



Outline of Coverage

Revised January 2007

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www.hirsp.org

HIRSP OVERVIEW

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The Health Insurance Risk-Sharing Plan (HIRSP) offers health insurance to Wisconsin residents who are unable to find adequate health insurance coverage in the private market due to their medical conditions or who have lost their employer-sponsored group health insurance. Applicants are required to meet HIRSP eligibility criteria to qualify.

HIRSP has a six-month waiting period for coverage of services related to pre-existing conditions. If you qualify for HIRSP because you lost your employer-sponsored group health insurance and you meet the requirements in this outline, this waiting period does not apply to you. (Refer to *Six-Month Waiting Period for Coverage of Pre-existing Conditions* on page 4.)

HIRSP covers major medical and prescription drug expenses, subject to pre-existing condition limitations defined in this outline. Policyholders are responsible for paying premium, deductible, and coinsurance amounts as indicated in the HIRSP policy.

HIRSP offers two plans. Plan 1 has two deductible options, and Plan 2 is specifically designed for policyholders who are eligible for Medicare under conditions defined in this outline.

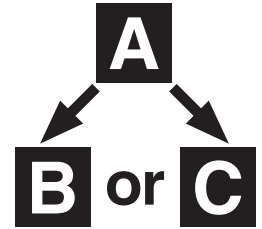
In addition to being responsible for paying the premiums and medical deductibles for the plan you choose, you will also pay a medical coinsurance and a separate drug coinsurance for each prescription. (Refer to *HIRSP Plans* on pages 5-6 and *Comparison of HIRSP Plans Table* on page 7.)

Enrollment in HIRSP is not dependent upon your income or assets. However, if your total annual household income is less than \$25,000, you may qualify for reductions in premiums, deductibles, and drug coinsurance under the conditions defined in this outline.

This outline provides general information only. It does not provide a complete description of coverage and does not serve as a legal document. Only the terms of the HIRSP insurance policy constitute a binding agreement between the policyholder and HIRSP. ***Information contained in this outline is subject to change without notice.***

Eligibility Requirements

Determining whether you should apply for HIRSP coverage is as easy as A, B, C. There are three elements to HIRSP eligibility. If you meet the requirements under **A** and either **B** or **C**, you are eligible for HIRSP.

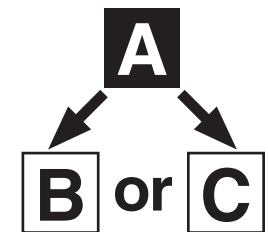


A Requirements for All Applicants

All applicants for HIRSP are required to meet *all* of the following four requirements:

- You are a resident of Wisconsin.
- You are not eligible for employer-sponsored group health insurance.
- You are not eligible for Wisconsin Medicaid or BadgerCare.
- You meet the requirements described under **B** or **C** that follow.

If you do not meet all of these requirements, you are not eligible for HIRSP.



Requirements for all applicants

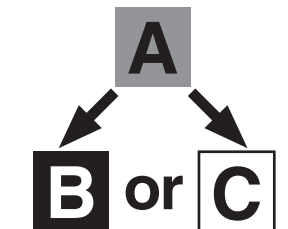
B Eligibility for Applicants Based on Medical Condition

If you meet all the requirements under **A** and at least one of the requirements under **B**, you are eligible for HIRSP. If you qualify for HIRSP under **B**, you will be subject to a six-month waiting period for coverage of pre-existing conditions (Refer to *Six-Month Waiting Period for Coverage of Pre-existing Conditions* on page 4).

If you are applying for HIRSP because of your medical condition, you are required to be younger than age 65, have lived in Wisconsin for at least three months as of your HIRSP effective date and provide documentation that you meet *at least one* of the following requirements:

- You are eligible for Medicare because of a disability.
- You tested positive for the Human Immunodeficiency Virus (HIV).
- In the past nine months, you received at least one of the following from insurers:
 - ✓ A notice of rejection from two or more insurers.
 - ✓ A notice of cancellation.
 - ✓ A notice of significant reduction of coverage.
 - ✓ A notice of an increase in your premium of 50% or more.
 - ✓ Two or more offers for insurance with premiums at least 50% higher than what you would be charged for a standard individual policy with substantially the same coverage and deductibles as HIRSP.

