



# Health Insurance Risk-Sharing Plan

## APPLICATION FOR REDUCED PREMIUM, DEDUCTIBLE, AND DRUG OUT-OF-POCKET MAXIMUM

### READ THE FOLLOWING BEFORE COMPLETING THIS FORM

**Complete this form only if your annual household income is less than \$33,000.**

The Health Insurance Risk-Sharing Plan (HIRSP) offers a program for reductions in premium, deductible, and drug out-of-pocket maximum for policyholders. To apply for these reductions or to continue to receive them, HIRSP must have information about your 2008 household income. This information is used solely to determine your eligibility for reductions of premiums, medical deductible, and drug out-of-pocket maximum.

Below is a list of the HIRSP Plans and the subsidies they qualify for:

- HIRSP 1,000 / HIRSP 2,500 / HIRSP 5,000 – Reduced premium, medical deductible, and drug out-of-pocket maximum
- HIRSP Medicare Supplement – Reduced premium and drug out-of-pocket maximum
- HIRSP HSA – Reduced premium, medical/drug deductible.

Please complete the following application in its entirety and attach one of the following form(s) to verify your 2008 household income:

- Wisconsin 1 tax form **OR** Wisconsin 1A tax form  
**AND**, if completed,
- Wisconsin Homestead Credit (Schedule H) **OR** Profit or Loss from Farming (Schedule F)

**Note: All tax forms must be signed**

If you **did not file** a Wisconsin income tax return for 2008 and/or you have very little or no household income to report on this application, attach a note explaining how you paid your rent or property taxes. If you received loans (including student loans) or gifts, indicate the approximate amount received, but do not include these in household income.

If you or your spouse are age 65 or over and received no Social Security, SSI, or Railroad Retirement benefits in 2008, attach a note stating that you did not receive income from any of these sources.

Answer all questions completely to permit HIRSP to process your application. In order to process your application, HIRSP needs your Social Security Number and certain other personally identifiable information. Providing this information is voluntary. The personally identifiable information and your Social Security Number will be kept confidential and used only in our administration of the HIRSP program, as authorized by Chapter 149, Wisconsin Statutes and federal law.

Refer to the detailed instructions on pages 3-5 to complete this application. Contact HIRSP Customer Service at 1-800-828-4777 or 1-608-221-4551 if you have questions about the instructions for completion of this form; however, HIRSP cannot advise policyholders about questions related to tax law.

### POLICYHOLDER / APPLICANT INFORMATION

Fill in the following information for HIRSP to consider your application for a reduction in premium, deductible, and drug out-of-pocket maximum. Your HIRSP identification number, if known, is required for HIRSP to process your application.

Last Name	First	Middle	Telephone Number (      )
Street Address	City	State	ZIP Code
Date of Birth	Policyholder Number (Required for processing)	Social Security Number (Optional)	

1. Are you married?     YES     NO    If you answered "YES," you and your spouse are considered a household if you live together. Refer to the application instructions for a definition of "household."
2. Were you divorced or separated in the previous year?     YES     NO    Give date: \_\_\_\_\_
3. Are you under age 18?     YES     NO    If you answered "YES," this application is to be completed based on your parents' or legal guardians' income.

**For more information about HIRSP, visit our Web site at [www.hirsp.org](http://www.hirsp.org)**



## REMINDER

Sign and date the completed application and include one of the forms indicated on page one, if available, for your submission to be valid.

Return completed form and necessary supporting information to: HIRSP; Attn: Member Services Administration; PO Box 8961; Madison, WI 53708-8961 or fax to 1-608-243-6136

## INSTRUCTIONS FOR COMPLETION OF APPLICATION FOR REDUCED PREMIUM, DEDUCTIBLE, AND DRUG OUT-OF-POCKET MAXIMUM

### DEFINITIONS

**Household.** A household is an applicant and the applicant's spouse living in the applicant's homestead. If you are single, you are a household, whether you live alone or with others. If you are married, you and your spouse are a household if you live together. If you are married but you and your spouse maintained separate homes on December 31, 2008, you are each considered a separate household.

