

[Emergency Regulations to Enforce PPACA Medical Loss Ratio Guidelines Granted to California Department of Insurance](#)

Posted on January 26, 2011 by [John LeBlanc](#)

On Monday January 24, 2011, newly elected [California Insurance Commissioner Dave Jones](#) announced in a [press release](#) that he had obtained approval from the [California Office of Administrative Law](#) to issue an emergency regulation allowing the [Department of Insurance](#) (the “Department”) to enforce the medical loss ratio guidelines in the [Patient Protection and Affordable Care Act of 2009](#) (“PPACA”).

As of January 1, 2011, the PPACA requires all health insurers in the individual market to maintain an 80% medical loss ratio. The Department obtained approval to amend 10 California Code of Regulations § 2222.12 to mirror this requirement. A copy of the amended text can be viewed [here](#).

The emergency regulation went into effect on January 24, 2011, and expires on July 26, 2011. It requires California health insurers to demonstrate compliance with the 80% medical loss ratio at the time of the Department’s rate review.