factor question and report the conversion factor in the CONVERSION FACTOR WORKSHEET at the end of the workbook.

TABLE – M: Of the total Medicare Supplement Plan covered lives reported (in Table - I), provide a breakdown of these total lives by Medicare Supplement policy type (A-J) offered by your company in Table - J. Enter the number of respective covered lives for group & individual policies.

- o Totals for group/individual Medicare Supplement Plan covered lives reported in TABLE-R must be equal to the sum of all covered lives for Medicare Supplement Plans A through J reported in TABLE-S.

TABLE – N: This table pertains to any medicare supplement plans with a “High-Deductible” option. Enter the plans with the high deductible option. For more detailed definitions of terms used in the worksheet, explanatory “comments” embedded in the worksheet cells. Simply click on the question/item and an explanation will appear for your review.

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Long-Term Care

Worksheet:

With regard to long-term care plans marketed by your company, this worksheet contains three (3) tables:

TABLE – O: This table requires you to provide the total number of covered lives under your Long-Term Care plans (*Long term Care: Individual or group insurance policies, certificates or riders, approved by the commissioner, providing coverage for specified services in a setting other than an acute care unit of a hospital. [CIC §10123.2 and § 10123.6]*) for group and individual policies.

CONVERSION FACTORS: If your company uses conversion factors to develop the covered lives data in Table – L, answer “YES” to the conversion factor question and report the conversion factor in the CONVERSION FACTOR WORKSHEET at the end of the workbook.

TABLE – P: Table-M applies **only to those companies that provide long-term care benefits as contractual provisions, amendments or separate riders to life or annuity insurance policies.** If this applies to your company, provide Policy Form Numbers and CDI Approval Dates for all applicable forms in Table-M.

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Loss of Time Worksheet:

With regard to loss of time (disability income replacement) plans marketed by your company, this worksheet contains one (1) table:

TABLE – Q: This table requires you to provide the total number of covered lives under your Loss of Time (Disability Income Replacement) plans (*Individual or group policies insuring against the loss of occupational earning capacity, providing monthly or weekly income benefits for disability arising from injury, sickness or disablement. [CIC §799.01] Include both business and personal policies. [Do not include policies that pay fixed cash benefits, such as benefits payable only if one is injured on a public conveyance. These limited benefit policies should be included in “All Other” on the SPECIFIED CASH BENEFITS page]*) for group and individual policies.

CONVERSION FACTORS: If your company uses conversion factors to develop the covered lives data in Table – O, answer “YES” to the conversion factor question and report the conversion factor in the CONVERSION FACTOR WORKSHEET at the end of the workbook.

For more detailed definitions of terms used in the worksheet, explanatory “comments” embedded in the worksheet cells. Simply click on the question/item and an explanation will appear for your review.

Self-Funded Insurance Programs Worksheet:

This worksheet applies to companies that offer medical stop-loss insurance in California.

Medical Stop-Loss Insurance: Defined as a form of reinsurance for self-insured employers that limits the amount the employers will have to pay for each person’s health care (individual limit) or the total expenses of the employer (group limit).

TABLE – R: Enter the total number of stop-loss insurance certificates issued by your company. (regardless of whether or not ASO services are provided)

H. EXPLANATIONS OF EACH HDI-2008 WORKSHEET (Continued) -

Conversion Factor

Worksheet:

This worksheet contains one (1) table:

Conversion Factors: If your company used conversion factors to develop the covered lives data, please provide the conversion factors in this table.

If there are any specific notes regarding the conversion factors reported, please provide them in the “Company Notes” field.

For more detailed definitions of terms used in the worksheet, explanatory “comments” embedded in the worksheet cells. Simply click on the question/item and an explanation will appear for your review.

I. PROPRIETARY POLICY

As a general rule all data submitted to the California Department of Insurance (CDI) Statistical Analysis Division is deemed to be proprietary in nature and treated as confidential. Data will only be released in the aggregate so no individual company experience is revealed, unless;

- a. Mandated by California Insurance Code or California Code of Regulations.
- b. Requested by other CDI Units for internal use, but continue to maintain confidentiality.
- c. Ordered by the Insurance Commissioner or Legislative Insurance Committee in the public interest, and does not conflict with proprietary protection under current law.