Qualified Health Plan Issuer Application Instructions

Plan Year 2025

Extracted section:
Section 2D: Business Rules

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The instructions for this section apply to the following issuer types:

- QHP
- SADP

See Appendix D for additional information.

1. Introduction

In the Business Rules section of the Marketplace Plan Management System (MPMS), issuers enter information that is used to calculate rates and determine enrollee eligibility for coverage under a plan.

2. Data Requirements

To complete this section, the following are needed:

1. Health Insurance Oversight System (HIOS) Issuer ID
2. Plan IDs.

3. Quick Reference

Key Changes for 2025
◆ No changes for the 2025 QHP Application.

Tips for the Business Rules Section
◆ Enter values for *HIOS Issuer ID* and *Medical, Dental, or Both?* before entering data for the rest of the template. All other fields are locked until you respond to *Medical, Dental, or Both?*
◆ All rules associated with Individual Market and Small Business Health Options Program (SHOP) Market plans must be entered in a single Business Rules Template.
◆ The first row of rules (row 10) is the base set of issuer business rules. Leave the product ID and plan ID fields blank in this row, but enter data for all subsequent columns. This row applies to all products and plans associated with the HIOS Issuer ID, including individual, SHOP, qualified health plan (QHP), and stand-alone dental plan (SADP) products and plans. Define how product or plan rules differ from the base set of issuer business rules in the subsequent rows, as applicable.
◆ **The template requires a data entry of** Age on effective date **for the field *How is age determined for rating and eligibility purposes?* for all Medical and Dental business rules. The template will auto-populate this value for the issuer-level business rule, and any product or plan-level rule.**

Additional Resources
◆ There are no supporting documents for this section.
◆ There are instructional videos for this section.
◆ There are templates for this section.

4. Detailed Section Instructions

Note for issuers submitting via the System for Electronic Rates & Forms Filing (SERFF): Issuers must include all rating business rules associated with all plan IDs for QHPs, on-Exchange SADPs, off-Exchange SADPs, Individual Market plans, and SHOP Market plans that are being submitted for QHP certification in one Business Rules Template and submit that template in all SERFF binders. If more than one template is submitted through multiple different SERFF binders, each with different business rules, only the last template that the issuer's state transfers from SERFF to HIOS will be retained; business rules data from all other binders within the same SERFF transmission will be overwritten. CMS requires submission of one single identical Business Rules Template in all binders to avoid data overwrite issues.

Dual-product issuers submitting the Business Rules Template via multiple SERFF binders should set *Medical, Dental, or Both?* to **Both** in all submitted Business Rules Templates. Do not enter **Medical** for this field in one template version and **Dental** for this field in another template version.

Complete the Business Rules Template using the steps outlined below. This template cannot be validated until all required fields are completed.

Business Rules Template	Steps
HIOS Issuer ID	Enter the five-digit HIOS Issuer ID.
Medical, Dental, or Both?	Select one of the following from the drop-down menu: ◆ **Medical**—if entering rating business rules for medical plans only. ◆ **Dental**—if entering rating business rules for dental plans only. ◆ **Both**—if entering rating business rules for medical and dental plans within the template. A value for this field must be entered before proceeding. All other fields are locked until a response is provided to *Medical, Dental, or Both?*
Product ID	For products with rules that differ from those entered in row 10, enter the 10-character (e.g., 12345AZ123) HIOS-generated product ID that identifies the product that will be associated with the rules defined in that row. ◆ If a product ID is entered, the rules defined in that row will be applied to all plans associated with that product ID. All other products will use the rules associated with either the HIOS Issuer ID in row 10 or a different product ID rule. ◆ If a product ID is not entered, the rules associated with the HIOS Issuer ID in row 10 will be used.
Plan ID	Enter the 14-character alphanumeric HIOS-generated plan ID (e.g., 12345AZ1234567) that identifies the plan that will be associated with the rules in that row. ◆ If a plan ID is entered, the rules defined in that row will be applied to that plan ID only. All other products and plans will use the rules associated with the HIOS Issuer ID rule, product ID rule, or a different plan ID rule. ◆ If a plan ID is not entered, the rules for the product ID associated with that plan ID will be used. If a product ID rule is also not entered, the rules associated with the HIOS Issuer ID in row 10 will be used.
Medical or Dental Rule?	Select whether the business rule in the template row applies to medical or dental plans. The drop-down options are: ◆ **Medical** ◆ **Dental**. The allowed value for this field depends on the response to *Medical, Dental, or Both*?: ◆ If **Medical** is entered, the issuer-level row (row 10) for *Medical or Dental Rule?* defaults to **Medical**. Only a value of **Medical** may be entered for any subsequent rule. ◆ If **Dental** is entered, the issuer-level row for *Medical or Dental Rule?* defaults to **Dental**. Only a value of **Dental** may be entered for any subsequent rule. ◆ If **Both** is entered, the issuer-level row for *Medical or Dental Rule?* defaults to **Medical**. Either **Medical** or **Dental** may be entered for any subsequent rule and there must be at least one medical rule and one dental rule within the template.
What is the maximum number of rated underage dependents on this policy?	Select the maximum number of rated underage dependents from the drop-down menu. A rated underage dependent is defined as age 0–20. A QHP cannot rate more than the three oldest covered children when determining the total family premium.[1] This rule does not apply to SADPs, who have the option to enter a value of "Not Applicable." If a response of **Medical** is provided for *Medical or Dental Rule*, the following are allowed: ◆ **1** ◆ **2** ◆ **3**. If a response of **Dental** is provided for *Medical or Dental Rule*, the following are allowed: ◆ **1** ◆ **2**

