

COMMISSIONER OF INSURANCE

397

Ins 18

(a) The formula for determining the prevailing charge in the locality where the service is provided shall be developed by the administering carrier and approved by the board.

(b) The medical necessity of the service shall be determined by the administering carrier and shall be subject to board review under the grievance procedures established by the board under s. 619.15 (3) (a), Stats.

(5) PREMIUMS, DEDUCTIBLES AND COINSURANCE. (a) Premiums, deductibles and coinsurance shall conform with ss. 619.14 (5) and 619.17, Stats.

(b) 1. The schedule of premiums, based on data compiled from the health insurance industry, shall be as follows:

Major Medical Plan

Male Age Group	Annual	Semi-annual	Quarterly
Zone 1			
0-18	\$ 384.00	\$192.00	\$ 96.00
19-29	384.00	192.00	96.00
30-39	492.00	246.00	123.00
40-44	612.00	306.00	153.00
45-49	776.00	388.00	194.00
50-54	928.00	464.00	232.00
55-59	1,268.00	634.00	317.00
60-64	1,432.00	716.00	358.00
Zone 2			
0-18	\$ 324.00	\$162.00	\$ 81.00
19-29	324.00	162.00	81.00
30-39	416.00	208.00	104.00
40-44	520.00	260.00	130.00
45-49	656.00	328.00	164.00
50-54	788.00	394.00	197.00
55-59	1,076.00	538.00	269.00
60-64	1,216.00	608.00	304.00
Female			
Age Group	Annual	Semi-annual	Quarterly
Zone 1			
0-18	\$ 384.00	\$192.00	\$ 96.00
19-29	724.00	362.00	181.00
30-39	780.00	390.00	195.00
40-44	956.00	478.00	239.00
45-49	1,072.00	536.00	268.00
50-54	1,080.00	540.00	270.00
55-59	1,088.00	544.00	272.00
60-64	1,180.00	590.00	295.00

Ins 18

Female Age Group	Annual	Semi-annual	Quarterly
Zone 2			
0-18	\$ 324.00	\$162.00	\$ 81.00
19-29	612.00	306.00	153.00
30-39	660.00	330.00	165.00
40-44	812.00	406.00	203.00
45-49	908.00	454.00	227.00
50-54	916.00	458.00	229.00
55-59	924.00	462.00	231.00
60-64	1,000.00	500.00	250.00

Medicare Plan

	Annual	Semi-annual	Quarterly
Zone 1			
All Policyholders	\$596.00	\$298.00	\$149.00
Zone 2			
All Policyholders	\$504.00	\$252.00	\$126.00

2. For the purposes of this paragraph, Zone 1 shall contain all of the Wisconsin postal zip codes whose first digits are : 530, 531, 532, 533, 534, 537, 540 and 547. Zone 2 shall contain all other Wisconsin postal zip code areas.

(c) Premiums shall be set by rule by the commissioner, based on all available data, including industry experience and actual plan experience. The commissioner shall have on file an actuarial report detailing the process whereby rates were determined.

(d) The annual report of the board to standing committees of the legislature required by s. 619.15 (2), Stats., and Ins 18.08 (2) shall include a section describing premium rate setting in detail. In order to fulfill this requirement, the board may appoint an actuarial committee under the powers granted to the board in s. 619.15 (5) and Ins 18.08 (3) (d) and (e).

(6) **PRE-EXISTING CONDITIONS.** Pre-existing conditions limitations shall conform with s. 619.14 (6), Stats. Determinations of what constitutes a pre-existing condition shall be made by the administering carrier and shall be subject to board review under the grievance procedures established by the board under s. 619.15 (3) (a), Stats.

(7) **COORDINATION OF BENEFITS.** There shall be coordination of benefits as provided in s. 619.14 (7), Stats.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81.; r. and recr. (5) (b), Register, June, 1982, No. 318, eff. 7-1-82.

Ins 18.08 Board of governors. The board shall be appointed and shall operate pursuant to s. 619.15, Stats.

(1) **BOARD APPOINTMENTS.** The board shall be appointed pursuant to s. 619.15 (1), Stats. "Members of the population covered by the plan" shall, for purposes of appointment to the board, include residents of Wisconsin who would reasonably be expected to be certified as eligible for the plan under the eligibility criteria set forth in s. 619.12, Stats.

