Qualified Health Plan
Issuer Application Instructions

Plan Year 2025

Extracted section:
Section 2G: Service Area

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1. Introduction

In the Service Area section of the Marketplace Plan Management System (MPMS), issuers identify the service areas associated with their qualified health plans (QHPs), stand-alone dental plans (SADPs), or both, by state and county. Issuers must submit the Service Area Template as part of their QHP Application.

Issuers must identify proposed service areas in their application to indicate the geographic coverage of each QHP, SADP, or combination and to demonstrate compliance with the county integrity requirements under 45 *Code of Federal Regulations* (CFR) 155.1055. The service area of a plan is the geographic area where it accepts members, if it limits membership based on where people live.

The U.S. Department of Health and Human Services (HHS) prefers only service areas covering full counties. If an issuer proposes a service area covering a partial county, the issuer must provide a partial county supplemental response.

The Service Area section of the QHP Application comprises three parts:

1. A template for identifying the issuer's proposed service area and the included counties and ZIP Codes, if the issuer does not intend to cover the entire state.[1]

2. A detailed Partial County Supplemental Response Form, if the issuer is proposing a plan covering a partial county.

3. Written evidence from the appropriate Federally-facilitated Exchange (FFE) state regulator indicating that the state has approved the issuer's proposed plan to cover a partial county.

2. Data Requirements

To complete the template for this section, the following are needed:

1. Health Insurance Oversight System (HIOS) Issuer ID

2. Issuer state

3. Names and IDs for proposed service areas to be associated with the issuer's QHPs or SADPs

4. Names of counties that the issuer is applying to cover if the issuer does not include an entire state in a service area

5. ZIP Codes in any county that the issuer is applying to cover if the issuer does not include an entire county in a service area.

3. Quick Reference

Key Changes for 2025
◆ *Service Area Names* must be identical within the same *Service Area ID*.
◆ *Service Area Names* must be unique across *Service Area IDs*.

Tips for the Service Area Section
◆ Dual-product issuers must create two different service area IDs, one each for QHPs and SADPs, regardless of whether the service area is intended to serve both plan types.
◆ Dual-product issuers must use the word "dental" in the service area name for their dental service area to distinguish the dental service area from the QHP service area.

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[1] The columns for these data appear in the Excel template when **Yes** is selected for Column E.

Tips for the Service Area Section
◆ If the issuer offers plans in the Individual and Small Business Health Options Program (SHOP) Markets, the issuer must create separate service area IDs for each market, regardless of whether the service area is intended to serve both markets.
◆ Issuers can make changes to their plan's service area after the initial submission deadline without first submitting a data change request (DCR) for Centers for Medicare & Medicaid Services (CMS) authorization. After the final submission deadline in the PY2025 QHP Data Submission and Certification Timeline bulletin, a DCR is required for any change to QHP data, including service area.

Additional Resources
◆ There are supporting documents for this section.
◆ There are instructional videos for this section.
◆ There are templates for this section.

4. Detailed Section Instructions

Follow these steps to complete the Service Area Template.

When completing the template, note the following special characters that are allowed in free text fields. Entering other special characters will result in validation errors when uploading the template to MPMS.

Valid Special Characters for Free Text Fields in the Service Area Template						
( ) (parentheses)	- (hyphen)	, (comma)	. (period)	/ (slash)	\ (backslash)	& (ampersand)
$ (dollar sign)	+ (addition sign)	' ' (apostrophe/ single quote)	_ (underscore)			

Service Area Template	Steps
HIOS Issuer ID	Enter the five-digit HIOS Issuer ID.
Issuer State	Select the state in which the issuer intends to offer coverage using the drop-down menu.
Service Area ID	Click **Create Service Area IDs** at the top of the Service Area Template and enter the total number of desired service areas for the identified state. The template will generate and add the requested number of service area IDs to the *Service Area ID* drop-down menu. For example, if "3" is entered for the total number of service areas, the template automatically generates three service area IDs. If the proposed service area covers the entire state, request one service area. The service area ID consists of the state abbreviation plus an "S" and then a sequenced number (for example, AZS001 or AZS002).
	Note: If the issuer submits via SERFF, click **Create Service Area IDs** and enter the number of service area IDs the issuer needs to ensure that no two templates use the same service area ID. For example, if the Individual Market needs three service area IDs and the SHOP Market needs two service area IDs, enter "5" for the total number of service areas.
	Each plan can only be associated with one service area ID, but a service area ID can be associated with multiple plans. In the first available blank row after the header (Row 13), use the drop-down menu to select a service area ID.
Service Area Name	Enter a name for the service area selected.
	Note: It may be helpful to name the service area so that it identifies a plan characteristic, such as health maintenance organization (HMO), or the plan name.
	Dual-product issuers must use the word "dental" in the name for their dental service area to distinguish the dental service area from the QHP service area.