[1] 45 *Code of Federal Regulations* (CFR) 147.102(c)(1).

Business Rules Template	Steps
	◆ **3** ◆ **Not Applicable**. Note: **Not Applicable** means that a dental plan associated with the business rule has no maximum number of rated underage dependents on a policy. This option is not available to medical plans.
Is there a maximum age for a dependent?	Set the maximum age for a dependent for purposes of eligibility at policy issuance or renewal. The maximum age for a dependent applies only to the dependent relationships of Child, Brother or Sister, Foster Child, and Stepson or Stepdaughter. Choose from the following: ◆ **Yes**—if selected, a pop-up will allow the user to enter the maximum age for a dependent. QHP issuers must enter a minimum value of 25 for a medical business rule. SADP issuers must enter a minimum value of 18 for a dental business rule. ◆ Note: The age entered is inclusive through that age. For example, entering a value of 25 means the issuer is offering to provide coverage through age 25, up to age 26. ◆ **Not Applicable**—if selected, then there is no maximum age and the dependent is allowed to enroll regardless of age as long as he or she meets the other eligibility rules. ◆ Market rules require QHP issuers that cover child dependents to make such coverage available for children until they attain age 26.[2] Note: Dental plans are not subject to the minimum dependent age of 25 and may have a dependent age as low as 18.
How is age determined for rating and eligibility purposes?	◆ Upon entry of the issuer-level rule and any product or plan-level rule, the template will auto-populate the following value, which defines the method for calculating an enrollee's age for rating and eligibility purposes. ◆ **Age on effective date**—return the rate based on the consumer's age on the effective date. This option must be selected for all Medical and Dental business rules. ▪ The template prevents selection of the following discontinued options: Age on January 1 of the effective date year, Age on insurance date (age on birthday nearest the effective date), or Age on January 1 or July 1. Note: Market rules require QHPs to select **Age on effective date**.[3] SADPs are also required to select Age on effective date.[4]
How is tobacco status returned for subscribers and dependents?	Select how to determine if the tobacco rate is returned when calculating rates. Choose from the following: ◆ **Applicable [x] months**—if selected, a pop-up will ask for the number of months used to determine tobacco use. Market rules require QHP issuers to enter a tobacco look-back period of no more than 6 months.[5] SADP issuers are not subject to the look-back period. Rates will be tobacco or non-tobacco depending only on whether an enrollee indicates that he or she was an active tobacco user within the last [x] months (tobacco rate) or not an active tobacco user within the last [x] months (non-tobacco rate). In addition, if the enrollee indicates that he or she will complete a tobacco cessation program offered by the plan, the non-tobacco rate will be used. ◆ **Not Applicable**—if selected, tobacco and non-tobacco rates are not separate. If rates are calculated by adding up individual rates, the sum will be a combination of tobacco rates for individuals who qualify for the tobacco rate and non-tobacco rates for individuals who qualify for the non-tobacco rate. For states that do not permit rating for age or tobacco use and that establish uniform family tiers and corresponding multipliers, tobacco rates are not applicable.

