

CR 86-59

RECEIVED
JUL 17 1986
11:25 am
Revisor of Statutes
Bureau

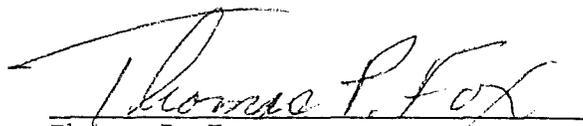
STATE OF WISCONSIN)
)
OFFICE OF THE COMMISSIONER OF INSURANCE)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Thomas P. Fox, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order amending, repealing and recreating rules relating to the Health Insurance Risk-Sharing Plan was issued by this office July 14, 1986.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name in the City of Madison, State of Wisconsin, this 15th day of July, 1986.



Thomas P. Fox
Commissioner of Insurance

5859s

STATE OF WISCONSIN
RECEIVED AND FILED

JUL 17 1986

DOUGLAS LA FOLLETTE
SECRETARY OF STATE

9. 1 86

STATE OF WISCONSIN
RECEIVED AND FILED

ORDER OF THE COMMISSIONER OF INSURANCE

Relating to the Health Insurance Risk-Sharing Plan.

JUL 17 1986

DOUGLAS LA FOLLETTE
SECRETARY OF STATE

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

Section 619.165, Stats., directs the Board of Governors of the Health Insurance Risk-Sharing Plan to reduce premiums charged of HIRSP policyholders if the household income as defined by s. 71.09 (7) (a) 3. qualifies the policyholder for such a reduction under s. 619.165, Stats. This rule sets forth requirements for policyholders' application and eligibility for such premium reductions.

The rule also expands the grievance section, 18.05, to apply to the premium reduction program. Finally, the rule repeals the effective date subsection for the original rule.

Pursuant to authority vested in the Commissioner of Insurance by s. 601.41 (3), Wis. Stats., the Commissioner of Insurance hereby amends a rule and repeals and recreates a rule interpreting s. 619.165, Wis. Stats., as follows:

Section Ins 18.05 (3) Board Review is amended to read:

Ins 18.05 (3) BOARD REVIEW. Any person denied certification coverage under the plan or decertified whose coverage is terminated by the administering carrier is entitled to a review by the board under the grievance

procedures established by the board under s. 619.15 (3) (a), Stats. Persons denied the premium reductions under Ins 18.13 are entitled to a review under this section.

Section Ins 18.12 is repealed and recreated to read:

Ins 18.12 PREMIUM REDUCTION FOR LOW INCOME POLICYHOLDERS.

(1) PURPOSE. The purpose of this section is to interpret and implement s. 619.165, Stats.

(2) ELIGIBILITY. Applicants for coverage under the plan may apply for the premium reduction under this section. Persons covered under the plan shall reapply annually.

(3) SCHEDULE OF PREMIUM REDUCTIONS. The schedule of premium reductions is set forth in s. 619.165, Stats. Premium reductions are based on that schedule and on the availability of funds as appropriated under s. 20.145 (7), Stats.

(4) APPLICATION. An application for premium reduction is not complete until a Supplemental Application for Premium Reduction form or a completed Wisconsin Homestead Credit Schedule H is submitted to the administrator of the plan. If the month of application is January through June, then the Supplemental Application for Premium Reduction or Schedule H shall be based on financial information from the second prior calendar year. If application is made during the months from July through December financial information from the prior calendar year shall be used. An application for the premium reduction shall be accompanied by or preceded by an application to the plan.

Note: the supplemental application for premium reduction may be obtained at no charge either at the Office of the Commissioner of Insurance, P. O. Box 7873, Madison, Wisconsin 53707, 123 West Washington Avenue, or at Mutual of Omaha Insurance Company, P. O. Box 31746, Omaha, Nebraska 68131 (1-800-228-7044). The form is numbered Form 8116H1RSP APP SUPP.

(5) APPLICATION DEADLINES. (a) New plan applicants may establish eligibility for the premium reduction:

1. At the time of plan application. In this case the applicant shall be billed the reduced premium unless the first premium payment is submitted with the application. Then a refund of the reduced portion of the premium shall be issued.

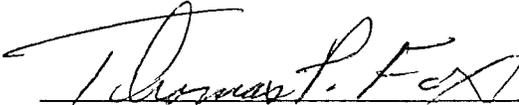
2. After eligibility for the plan is established. If eligibility for premium reduction is established within 31 days after the effective date of the policy, the new policyholder shall be issued a refund of the reduced portion of the premium retroactive to the effective date of the policy. If eligibility for the reduced premium is not established within 31 days after the effective date of the policy, it shall be established at least 60 days before the renewal date on which it is to take effect.

(b) Persons who are existing policyholders as of March 31 shall apply annually by May 1 in order to be eligible for the premium reduction for the year beginning on July 1. If the application is not postmarked by May 1, then the application shall be postmarked at least 60 days prior to the policyholder's next policy renewal date in order for the corresponding premium notice to reflect the reduced premium. Any individual who becomes a policyholder after March 31 shall be treated under sub. (5) as a new policyholder.

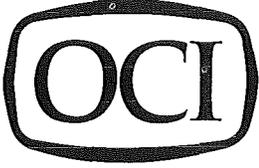
(c) Eligibility for premium reduction shall be reestablished annually. Once eligibility is established, it is effective until the following July 1 at which time eligibility for the following year, from July 1 to June 30, shall have been established.

EFFECTIVE DATE. As provided in s. 227.026 (1) (intro), Stats., this rule shall take effect the first day of the month following its publication.

Dated at Madison, Wisconsin, this 15th day of July, 1986.



Thomas P. Fox
Commissioner of Insurance



The State of Wisconsin
Office of the Commissioner of Insurance

Thomas P. Fox
Commissioner
(608) 266-3585

RECEIVED

JUL 17 1986

Revisor of Statutes
Bureau

DATE: July 17, 1986
TO: Gary Poulson
FROM: M. E. Van Cleave
Assistant Deputy Commissioner of Insurance
SUBJECT: Ins 18.05 and Ins 18.12, Clearinghouse No. 86-59

Enclosed are two copies of an Order of the Commissioner of Insurance amending Ins 18.05 (3) and repealing and recreating Ins 18.12, Clearinghouse No. 86-59, relating to Board review and premium reduction for low-income policyholders of the Health Insurance Risk-Sharing Plan.

MEV:LH:ams
Enclosure
4823E