If you do not meet at least one of the requirements under **B**, you may be eligible for HIRSP if you meet all the requirements that follow under **C**.



Eligibility for applicants who lost employer-sponsored group health insurance

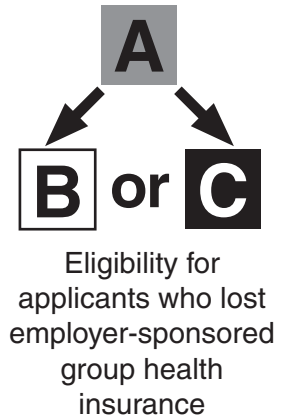
C Eligibility for Applicants Who Lost Employer-Sponsored Group Health Insurance

If you meet all the requirements under **A** and **C**, you are eligible for HIRSP. If you qualify for HIRSP under **C**, you will *not* be subject to a six-month waiting period for coverage of pre-existing conditions.

If you are applying for HIRSP because you lost your employer-sponsored group health insurance, you are required to meet *all* of the following requirements:

- You lost your employer-sponsored group health insurance. As documentation, you are required to provide HIRSP with a certificate of creditable coverage from past insurers or employers.
- You did not voluntarily cancel your coverage.
- You exhausted your continuation coverage under your employer-sponsored group health insurance, including state continuation coverage or Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage.
- Including this employer-sponsored group health insurance, you have had continuous insurance coverage for at least 18 months with no gap in coverage greater than 63 days.
- You applied to HIRSP within 63 days of losing your employer-sponsored group health insurance.
- You are not eligible for Medicare.

If you did not meet requirements in **A** and either **B** or **C**, you are not eligible for HIRSP.



Covered and Noncovered Services

Six-Month Waiting Period for Coverage of Pre-existing Conditions

If you are eligible for HIRSP based on your medical condition, HIRSP does not cover services related to a pre-existing injury or illness during your first six months of coverage. This pre-existing condition waiting period does not apply to you if you are eligible for HIRSP under **C**.

A pre-existing injury or illness is a condition, whether physical or mental, regardless of the cause of the condition, which was diagnosed or for which medical advice, care, or treatment was recommended or received during the six months immediately preceding the policy effective date.

Covered Services

HIRSP will cover medically necessary and appropriate services consistent with the HIRSP policy only when those services are received from **Wisconsin Medicaid-certified** providers. A partial list of covered services follows.

Refer to the HIRSP policy for a full list of covered services, exclusions, conditions, and limitations.

- Hospital services.
- Basic medical-surgical services, including both in-hospital and out-of-hospital medical and surgical services, diagnostic services, anesthesia services, and consultation services.
- Inpatient treatment and outpatient services for alcohol or drug abuse and nervous and mental disorders.
- Prescription drugs and insulin.
- Home care.
- Durable medical equipment.
- Disposable medical supplies.
- Diagnostic X-rays and laboratory tests.
- Physical therapy services.
- Emergency ambulance services.
- Skilled nursing facility services.
- Hospice care.
- Services and supplies for treatment of diabetes.
- Chiropractic services.
- Maternity and newborn services.

For more specific information about covered services, refer to the HIRSP policy or contact HIRSP Customer Service.

Noncovered Services

The following is a partial list of treatments, services, supplies, and expenses that HIRSP does not cover:

- Routine exams and related services.
- Cosmetic treatments.
- Eyeglasses.
- Hearing aids.
- Routine dental care.
- Weight loss programs
- Health care services performed by members of your immediate family or anyone else living with you.
- Custodial care.
- Infertility, impotence, and sterility services or drugs.
- Charges for procedures or services that are determined as not medically necessary and appropriate.
- Expenses incurred for procedures or services that are of questionable medical value, experimental, or investigative (except drugs for the treatment of HIV infection).

For more specific information about services that HIRSP does not cover, refer to the HIRSP policy or contact HIRSP Customer Service.

