

March 17, 2004

Miles Bodzin, D.C. Bodzin Chiropractic Professional Corporation dba The Chiropractic wellness Center 6030 # D Tierrasanta Gateway SanDiego, CA 92124

Sent by U.S. Mail and Fax to (858) 541-0527

RE: Correspondence Dated January 1, 2004 Regarding Chiropractic Program

Dear Dr. Bodzin:

The Department of Managed Health Care (the Department) has received your letter dated January 1, 2004, submitting sample/ template copies of a "4 Month Corrective Care Plan", and a "6 Month Wellness Plan" for our review.

The Department licenses and regulates health cares service plans pursuant to the Knox-Keene Health Care Service Plan Act of 1975, as amended (codified at Health and Safety Code section 1340 et seg.) and other applicable law.

Knox-Keene licensure requires a pre-paid periodic charge that is paid on behalf of the enrollee for the arrangement and provision of future health care services, combined with acceptance of risk for the cost of those services.

Based upon the information submitted, it appears that there is no assumption of prospective financial risk by either the chiropractor or patient, that the chiropractor makes no promises to treat future problems and that the patient may stop the program at any time. Therefore, these payment plans as presented, do not in themselves require Knox-Keene licensure.

This conclusion is based strictly on the facts as presented in your January 1, 2004, letter and the text of the sample/template payment plans. It presumes that no other agreement is incorporated into these payment plans and that no other terms or conditions apply. If the facts or payment plans change, this conclusion may be subject to further analysis.

DEPARTMENT OF MANAGED HEALTH CARE

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Thank you for writing. If you have any further questions on this matter you may contact me directly at (916) 445

Sincerely,

KELLY E. LOYER

Staff Counsel

Office of Legal Services

KEL/acd

Matter ID# 2004-0166

ARNOLD SCHWARZENEGGER GOVERNOR

> BUSINESS, TRANSPORTATION AND HOUSING AGENCY