**Household Income.** Household income is all your income reportable for Wisconsin income tax purposes and all the items identified on lines 5a through 5r on page 2 of this application, less a deduction of \$250 for each qualifying dependent.

If you were married and lived with your spouse during all of 2008, you must combine both incomes to determine household income. If, during 2008, you were separated from your spouse for all or part of the year (including one spouse living in a nursing home), you became married or divorced, or your spouse died, compute household income as follows:

- a. For the time you were married and living with your spouse in 2008, include all of the income of both you and your spouse.
- b. For the time you were married but living apart in 2008, compute household income under Wisconsin's marital property law. Under marital property law, you must report all of your own **nonmarital** property income and none of your spouse's **nonmarital** property income. The amount of **marital** property income you must report depends on whether you or your spouse notified each other of the amount and nature (type) of marital property income each of you generated during that time, as follows:
  1. If you did not notify your spouse, report all of your own marital property income. If you did notify your spouse, report one-half of your own marital property income.
  2. If your spouse did not notify you, report none of your spouse's marital property income. If your spouse did notify you, report one-half of your spouse's marital property income.

**Exceptions:** The marital property law does not apply during any time your spouse was not domiciled in (was not a resident of) Wisconsin. A marital property agreement or unilateral statement has no effect in computing your household income.

If your spouse was in a nursing home and you received a "community spouse income allowance" under the Spousal Impoverishment Program, that income is not includable in your household income.

### GENERAL

Page 2 of your application has preprinted zeros in the "cents" area of the entry lines. Amounts filled in on those lines should be rounded to the nearest dollar.

### POLICYHOLDER / APPLICANT INFORMATION

Fill in the information requested on these lines. Failure to answer these questions may delay your reduced premium, deductible, and drug out-of-pocket maximum.

Fill in your full name, telephone number, address, date of birth, HIRSP identification number, if known, and Social Security number in the spaces indicated. Providing your Social Security number is optional. Your number will only be used for administration of the HIRSP program under the authority of Chapter 149, Wisconsin Statutes. If you do not submit your number, an alternate identification number will be created for you and your application will still be processed, but supplying the Social Security number will expedite the application process.

#### LINE 1 — Marital Status

Check the appropriate box indicating whether the applicant is married.

#### LINE 2 — Age

Check the appropriate box indicating if the applicant was under age 18 in 2008.

### HOUSEHOLD INCOME

#### LINES 3 through 5 — Household Income

These instructions apply if during all of 2008 you were single or married and living with your spouse. If during 2008 you were separated, you became married or divorced, or your spouse died, refer to the "Household Income" entry under "Definitions."

#### LINE 3 — Income — From Tax Return

Fill in line 3 **only** if you or you and your spouse are filing or have already filed a 2008 Wisconsin income tax return. If you were married and lived with your spouse all year but file separate Wisconsin income tax returns, fill in the income from both of your tax returns.

If you fill in line 3, do **not** fill in line 4a or 4b.

**LINES 4a and 4b — Taxable Income — No Tax Return**

Fill in lines 4a and 4b **only** if you or you and your spouse are not filing a 2008 Wisconsin income tax return. If you were married and lived with your spouse all year, fill in all the income of both spouses.

If you fill in lines 4a and 4b, do **not** fill in line 3.

**4a.** Fill in the amount of wages, interest (including funeral trust interest), and dividends that are taxable to Wisconsin in the spaces provided, and fill in the total of these amounts on line 4a.

**4b.** Fill in all other items of taxable income on line 4b, such as: taxable unemployment compensation; pensions and annuities; Individual Retirement Account (IRA), Simplified Employee Pension (SEP), Savings Incentive Match Plan for Employees (SIMPLE), and deferred compensation distributions; deferred compensation distributions; gambling winnings; capital gains; alimony; and business, rent, farm, partnership, and S corporation income. If you fill in an amount on line 4b, attach a schedule explaining the sources of income and the amounts from each source.