HIRSP Plans

The services outlined under *Covered and Noncovered Services* on this page apply to all HIRSP plans.

HIRSP offers the following plans:

- **Plan 1, Options A and B**, are for people who are not enrolled in Medicare Part A, B and D. Both options have identical coverage that differ only in the amounts of premiums, deductibles, and coinsurance. Option A has a lower deductible and lower drug

coinsurance out-of-pocket maximum, and Option B has lower premiums.

- **Plan 2** is available for applicants who:
 - ✓ Enrolled in Medicare Part A, B and D.
 - ✓ Qualify for Medicare due to a disability and are younger than age 65.
 - ✓ Qualify for Medicare and reach age 65 while enrolled in HIRSP.

For details, refer to *Comparison of HIRSP Plans Table* on page 7.

Other Provisions

Payments to Providers

State law requires providers to accept HIRSP's allowed amount for reimbursement as payment in full for services covered by the policy. You are responsible for paying your provider only the deductible and coinsurance amounts indicated in the HIRSP policy. Your provider may not bill you for the difference between the charge for the service and HIRSP's allowed amount.

Premiums

HIRSP premiums are set based on the requirements in state law. Your HIRSP application packet contains a copy of the current premium rate tables, which show base premium rates by HIRSP plan, gender, age, and zone of residence. If you do not have a copy of the current rate tables, refer to the HIRSP Web site or contact HIRSP Customer Service.

Renewal and Termination Requirements

Once you qualify to receive HIRSP coverage and HIRSP receives your first three months of premium with your application, you will be put on HIRSP's quarterly premium billing cycle. Quarterly premium payments are due in March, June, September, and December and must be paid by the due date. Your coverage

renews with your quarterly payment. If you do not pay your premium on time, HIRSP will cancel your coverage and notify you in writing.

If you fail to pay your premium or if you end your HIRSP coverage, you are required to wait 12 months to reapply. You may reapply for HIRSP within 12 months **only** if you leave HIRSP because you are eligible for Wisconsin Medicaid or employer-sponsored group health insurance and lose eligibility for these programs.

To remain in HIRSP, you are required to also continue to meet the eligibility criteria for the program. HIRSP will cancel your coverage and notify you in writing if one of the following occurs:

- You are no longer a resident of Wisconsin.
- You are eligible to receive employer-sponsored group health insurance.
- You are eligible for Wisconsin Medicaid or BadgerCare.
- You received HIRSP's maximum lifetime benefit under your policy (\$1,000,000).

Appeal and Grievance Rights

HIRSP has an appeal and grievance process if you disagree with one of the following decisions:

- Denial or termination of coverage.
- Denial or reduction of claim payment.
- Denial of an application for a reduction of HIRSP premium, deductible, or drug coinsurance out-of-pocket maximum. (Refer to page 11 for more information.)
- Denial of prior authorization.

For more information about appeal and grievance rights, you may refer to the HIRSP policy received upon HIRSP's approval of coverage or contact HIRSP Customer Service.

