

§ 156.505 Definitions.

The following definitions apply to this subpart:

*Applicant* means an entity eligible to apply for a loan described in § 156.520 of this subpart.

*Consumer operated and oriented plan (CO-OP)* means a loan recipient that satisfies the standards in section 1322(c) of the Affordable Care Act and § 156.515 of this subpart within the timeframes specified in this subpart.

*CO-OP qualified health plan* means a health plan that has in effect a certification that it meets the standards described in subpart C of this part, except that the plan can be deemed certified by CMS or an entity designated by CMS as described in § 156.520(e).

*Exchange* has the meaning given to the term in § 155.20 of this subchapter.

*Formation board* means the initial board of directors of the applicant or loan recipient before it has begun accepting enrollment and had an election by the members of the organization to the board of directors.

*Individual market* has the meaning given to the term in § 155.20 of this subchapter.

*Issuer* has the meaning given to the term in § 155.20 of this subchapter.

*Member* means an individual covered under health insurance policies issued by a loan recipient.

*Nonprofit member organization* or *nonprofit member corporation* means a nonprofit, not-for-profit, public benefit, or similar membership entity organized as appropriate under State law.

*Operational board* means the board of directors elected by the members of the loan recipient after it has begun accepting enrollment.

*Predecessor, with respect to a new entity*, means any entity that participates in a merger, consolidation, purchase or acquisition of property or stock, corporate separation, or other similar business transaction that results in the formation of the new entity.

*Pre-existing issuer* means a health insurance issuer licensed by a State regulator that marketed individual or group health insurance benefit plans (other than Medicare or Medicaid Managed Care plans) on July 16, 2009.

*Qualified nonprofit health insurance issuer* means an entity that satisfies or can reasonably be expected to satisfy the standards in section 1322(c) of the Affordable Care Act and § 156.515 of this subpart within the time frames specified in this subpart, until such time as CMS determines the entity does not satisfy or cannot reasonably be expected to satisfy these standards.

*Related entity* means an entity that shares common ownership, control, or governance structure (including management team or Board members) with a pre-existing issuer, and satisfies at least one of the following conditions:

- (1) Retains responsibilities for the services to be provided by the issuer.
- (2) Furnishes services to the issuer's enrollees under an oral or written agreement.
- (3) Performs some of the issuer's management functions under contract or delegation.

*Representative* means an officer, director, or trustee of an organization, or group of organizations; or a senior executive or high-level representative of the Federal government, or a State or local government or a sub-unit thereof.

*SHOP* has the meaning given to the term in § 155.20 of this subchapter.

*Small group market* has the meaning given to the term in § 155.20 of this subchapter.

*Solvency Loan* means a loan provided by CMS to a loan recipient in order to meet State solvency and reserve requirements.

*Sponsor* means an organization or individual that is involved in the development, creation, or organization of the CO-OP or provides 40 percent or more in total funding to a CO-OP (excluding any loans received from the CO-OP Program).

*Start-up Loan* means a loan provided by CMS to a loan recipient for costs associated with establishing a CO-OP.

*State* has the meaning given to the term in § 155.20 of this subchapter.

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