Chapter 13: Justification

This chapter consists of suggested formats for justifications that issuers can submit as part of the QHP application process.

All justification documents can be found at http://cciio.cms.gov/programs/exchanges/qhp.html.

Some of these justifications, including *EHB-Substituted Benefit (Actuarial Equivalent)* and *Actuarial Certification for Unique Plan Design,* are required if certain criteria are met (see Chapter 10 for details).

Other justifications can be submitted as part of the resubmission process if the issuer is found deficient in one of the review areas. See Table 13-1 for a list of the justifications.

Table 13-1. QHP Application Justification Documents

Justification	Description	Criteria	Timeframe
Unique Plan Design Supporting Documentation and Justification	Describes the reasons for that a plan qualifies as unique and the methods used to calculate actuarial value	Required if *Unique Plan Design?* is **Yes**	Submission
EHB-Substituted Benefit (Actuarial Equivalent) Justification	Identifies EHB benchmark benefits that have been substituted, the substituted benefits, and the associated values of each	Required if *EHB Variance Reason* is **Substituted**	Submission
Formulary—Inadequate Category/Class Count Justification	Identifies reasons for an inadequate count in particular category or class	Required if category or class does cover the greater of (1) one drug in every USP category and class; or (2) the same number of prescription drugs in each category and class as the EHB benchmark plan	Submission
Discrimination—Cost Sharing Outlier Supporting Documentation and Justification	Identifies reasons why cost sharing values found to be outliers should be allowed	Required if cost sharing value is identified as an outlier at both the national and state level	Resubmission
Discrimination—Language Supporting Documentation and Justification	Identifies reasons why language identified as discriminatory should be allowed	Required if language is found to be discriminatory	Resubmission

Justification	Description	Criteria	Timeframe
Discrimination—Drug Utilization Management Outlier Justification	Identifies reasons why a category or class is an outlier in terms of number of drugs that require utilization management	Required if category or class is determined to be an outlier	Resubmission
Cost Sharing—Supporting Documentation and Justification for Exceeding Annual Limitation on Small Group Deductibles	Certifies that plans meet the reasonableness exception for exceeding annual limitation on small group deductibles	Required if an small group plan deductibles exceed annual limitation	Submission
SHOP—Tying Provision Justification Template	Identifies issuer's method of compliance with Exchange-SHOP tying requirement	Required for all individual issuers	Submission
Limited Cost Sharing Plan Variation—Estimated Advance Payment Supporting Documentation	Certifies that an issuer has followed the CMS standards for developing limited cost sharing CSR advance payment estimates	Required for issuers that are requesting a CSR advance payment for at least one limited cost sharing plan variation	Submission
Cost Sharing—Supporting Documentation and Justification for Exceeding Annual Limitation on Out of Pocket	Certifies that an issuer has nested benefits	Required for issuers when out of pocket maximums exceed the annual dollar limitation specified by the Internal Revenue Service (IRS) for high-deductible health plans	Submission

Issuers are encouraged to upload only one version of the following justifications:

- EHB-Substituted Benefit (Actuarial Equivalent) Justification

- Formulary—Inadequate Category/Class Count Justification

- Discrimination—Cost Sharing Outlier Supporting Documentation and Justification

- Discrimination—Language Supporting Documentation and Justification

- Discrimination—Drug Utilization Management Outlier Justification

- SHOP Tying Provision Justification Template

- Limited Cost Sharing Plan Variation—Estimated Advance Payment Supporting Documentation.

For other justifications, issuers are encouraged to combine submissions when possible (for example, when the reasoning is the same for multiple products or plans).

Uploading Justifications in HIOS

Save justifications using the title of justification (such as *Actuarial Certification for Unique Plan Design*) and associated HIOS product IDs (to the extent possible). In the description field, enter the associated HIOS product and plan IDs. The file name including its full path cannot exceed 255 characters when uploading in the HIOS system.

Examples:

- UniquePlanDesign_12345PA123_54321PA321

- SubstitutedBenefit_12345PA321

- InadequateCategory-ClassCountJustification_54321PA132

- CostSharingOutlier_54321PA132.