Comparison of HIRSP Plans Table

	Plan 1, Option A	Plan 1, Option B	Plan 2
Premiums	Refer to rate tables. (Details in shaded box below.)	Refer to rate tables. (Details in shaded box below.)	Refer to rate tables. (Details in shaded box below.)
Premium reductions available if you qualify	Yes* (Refer to “Reductions” in shaded box below.)	NO	Yes* (Refer to “Reductions” in shaded box below.)
Medical deductible (You pay)	\$1,000 per year	\$2,500 per year	\$500 per year
Medical deductible reductions available if you qualify	Yes** (Refer to “Reductions” in shaded box below.)	NO	NO
Medical coinsurance (You pay)	20% of allowed amount \$1,000 total per year	20% of allowed amount \$1,000 total per year	NO
Individual medical out-of-pocket maximum (Your total expenditures for medical deductible and medical coinsurance, after which HIRSP will pay at 100%.)	\$2,000 per year. This does not include drug coinsurance.	\$3,500 per year. This does not include drug coinsurance.	\$500 per year. This does not include drug coinsurance.
Family medical out-of-pocket maximum (All family members must be on the same plan.)	\$4,000 per year. This does not include drug coinsurance.	\$7,000 per year. This does not include drug coinsurance.	\$1,000 per year. This does not include drug coinsurance.
Drug coinsurance (You pay)	20% of the allowed amount up to a maximum of \$25 per prescription.	20% of the allowed amount up to a maximum of \$25 per prescription.	20% of the allowed amount up to a maximum of \$25 per prescription.
Drug coinsurance out-of-pocket maximum (Your total expenditures for drug coinsurance, after which HIRSP will pay at 100%.)	\$750 per year. This is in addition to your medical coinsurance.	\$1,000 per year. This is in addition to your medical coinsurance.	\$125 per year. This is in addition to your medical coinsurance.
Drug coinsurance out-of-pocket maximum reductions available if you qualify	Yes** (Refer to “Reductions” in shaded box to the right.)	NO	NO
Pre-existing condition waiting period	Refer to pages 4 and 5.	Refer to pages 4 and 5.	Refer to pages 4 and 5.
Maximum lifetime benefit	\$1,000,000	\$1,000,000	\$1,000,000

HIRSP Plans

Plan 1 is for people who are not enrolled in Medicare Part A, B and D.

Plan 2 is for people who are enrolled in Medicare Part A, B and D.

Rate Tables

HIRSP rate tables show base premium rates by HIRSP plan, gender, age, and zone of residence. Rate tables are included in the application packet. You also may view current rate tables on the HIRSP Web site.

Reductions

* Available for policyholders with household incomes of less than \$25,000.

** Available for policyholders with household incomes of less than \$20,000.

The Application Process

How to Apply

You can apply for HIRSP by contacting HIRSP directly or through an insurance agent licensed in Wisconsin. Parents or legal guardians may apply on behalf of dependents.

Where to Get an Application

Applications and information can be obtained from one of the following:

- Your insurance agent.
- HIRSP Customer Service by calling (800) 828-4777 or (608) 221-4551, or by writing to:
HIRSP
P.O. Box 8961
Madison WI 53708-8961

What to Submit With Your Application

Your complete and accurate application must include the following:

- A completed and signed application form for each applicant.
- A full payment for your first quarterly premium based on the current HIRSP premium rate tables enclosed in the application packet. If you do not have a copy of the current rate tables, you may obtain one from the HIRSP Web site or HIRSP Customer Service. Please include a separate check for each applicant.
- **If you are applying because of your medical condition**, copies of letters received in the past nine months from insurers for at least one of the following:
 - ✓ Notice of rejection from two or more insurers
 - ✓ A notice of cancellation.
 - ✓ A notice of significant reduction of coverage.
 - ✓ A notice of an increase in your premium of 50% or more.
 - ✓ Two or more offers of insurance with

premiums at least 50% higher than what would be charged for a standard individual policy with substantially the same coverage and deductibles as HIRSP.

- A copy of your certificate of creditable coverage **if you are applying because you lost your employer-sponsored group health insurance.**
- A copy of your Medicare card and your Medicare Prescription Drug card **if you are applying for Plan 2.**

Policy Effective Date

If HIRSP approves your application, your policy becomes effective on one of the following dates:

- The date HIRSP received your completed application, which includes all requested documentation and the full initial premium for the first three months of coverage as indicated under *What to Submit With Your Application* on this page.
- The effective date you choose on your application, which is no more than 60 days after the date you sign the application. HIRSP may honor this request if HIRSP receives all your application materials before the requested effective date.

If HIRSP approves your application, HIRSP will reimburse your covered services from Wisconsin Medicaid-certified providers from your policy effective date to the present. Reimbursement will be subject to all of the following:

- The six-month waiting period for coverage of pre-existing conditions.
- Deductibles.
- Coinsurance.
- Copayments.
- The conditions, limitations, and exclusions stated in the HIRSP policy.

Frequently Asked Questions About HIRSP

My insurer refused coverage due to a medical condition. Am I eligible for HIRSP?

