6. On September 10, 2006 the Working Group reached a consensus as to the applicability of guidance to managed care contracts. The liability for claims adjustment expenses on non-capitated payments under managed care contracts should be established in an amount necessary to adjust all unpaid claims irrespective of payments made to third party administrators, etc. The working group determined that capitated payments under managed care contracts are not included within the scope of this issue. This paragraph shall become effective for reporting periods ending on or after December 31, 2006.

INT 02-21 Status

7. No further discussion is planned.