

PRODUCT AND PLAN DEFINITION

How is the term “product” defined?

The term “product” is defined by the federal government as a discrete package of benefits using a particular product network type (e.g., HMO, PPO, EPO, POS, Indemnity) within a service area.

The combined service areas of all plans within a product will make up the service area of the product.

Per Wisconsin Office of the Commission of Insurance (OCI) requirements, a different product is required if the company cannot accurately represent its business using **only one** selection under each Product Characteristic below:

Product Characteristic	Selection Options
Policy Form Number	Policy forms/certificates on file with OCI
Market	Individual Individual Association Small Group
Product Name (Marketing Name)	Must be unique within a legal entity
HIOS Product ID	HIOS Product ID(s) as filed in the Plan Finder module of HIOS
Product Network Type	PPO Indemnity HMO POS EPO
Statewide Product Status	Actively Marketed Not Actively Marketed Never Available
Grandfathered Status	Grandfathered Non-Grandfathered
Benefit Package	All discrete benefit packages Note that the addition of an “optional” benefit is considered a separate benefit package and would require either (1) the creation of a separate product or (2) the creation of a supplemental policy separate and distinct from the health contract.

According to federal guaranteed renewability requirements, the following changes are outside “uniform modification(s) to coverage” as defined under 45 C.F.R. § 146.152(f) and § 148.122(g). They would require the discontinuation of the existing product under 45 C.F.R. § 147.106(c), and the creation of a new product with OCI and the federal government:

- The issuer offering the product has changed, unless both issuers are members of the same controlled group;
- The product network type has changed (e.g., HMO, PPO, EPO, POS, Indemnity);
- The company has eliminated a majority of the product’s service area;
- The company has changed the benefits covered under a product by more than +/- 2.00% (assessed as a percentage of the plan-adjusted index rate and does not include benefit changes mandated by law);
- The company has changed the cost-sharing structure of one or more plans within a product (other than changes related to cost and utilization of medical care or to maintain coverage at a certain metal level).

If an issuer discontinues all of its plans and products, a market withdrawal and five-year lockout is triggered under 45 C.F.R. § 147.106(d), unless the issuer (1) renews policyholders into **new** products on a guaranteed available basis, (2) adheres to the notice requirements for discontinuation of a particular product, and (3) acts uniformly without regard to health status or claims experience.

Transferring (renewing) an entire block of business from one issuer member of a controlled group to another member of the controlled group does not prevent a market withdrawal of the first issuer under ss. 632.749 and 632.7495, Wis. Stat.

PRODUCT AND PLAN DEFINITION

How is the term “plan” defined?

The term “plan” is defined by the federal government as the pairing of the health insurance coverage benefits under a product and a particular level of cost-sharing within a service area.

A product can have many plans associated with it; however, a plan is assigned to only one product. All Product Characteristics are identical for all plans under a product.

Per OCI requirements, a different plan is required if the company cannot accurately represent the business using **only one** selection under each Plan Characteristic below:

Plan Characteristic	Selection Options
Metal Tier	Platinum Gold Silver Bronze Catastrophic (individual market only)
AV Metal Value	Actuarial Value(s) as calculated under 45 C.F.R. § 156.20
HIOS Plan ID	HIOS Plan ID(s) as filed in the Plan Finder module of HIOS Note that federal cost-sharing reduction plan variations are considered variations of a single standard plan with a single HIOS Plan ID.
HSA-Eligible?	Yes No
Cost-Sharing Option	All unique combinations of cost-sharing options as filed in the federal Plan & Benefits Template OR policy forms/certificates Note that federal cost-sharing reduction plan variations are considered variations of a single standard plan.
Network	Provider network options
Service Area	Service Area(s) as defined in the Wisconsin Rate Pages and Service Area Template (Rates module of the Health Insurer Web Application)

According to federal guaranteed renewability requirements, the following change is outside a “uniform modification to coverage” as defined under 45 C.F.R. § 146.152(f) and § 148.122(g). They would require the discontinuation of the existing plan and the creation of a new plan with OCI and the federal government:

- More than half of the provider network for a plan has changed (assessed on the first day of the plan year as compared to the first day of the previous plan year).

Any changes which are outside a “uniform modification to coverage” at the product level would require the creation of new plans within the new product.

NOTE: The federal government may require companies to create a new HIOS Plan ID, or Standard Component ID (SCID), if a plan changes metal level from one year to the next. The creation of a new HIOS Plan ID or SCID does not necessarily mean that the plan is new; it may still be considered the “same plan” for the purposes of rate review.