(2) **ANNUAL REPORT.** The board shall make an annual report to the members of the plan and to standing committees on health and insurance in each house of the legislature pursuant to s. 619.15 (2), Stats.

(3) **BOARD FUNCTIONS.** Board functions shall conform with ss. 619.15 (3), (4) and (5), Stats.

(a) The board shall carry out the functions required in s. 619.15 (3), Stats.

(b) The board may carry out the functions authorized in s. 619.15 (4), Stats.

(c) The board may provide for agent commissions and require agents and companies to provide assistance in filing applications under the powers granted in s. 619.15 (5), Stats.

(d) The board may establish subcommittees and appoint members who do not serve on the board to these subcommittees in order to carry out its functions under s. 619.15, Stats.

(e) The board may hire consultants in order to carry out its functions under s. 619.15, Stats.

(f) The board shall contract with the administering carrier of the plan to provide those services enumerated in s. 619.16 (3), Stats., as well as any other functions enumerated in the contract between the board and the administering carrier, in order to carry out its functions under s. 619.15, Stats.

(g) The board may defer payment of administrative expenses to the administering carrier, in accordance with the terms set forth in the contract between the board and the administering carrier.

(h) The board shall develop a detailed written policy regarding confidentiality of records.

(i) The board may adopt and amend from time to time reasonable operating procedures which are not inconsistent with the statutory requirements and ch. Ins 18, for the management and operation of the plan.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81.

Ins 18.09 Administering carrier. The selection, term and functions of the administering carrier shall conform with s. 619.16, Stats.

(1) **SELECTION.** The board shall select an insurer through a competitive bidding process to administer the plan based on criteria established by the board which shall conform with the requirements of s. 619.16 (1), Stats.

(2) **TERM SERVED AND SELECTION FOR SUCCEEDING PERIODS.** The term served by the administering carrier and the selection of the administering carrier for succeeding periods shall conform with s. 619.16 (2), Stats.

Ins 18

(3) **FUNCTIONS.** The administering carrier shall perform the functions enumerated in s. 619.16 (3), Stats., and any other functions agreed to in the contract between the board and the administering carrier.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81.

Ins 18.10 Notice of mandatory risk-sharing plan. Notice of the plan shall conform with s. 632.785, Stats.

(1) **WHEN NOTICE REQUIRED.** If an insurer takes one or more of the actions enumerated in s. 632.785 (1), Stats., the insurer shall notify all persons covered or to be covered by the policy, including parents and guardians in cases involving minor children and individuals adjudged incompetent, of the existence of the plan, as well as the eligibility requirements and the method of applying for coverage under the plan, in accordance with s. 632.785 (1), Stats.

(2) **FORM OF NOTICE REQUIRED.** "Health Insurance Risk-Sharing Plan", an informational pamphlet prepared by and available through the Office of the Commissioner of Insurance and endorsed by the board, shall satisfy the notice requirements set forth in s. 632.785 (1), Stats. Any other notice given in accordance with s. 632.785 (1), Stats., shall substantially conform to this pamphlet in type size and readability and shall be subject to the prior approval of the commissioner of insurance.

(3) **STATEMENT OF REASONS FOR REJECTION, TERMINATION, CANCELLATION OR IMPOSITION OF UNDERWRITING RESTRICTIONS.** The insurer's rejection, termination, cancellation or imposition of underwriting restrictions under s. 632.785 (1) shall, pursuant to s. 632.785 (2), state the specific medical reason for the insurer's action.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81.

Ins 18.11 Confidentiality and access to records. (1) **CONFIDENTIALITY.** Information regarding plan applicants and plan participants shall be kept confidential by the administering carrier and the board. A detailed written policy regarding confidentiality shall be developed by the board pursuant to s. 619.15 (5), Stats., and Ins 18.08 (3) (h).

(2) **ACCESS TO RECORDS BY PLAN APPLICANTS AND PARTICIPANTS.** Plan applicants and participants shall have access to all of their medical records held by the plan.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81.

Ins 18.12 Effective date. This chapter shall take effect January 1, 1981.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81.