If you were rejected for coverage due to a medical condition, you will be eligible for HIRSP as long as:

- You provide HIRSP with a letter documenting the rejection from two or more insurers
- You are a Wisconsin resident.
- You are younger than age 65.
- You are not eligible for employer-sponsored group health insurance.

(For more information, refer to *Eligibility Requirements* on pages 3-4.)

What is employer-sponsored group health insurance?

Employer-sponsored group health insurance is insurance provided by an employer that pays a percentage of the premium. It is not an insurance policy purchased by an individual or through an association.

I've lost my employer-sponsored group health insurance. Am I eligible for HIRSP?

If you lost your employer-sponsored group health insurance, you are required to meet *all* of the following requirements:

- You are a resident of Wisconsin.
- You did not voluntarily cancel your coverage.
- You are not eligible for employer-sponsored group health insurance, Wisconsin Medicaid, or Medicare.
- You exhausted your continuation coverage under your employer-sponsored group health insurance, including state continuation coverage or COBRA coverage.
- Including this employer-sponsored group health insurance, you have had continuous insurance coverage for at least 18 months with no gap in coverage greater than 63 days.
- Your most recent period of health insurance coverage was under employer-sponsored group health insurance. As documentation, you are required to provide HIRSP with a certificate of creditable coverage from past insurers or employers.
- You applied to HIRSP within 63 days of losing your employer-sponsored group health insurance.

(For more information, refer to *Eligibility Requirements* on pages 3-4.)

How do I apply for HIRSP coverage?

If you believe you may qualify for HIRSP, you may obtain an application packet with more information from your insurance agent or HIRSP Customer Service. Application forms and information are also available on the HIRSP Web site.

What does HIRSP need to process my application?

HIRSP requires a signed and completed application to process your request for coverage. Attach the following information to your completed application form:

- **All applicants** are required to include full payment for the first quarterly premium based on the current HIRSP premium rate tables. HIRSP returns the payment if it denies the application for coverage.
- **If you are applying to HIRSP because of your medical condition**, HIRSP requires that you provide copies of letters received in the past nine months from insurers for at least one of the following:
 - ✓ Notice of rejection from two or more insurers.
 - ✓ A notice of cancellation.
 - ✓ A notice of significant reduction of coverage.
 - ✓ A notice of an increase in your premium of 50% or more.
 - ✓ Two or more offers of insurance with premiums at least 50% higher than what would be charged for a standard individual policy with substantially the same coverage and deductibles as HIRSP.
- **If you are applying to HIRSP because you lost your employer-sponsored group health insurance**, HIRSP requires that you provide a copy of your certificate of creditable coverage.

(For more information, refer to *What to Submit With Your Application* on page 8.)

How do I know how much to pay for my first quarterly premium payment?

Current HIRSP premium rate tables are enclosed in the application packet. If you do not have a copy of the current rate tables, you may obtain one from the HIRSP Web site or HIRSP Customer Service.

Frequently Asked Questions About HIRSP (Continued)

How long will it take for HIRSP to process my application?

After receiving all necessary application materials, HIRSP has 30 days to process your application. After HIRSP has made its decision, you will receive a letter either approving or rejecting your application.

How soon will I be covered under HIRSP?

If HIRSP approves your application, your policy becomes effective on the date HIRSP received your completed application or on your requested effective date as long as it is no more than 60 days after the date you signed your application. Reimbursement will be subject to:

- The six-month waiting period for coverage of pre-existing conditions, if applicable.
- Deductibles.
- Coinsurance.
- Copayments.
- The conditions, limitations, and exclusions stated in the HIRSP policy.

(For more information, refer to *Policy Effective Date* on page 8.)

What services does HIRSP cover?

HIRSP provides coverage for major medical and prescription drug expenses according to the provisions of the HIRSP policy. (For more information, refer to *Covered and Noncovered Services* on page 5.)

Will HIRSP cover expenses for pre-existing conditions?