Service Area Template	Steps
	The service area name will not display to the public on HealthCare.gov. However, the service area name will display in the Public Use Files.[2]
	Issuers will receive an error when validating the Service Area Template if the *Service Area Name* is not identical within the same *Service Area ID*. For example, the *Service Area Name* for county A must be identical for county B if both counties are included in AZS001.
	Issuers will also receive an error when validating the Service Area Template if the *Service Area Name* is not unique across *Service Area IDs*. For example, the *Service Area Name* of AZS001 must differ from the *Service Area Name* of AZS002.
State	Choose from the following: ◆ **Yes**—if the service area includes the entire state. No additional information is required for the identified service area. Add service areas until all service areas have been identified. ◆ **No**—if the service area includes only certain counties in the state. In the next step, county information must be provided for the identified service area. Add service areas and counties as appropriate until all service areas have been identified. Note: The same service area ID <u>cannot</u> be used for both a service area that covers the entire state <u>and</u> a service area that covers only certain counties in the state.
County Name	Use the drop-down menu to select the name of each county included in the identified service area if the identified service area was indicated to not cover the entire state. If a service area includes multiple counties, a new row must be added for each new county using the same service area ID and service area name. If the issuer's service area counties are not in the drop-down menu, contact the Marketplace Service Desk by phone at 855-267-1515 or by email at CMS_FEPS@cms.hhs.gov.
Partial County	Choose from the following: ◆ **No**—if the service area includes the entire county. No additional information is required for the identified county. ◆ **Yes**—if the service area covers only part of the county. If **Yes** is selected, an informational box appears showing the HHS partial county policy. Select **OK**. A Service Area ZIP Codes column and a Partial County Justification Filename column will appear on the template.
Service Area ZIP Code	Enter the five-digit ZIP Code (e.g., 12345) the issuer proposes to cover in the partial county. If entering more than one ZIP Code, separate each ZIP Code with a comma.
Partial County Justification Filename	Save the Partial County Justification Form using the naming convention in Table C-1: 12345_AZ_service_area_partial_county.

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[2] For more information regarding Public Use Files, visit https://www.cms.gov/marketplace/resources/data/public-use-files.

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See Figure 2GI-1 for a sample completed Service Area Template.

Figure 2GI-1. Sample Service Area Template

	A	B	C	D	E	F	G
1	**2025 Service Area v14.0**	*All fields with an asterisk (*) are required*					
2	Validate	*To validate, press the Validate button or Ctrl + Shift + I. To finalize, press the Finalize button or Ctrl + Shift + F*					
3		*Click Create Service Area IDs button (or Ctrl + Shift + R) to Create Service Area IDs based on your state*					
4	Finalize	*Service Area IDs will populate in the drop-down box in Service Area ID column*					
5		*For each row, enter one County for that Service Area ID (unless the Service Area covers entire state)*					
6	**HIOS Issuer ID:***	12345					
7	**Issuer State:***	AZ					
8							
9	Create Service Area IDs						
10							
11	**Service Area ID***	**Service Area Name***	**State***	**County Name**	**Partial County**	**Service Area Zip Code(s)**	**Partial County Justification Filename**
12	Required: Enter the Service Area ID	Required: Enter the Service Area Name	Required: Does this Service Area cover the entire state?	Required if State is "No": Select the County - FIPS this Service Area covers	Required if State is "No": Does this Service Area include a partial county?	Required if Partial County is "Yes": Enter the zip codes in this county that are covered by this Service Area	Required if Partial County is "Yes": Enter the filename of the partial county justification file you are uploading to SERFF or HIOS
13	AZS001	Service Area One	Yes				
14	AZS002	Service Area Two	No	Mohave - 04015	No		
15	AZS003	Service Area Three	No	La Paz - 04012	Yes	85325, 85328	12345_AZ_service_area_partial_county
16	AZS004	Service Area Four	No	Yuma - 04027	No		
17	AZS005	Service Area Five	No	Maricopa - 04013	No		
18	AZS006	Service Area Six	No	Apache - 04001	Yes	85920, 85924, 85925	12345_AZ_service_area_partial_county

If the issuer requests to serve a partial county (i.e., if **Yes** is selected in Column E of the Service Area Template), the issuer must complete the following steps.