[2] 45 CFR 147.120.
[3] 45 CFR 147.102(a)(I)(iii).
[4] Final HHS Notice of Benefit and Payment Parameters for 2024
[5] 45 CFR 147.102(a)(I)(iv).

Business Rules Template	Steps
What relationships between primary and dependent are allowed, and is the dependent required to live in the same household as the primary subscriber?	◆ Select the relationships that are allowable when returning rates and if the dependent must live in the same household to be eligible to return a rate. All selected relationships will be accepted regardless of the sex of the primary subscriber or dependent. Choose from the following: ▪ Self (selected by default) ▪ Spouse ▪ Child ▪ Stepson or Stepdaughter ▪ Grandson or Granddaughter ▪ Brother or Sister ▪ Life Partner ▪ Nephew or Niece ▪ Collateral Dependent ▪ Ex-Spouse ▪ Foster Child ▪ Ward ▪ Sponsored Dependent ▪ Other Relationship ▪ Other Relative. ◆ For each relationship selected, indicate **Yes** or **No** whether the dependent is required to live in the same household as the primary subscriber: ▪ **Yes**—the dependent must live in the same household to be eligible to be on the same plan and included in the rate calculation when the relationship is allowed. ▪ **No**—the dependent may live in or outside the same household to be eligible to be on the same plan and included in the rate calculation when the relationship is allowed. ▪ Market rules require the entry of **No** for the household residency requirement for child dependents for QHP products and plans that cover child relationships. This rule applies to Child, Foster Child, and Stepson or Stepdaughter relationships. ◆ Select **Life Partner** to cover all unmarried partnership relationships, such as life partnerships and domestic partnerships. Relationships are not differentiated by sex. If a plan covers spouses and life partners, same-sex and opposite-sex spouses and life partners are covered.

See Figure 2D-1 for a sample completed Business Rules Template.

Figure 2D-1. Sample Business Rules Template

2025 Business Rules Template v14.0

All fields with an asterisk (*) are required. To validate the template, press Validate button or Ctrl + Shift + I. To finalize the template, press Finalize button or Ctrl + Shift + F.

Validate

Enter the Issuer Rule on the first row (no Product ID or Plan ID).
For each Product rule, enter only the Product ID and the business rules that differ from the Issuer Rule.
For each Plan rule, enter only the Plan ID and the business rules that differ from the Product or Issuer Rule.
Issuer level rule will apply only to plan type indicated in cell C10.

Finalize

HIOS Issuer ID*	12345
Medical, Dental, or Both?*	Both

Product ID	Plan ID (Standard Component)	Medical or Dental Rule?*	What is the maximum number of rated underage dependents on this policy?	Is there a maximum age for a dependent?	How is age determined for rating and eligibility purposes?	How is tobacco status determined for subscribers and dependents?	What relationships between primary and dependent are allowed, and is the dependent required to live in the same household as the primary subscriber?
		Medical	3	25	Age on effective date	6	Self, Yes; Spouse, Yes; Child, No; Stepson or Stepdaughter, No; Grandson or Granddaughter, No; Brother or Sister, Yes; Life Partner, Yes; Nephew or Niece, Yes
12345VA001		Dental	Not Applicable	18	Age on effective date	Not Applicable	Self, Yes; Spouse, Yes; Child, Yes; Stepson or Stepdaughter, Yes; Grandson or Granddaughter, Yes; Brother or Sister, Yes; Life Partner, Yes; Nephew or Niece, Yes

After you enter all data, click **Save** to ensure no data are lost. Once the Business Rules Template is completed, it must be validated, finalized, and uploaded into MPMS.

Template Validation and Submission Step	Step Description
Validate Template	Click **Validate** in the top left of the template. The validation process identifies any data issues that need to be resolved. If no errors are identified, finalize the template.
Validation Report	If the template has any errors, a Validation Report will appear in a pop-up box showing the reason for and cell location of each error. Correct any identified errors and click **Validate** again. Repeat until all errors are resolved.
Finalize Template	Click **Finalize** in the template to create the .XML file of the template that will need to be uploaded in the Plan Validation Workspace in MPMS.
Save Template	**Save** the .XML template. CMS recommends saving the validated template as a standard Excel .XLSM file in the same folder as the finalized .XML file for easier reference.
Upload and Link Template	Upload the saved .XML file in the Plan Validation Workspace in MPMS and link the validated template to the issuer's application. Refer to the MPMS User Guide for details on how to complete these steps.

This concludes the Business Rules section of the QHP Application Instructions.