If you have a pre-existing condition, HIRSP will not cover expenses related to that condition for the first six months of coverage unless you are eligible for HIRSP because you lost your employer-sponsored group health insurance. A pre-existing injury or illness is a condition, whether physical or mental, regardless of the cause of the condition, which was diagnosed or for which medical advice, care, or treatment was recommended or received during the six months immediately preceding the policy effective date. (For more information, refer to *Six-Month Waiting Period for Coverage of Pre-existing Conditions* on page 4.)

How do I know if HIRSP covers a certain medical service or supply?

If you are not certain whether HIRSP covers a certain medical service or supply, contact HIRSP Customer Service. HIRSP covers only medically necessary services and supplies.

Who can provide services?

HIRSP reimburses for covered services provided by Wisconsin Medicaid-certified providers.

How do I know a provider is Medicaid certified?

Most Wisconsin providers are Wisconsin Medicaid certified. If you are unsure if a provider is Wisconsin Medicaid certified, call HIRSP Customer Service or ask the provider.

Does HIRSP cover services provided outside Wisconsin?

HIRSP does cover major medical and prescription drug expenses provided outside Wisconsin. However, for HIRSP to cover these services, the provider is required to be certified through the Wisconsin Medicaid program. Medical providers located outside Wisconsin who are not Wisconsin Medicaid certified may submit to HIRSP a completed Application for Temporary Wisconsin Medicaid Certification to obtain certification for HIRSP purposes. The application is available from the HIRSP Web site or HIRSP Customer Service.

If I have an emergency while traveling outside of Wisconsin, can the provider file a Wisconsin Medicaid certification?

If you receive emergency health care services from a provider who is not Wisconsin Medicaid certified, HIRSP will allow for retroactive Medicaid certification. The provider will need to fill out the Application for Temporary Wisconsin Medicaid Certification and send it to the address listed. It is also recommended to carry a copy of this application with you when traveling. This application can be obtained from the HIRSP Web site.

Frequently Asked Questions About HIRSP (Continued)

How often do I pay premiums?

Once you qualify to receive HIRSP coverage and HIRSP receives your first three months of premium with your application, you will be put on HIRSP's quarterly premium billing cycle.

Quarterly premium payments are due in March, June, September, and December and must be paid by the due date. Your coverage renews with your quarterly payment. If you do not pay your premium on time, HIRSP will cancel your coverage and notify you in writing. (For more information, refer to *Renewal and Termination Requirements* on page 6.)

What assistance is available to reduce my insurance costs?

HIRSP offers reductions in premiums, deductibles, and drug coinsurance out-of-pocket maximums to eligible policyholders who earn less than \$25,000 a year. Reductions are available for policyholders in Plan 1, Option A, and Plan 2. If you believe you may qualify, submit to HIRSP a completed Application for Reduced Premium, Deductible, and Drug Coinsurance. Your HIRSP application packet contains a copy of this form. If you do not have a copy of the form, you may obtain one from the HIRSP Web site or HIRSP Customer Service. Reductions are effective for one year, and policyholders are required to reapply by May 1 each year to continue to receive them.

I am Medicare eligible, but understand that I need to take out a prescription drug plan prior to being eligible for HIRSP Plan 2. Who can I go to for assistance with choosing and enrolling in a prescription drug plan?

When choosing a Medicare prescription drug plan, it is important to enroll with a carrier that will suit your prescription needs and meet your premium requirements. Assistance with researching the prescription drug plans you are eligible for is available through Medicare by calling 1-800-633-4227, or by contacting the Wisconsin State Health Insurance Assistance Program (SHIP) at 1-800-242-1060. You may also research your options online at www.medicare.gov.

How does having a Medicare prescription drug plan affect my HIRSP prescription drug coverage?

Your Medicare prescription drug plan will be primary to your HIRSP coverage. Prescriptions must be processed by Medicare, and must be on your prescription drug plan's formulary as covered medications prior to being submitted to HIRSP for secondary coverage. There are a few prescriptions that Medicare excludes and HIRSP will cover such as benzodiazepine and barbiturates. For more information on these covered medications please see the HIRSP Web site.



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