Partial County Justification Supplemental Response
HHS allows issuers to cover partial county service areas only in extraordinary circumstances. The issuer must submit a detailed supplemental response substantiating why they will not serve the entire county for each exception the issuer requests. The issuer must justify how the partial county service area is necessary, non-discriminatory, and in the best interests of consumers and the Exchange program, consistent with 45 CFR 155.1055.
Answer the questions on the Partial County Supplemental Response Form. If responses are not provided to each of these questions, the partial county request will be denied.
The issuer may request partial county service areas only if the issuer has received state authorization. If the issuer requests a partial county service area in an FFE state and submits the QHP Application via HIOS, the issuer must provide written evidence demonstrating that the appropriate state regulator has authorized the issuer's partial county service area. For example, the issuer might provide email correspondence with the state that lists the specific ZIP Codes in the partial county requested. If the issuer's state performs plan management functions, the issuer must submit a partial county supplemental response but evidence of state approval is not required. If the state transmits the request, that will serve as state approval.
After completing the supplemental response, do the following: ◆ Combine the written evidence that the appropriate FFE state regulator has authorized the partial county service area and the partial county justification supplemental response into one PDF file. ◆ Name the PDF file using the naming convention in Table C-1: 12345_AZ_service_area_partial_county. Enter this file name in Column G, *Partial County Justification Filename*, of the Service Area Template.
Upload the completed Partial County Supplemental Response Form and evidence of state approval into the Service Area section of MPMS.

After entering all data, click **Save** to ensure no data are lost. Once the Service Area 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 version of the template that will be uploaded in the Plan Validation Workspace in MPMS.

Template Validation and Submission Step	Step Description
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 application. Refer to the MPMS User Guide for details on how to complete these steps.

When establishing service areas, issuers should consider existing health care delivery markets in the states in which they are applying to offer plans. If the distance people in a rural county travel to see a provider is consistent with state-permitted practices, it may not be necessary to have a contracted provider in all parts of a rural county. In such cases, an issuer might consider establishing a service area for the entire state to enable members in rural parts of the county to see providers in other ZIP Codes. Alternatively, an issuer might exclude an entire county from a service area if no providers are available in the excluded ZIP Codes.

A service area can be associated with multiple plans. For example, an issuer might have five plans and four service areas as follows: The first plan has a service area (SA001) that covers the entire state. The second and third plans have a service area (SA002) that covers counties A and B. The fourth plan has a service area (SA003) that covers counties C and D. The fifth plan has a service area (SA004) that covers counties A, B, C, and D.

A QHP or SADP must always be associated with a single service area ID and with a single network ID, but networks and service areas may be used for multiple QHPs or SADPs. Create one template for all service areas and identify each service area with a unique service area ID. Complete the Network ID Template and create a unique network ID for each network. The Plans & Benefits Template maps each plan to a specific service area ID and network ID as entered in the Service Area and Network ID Templates. Service area IDs and network IDs may both be used for multiple plans and do not have to correspond one-to-one. For example, an issuer may have a single state-wide network that is identified with a network ID and assigned to all of the issuer's plans, but have two service area IDs that are each made up of half the state and each assigned to a different plan.

The Exchange does not require an issuer's service area to cover a complete rating area, but the issuer is bound by state service area requirements. Issuers should carefully review state guidance on this topic to ensure the proposed service areas comply with state requirements. Multiple rating areas are allowed within a service area as specified by the state. Separate service area IDs are not required, even if a service area is made up of multiple rating areas.

If an issuer's state performs plan management functions and the issuer files via SERFF, CMS strongly encourages the issuer to submit a Microsoft Excel (XLSM) version of their Service Area Template.

This concludes the Service Area section of the QHP Application Instructions.