**LINE 5 — Nontaxable Household Income**

Fill in all nontaxable household income received in 2008 from any of the sources indicated. If you are married, combine the incomes of both spouses and fill in the totals for each category. Do not include amounts already included on lines 3, 4a, or 4b.

**5a. Unemployment compensation.** Fill in the total amount of unemployment compensation received in 2008 that was not already included on line 3 or 4b. Both taxable and nontaxable unemployment compensation must be included in household income.

**5b. Social Security, SSI, SSI-E, SSD, and caretaker supplement.** Fill in the total amount of Social Security benefits received in 2008. Include amounts deducted for Medicare premiums (\$96.40 per person per month, or \$1,156.80 for the entire year), and any Social Security death benefit (\$255) received. Also fill in federal and state "SSI" (Supplemental Security Income) payments, "SSI-E" (Supplemental Security Income-Exceptional Needs), "SSD" (Social Security Disability), and "caretaker supplement" payments.

Do **not** include Social Security or SSI payments paid directly to your children or Title XX benefits (payments for services).

**5c. Railroad Retirement.** Fill in the total amount of railroad retirement benefits received in 2008. Include amounts deducted for Medicare premiums (\$96.40 per person per month, or \$1,156.80 for the entire year).

**5d. Pensions and annuities, including IRA, SEP, SIMPLE and qualified plan distributions.** Fill in the **gross** amount of **all** pensions and annuities received in 2008 and not included elsewhere. Include veterans' pensions, disability payments, any amounts you contributed to a pension fund, and nontaxable IRA, SEP, SIMPLE and qualified distributions. Both taxable and nontaxable amounts must be included in household income.

**Exceptions:** Do not include rollovers (amounts transferred from one plan to another), or tax-free Section 1035 insurance contract exchanges. If all or a part of a pension or annuity distribution in 2008 includes a rollover amount or a tax-free exchange, write "Rollover" or "Tax-Free Exchange" near line 5d, and attach a copy of federal Form 1099-R.

**5e. Contributions to deferred compensation plans.** Fill in contributions to deferred compensation plans that were excluded from income on the income tax return (do not include nondeductible contributions). Excluded deferred compensation is generally reported in box 12 of the wage and tax statement, Form W-2, preceded by the prefix D, E, F, G, H, S or Y.

**5f. Contributions to IRA, SEP, SIMPLE and qualified plans.** Fill in contributions to these plans that were deducted from income on the income tax return (do not include rollover contributions or nondeductible contributions). These deductions are reported in the "adjusted gross income" section of federal Form 1040 or 1040A.

**5g. Interest on United States securities and state and municipal bonds.** Fill in any nontaxable interest received on securities of the federal government or its instrumentalities, such as U.S. Savings Bonds or Treasury Notes, and on nontaxable state and municipal bonds, such as Higher Education Bonds.

**5h. Scholarships, fellowships, grants, and military compensation.** Fill in the total amount received in 2008 for **nontaxable** scholarship and fellowship income (for example, books or tuition), educational grants, or military compensation (for example: basic quarters and subsistence allowances; Veterans Educational Assistance Program [VEAP] payments; G.I. Bill benefits; pay from duty in a combat zone; or pay received by members of a reserve component of the armed forces). Do not include student loans or amounts included elsewhere.

**5i. Child support, maintenance payments, and other support.** Fill in the total amount of any court-ordered support payments received in 2008, including child support and family maintenance, but not foster care, voluntary support, or amounts included elsewhere.

**5j. Wisconsin Works (W-2), county relief, kinship care, and other cash public assistance.** Fill in the total amount of any Wisconsin Works (W-2), county relief, kinship care, and other cash public assistance payments (such as adoption assistance) received in 2008. Do not include the following: a prior year's homestead credit; nontaxable foster care; gifts; food stamps; nontaxable Community Options Program (COP) payments; or fuel or energy assistance paid to a fuel supplier or utility, or provided under the federal Low-Income Home Energy Assistance Act.

**5k. Workers' compensation, income continuation, and loss of time insurance (e.g., sick pay).** Fill in the total amount received in 2008 from these sources. Nontaxable sick pay is generally reported in box 12 of the wage and tax statement, Form W-2, preceded by the prefix J.

