

Health Insurance Risk Sharing Plan

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Introduction

The Health Insurance Risk Sharing Plan (**HIRSP**) was created by the Wisconsin Legislature to provide major medical and Medicare supplement health insurance to Wisconsin residents with mental or physical disabilities. It is overseen by a 12 member board which is attached to the Wisconsin Department of Health and Family Services. Board members represent state government, medical providers, insurers, and consumers.

Board members

Sec. 149.15, Wis. Stats.

The contents of the insurance plan are established by state statute and administrative rules. All plan participants must pay a premium, annual deductible and some co-payments. Since premiums account for only about 60% of the costs of the plan, the rest of the costs are paid by state tax funds, health care providers, and health insurance companies and health maintenance organizations in the state.

Plan funding

Sec. 149.143, Wis. Stats.



Wisconsin has a number of health care programs that may cover adults or children with disabilities. Be sure to check BadgerCare, the Medicaid Purchase Plan, and the regular Medicaid program as well as HIRSP when seeking coverage. Compare costs and benefits before making a decision.

Eligibility

Sec. 149.12, Wis. Stats.

To be eligible for coverage under the plan you must meet **one** of the following:

1. You are eligible for Medicare because of disability.
2. You have tested positive for HIV.
3. Within 9 months of application you have received due to your disability:
 - notice of rejection or cancellation from one or more health insurers;
 - notice of substantial increase in premium;
 - notice of reduction or limitation in coverage (e.g., restrictive riders); or

- notice of premium rate which is 50% more than that charged people who are standard risks (2 or more insurers).
4. You are an “eligible individual” which means:
- you have had continuous health care coverage for at least 18 months;
 - the most recent coverage was under a group government or church plan;
 - you do not have and are not eligible for coverage under a group health plan or Medicaid;
 - you exhausted any applicable continuation coverage; and
 - your most recent coverage was not terminated due to fraud, misrepresentation or failure to pay premiums.

Persons age 65 and older may not apply for HIRSP unless they are an “eligible individual.” However, if you are on HIRSP and turn 65 you may keep your HIRSP coverage.

An individual may not be covered by both HIRSP and Medicaid. However, an individual may apply for HIRSP if s/he anticipates leaving the Medicaid program in the near future.

Benefits

Covered services Sec. 149.14(2), Wis. Stats.

The plan covers the following medical services: hospital care, doctors’ care, inpatient and outpatient treatment for mental illness, alcoholism or drug abuse, prescription drugs, some home health care, physical, occupational and speech therapy, x-rays, anesthetics, prostheses, durable medical equipment, oxygen, radium, ambulance service, some skilled nursing care, diabetes services and supplies, chiropractic services, diagnostic tests and other mandated services. Service providers must be certified under the Medicaid program. The plan covers up to \$1 million in benefits over a person’s lifetime.

Exclusions for benefits Sec. 149.14(4), Wis. Stats.

The plan will not pay for routine exams, experimental treatment, care which is not medically necessary, cosmetic treatment, dental care, expenses which are payable by worker’s compensation, other insurance or government programs, or other services specifically excluded by the plan.

Deductibles and co-payments Sec. 149.14(5), Wis. Stats.

Individuals must pay either a \$1,000 or \$2,500 deductible annually and 20% of the next \$5,000 of covered expenses. If a person is on Medicare the deductible is \$500. Persons with income under \$20,000 may be eligible for a reduction in the deductible amount.

Pre-existing Conditions

Sec. 149.14(6), Wis. Stats.

Conditions which are diagnosed or treated in the six months preceding the date the policy is issued will not be covered for the first six months the person is in the plan. This does not apply to “eligible individuals.”

Premiums

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Sec. 149.143(1)(b)1., Wis. Stats.

Premiums vary according to age, sex and where one lives in the state. They are set by law at 150-200% of what a standard risk individual would pay.

Premium subsidy

Sec. 149.165, Wis. Stats.

Premiums may be lower for persons whose annual income is under \$25,000/year. Thus, lower income policyholders or applicants can complete a special form and receive a reduction. This only applies to persons in the \$1,000 deductible major medical plan.

Relationship of HIRSP to other programs

Sec. 149.12(3), Wis. Stats.

Sec. 149.17(3), Wis. Stats.

An individual may not have his or her premiums paid by other government programs. However, deductibles and co-payments may be paid by the Division of Vocational Rehabilitation, and by maternal and child health funds or special programs for renal disease, hemophilia, cystic fibrosis or HIV which are administered by the Wisconsin Department of Health and Family Services.

Complaints

Applicants or policyholders who feel they have not been dealt with fairly or according to the policy, rules or statutes, may file a grievance with the plan.

Application Process

Applications may be obtained through an insurance agent or by contacting:

HIRSP

6406 Bridge Road, Suite 18
Madison, WI 53708-0018
800-828-4777 or 608-221-4551

For more information about HIRSP visit the website at www.dhfs.state.wi.us/hirsp