**5l. Gain from sale of home.** Fill in the gain from the sale or exchange of a principal residence excluded from taxable income under Section 121 of the Internal Revenue Code. Attach a schedule showing the computation of the gain (selling price minus expense of sale).

**5m. Other capital gains not taxable.** Include the 60% capital gain exclusion on assets held more than one year, plus any other nontaxable capital gains that are not reported elsewhere.

**5n. Net operating loss carryforward and capital loss carryforward.** Fill in any net operating loss carryforward or capital loss carryforward (one incurred in a prior year and not used in that year to offset taxable income) deducted in computing 2008 Wisconsin taxable income.

**5o. Income of nonresident spouse or part-year resident spouse and nontaxable income from sources outside Wisconsin.**

Fill in the income of your nonresident or part-year resident spouse for the time you resided in the same homestead. Also, fill in the income received from sources outside Wisconsin that was excluded from Wisconsin taxable income.

**Resident manager's rent reduction, clergy housing allowance, and nontaxable Native American income.** Fill in the amount that a resident manager's rent is reduced in return for services, the nontaxable housing allowance provided to a member of the clergy, and nontaxable income of a Native American.

**5p. Partners, LLC members, and S corporation shareholders.**

Fill in the distributive share of partnership, limited liability company (LLC), and tax-option (S) corporation depreciation, Section 179 expense, depletion, amortization, and intangible drilling costs. This information will not be on the reporting form (Schedule K-1) that you receive from the partnership, LLC, or tax-option (S) corporation. It must be obtained either by contacting the partnership, LLC, or tax-option (S) corporation, or, if available to you, from the tax return of the partnership, LLC, or tax-option (S) corporation.

**5q. Car or truck depreciation (standard mileage rate).** If car or truck expenses were claimed using the standard mileage rate on a business, rent, or farm schedule, 21 cents per mile is considered depreciation. Multiply the number of miles claimed by 21 cents, and include that number on line 5q.

**Exception:** The 21-cent-per-mile income adjustment is not required for miles claimed after the adjusted basis of your car or truck reaches zero. If this applies to you, attach a note explaining the situation.

**5r. Other depreciation, Section 179 expense, depletion, amortization, and intangible drilling costs.** Fill in any depreciation, Section 179 expense, depletion, amortization, and intangible drilling costs claimed in computing Wisconsin taxable income, except amounts already filled in on line 5p or 5q.

**Note:** If car or truck expenses were claimed on federal Schedule C, C-EZ, E, or F using the actual expense method, depreciation would be claimed on the depreciation line and would be included on line 5r.

**Repaid amounts.** Nontaxable income that was included in household income in a prior year and was required to be repaid in 2008 may be subtracted from household income on your 2008 application. Subtract the amount repaid on the income line of this application to which the repayment relates (fill in the amount as a negative number). Attach an explanation indicating the amount of the repayment and the year it was included on a homestead credit claim.

**LINES 6a through 6c — Total Household Income**

**6a.** Fill in the total of lines 3 through 5r.

**6b.** You may claim a "dependent deduction" by filling in the number of "qualifying dependents" and multiplying that number by \$250.

A qualifying dependent is a person who: a) is or may be claimed as a dependent on your **federal** income tax return; and b) occupied your (the applicant's) homestead for more than six months during 2008. A dependent is considered to have occupied your homestead during temporary absences for reasons such as school, illness, or vacations.

The six months' occupancy requirement is considered to have been met if: a) the dependent was born or died during 2008 and occupied your homestead during the entire time he or she lived in 2008; or b) during 2008 the dependent was adopted by you, was placed with you for adoption, or became your stepchild, and he or she occupied your homestead from that date to the end of 2008.

**Caution:** The term "dependent" does **not** include you or your spouse. Do not include yourself or your spouse in the number you fill in on line 6b.

**6c.** Subtract the amount on line 6b from the amount of line 6a, and fill in the total on line 6c. This is your total household income.