



PY 2024 Cascade Care Savings Model Methodology

The Exchange released the Draft 2024 Cascade Care Savings Amount Methodology for public comment from July 19 – Aug 18, 2023, and held a public comment meeting on Aug 15, 2023. The Exchange received three written public comments and two verbal public comments during the public comment meeting.

Summary of Public Comments and Exchange Responses:

Commenters asked the Exchange to consider a more equitable approach to the distribution of Cascade Care Savings and urged the Exchange to maximize available funding for customers not eligible for Advance Premium Tax Credits (APTC).

Exchange Response:

We thank these commenters for their input. The Exchange understands the importance of reducing net premiums for low-income customers. We have finalized the maximum Cascade Care Savings amount for customers not eligible for federal subsidies at \$250 PMPM.

A commenter said that maintaining a consistent Cascade Care Savings amount for those eligible for federal subsidies from plan year (PY) 2023 to PY 2024 is important for member persistency by promising a year-to-year consistency.

Exchange Response:

We thank this commenters for their input. The Exchange has finalized the maximum Cascade Care Savings amount for customers eligible for federal subsidies at \$155 PMPM, the same maximum amount as PY 2023.

Commenters advocated for additional considerations in the Cascade Care Savings policy and model including reducing the reserve amount, using an alternative methodology to the flat PMPM subsidy amount, and implementing health care cost sharing assistance.

Exchange Response:

We thank these commentors for these suggestions. Many of these suggestions are out of scope for PY 2024 methodology. The Exchange agrees there is a need to continue to maximize subsidies for all Exchange customers to ensure access and affordability. The Exchange will take these suggestions into consideration in future iterations of the Cascade Care Savings policy and program.

The final model projects expenditures of \$55 M in PY 2024 in the 'Best' estimate, utilizing the funds appropriate appropriated by the Legislature for state subsidy.

*Thank you for your interest in supporting immigrant health implementation in 2024 in Washington.
This joint organizational letter was drafted in response to the Health Benefit Exchange's
[draft 2024 Cascade Care Savings Amount Methodology Report](#).
For questions, please contact Lee.Che@nohla.org or (206) 420-2747.
To sign your organization on to this joint letter,
[please fill out this form](#) **by noon on 17 August 2023**.*

17 August 2023

Washington Health Benefit Exchange
Submitted via email: cascadecare@wahbexchange.org

Re: Draft 2024 Cascade Care Savings Methodology

Dear Washington HBE colleagues:

The undersigned 23 organizations write to share the following recommendations regarding the Draft 2024 Cascade Care Savings (CCS) Methodology with the goal of improving access for undocumented immigrants. Thank you for your efforts to win approval for Washington's historic 1332 waiver to allow all Washingtonians access to HealthPlanFinder and health coverage. We appreciate the opportunity to provide comments on the Washington Health Benefit Exchange (HBE)'s draft methodology. We urge you to implement strategies that advance HBE's goal that all Washingtonians have full and equal access to opportunities, power and resources to achieve their full potential.

1. Of the two options presented, we recommend that HBE adopt option 2 to align more closely with an equity framework.

We understand HBE is weighing difficult choices that result from current CCS funding from the Legislature. We hope to partner with you in future years to ensure CCS subsidy levels that are adequate to provide meaningful access to all Washingtonians, including the new undocumented immigrant population.

Given the reality of current funding levels, however, HBE should use an equity framework to determine how to best allocate limited funds. Based on the limited information available to date (since final premium amounts won't be available until September), we recommend Option 2 as the more equitable choice. Option 2 recognizes that Washingtonians ineligible for federal premium tax credits due to immigration status will face hundreds of dollars in monthly premiums with no relief other than CCS. Option 2 appropriately allocates additional CCS funds to mitigate this reality, while continuing to protect citizens and lawfully present immigrants, over 90% of whom will continue to have access to plans with premiums of less than \$10 a month.

While a significant disparity still remains under option 2, for families making 0-250% FPL, all too often every dollar matters. The additional assistance of \$15 a month will both make it possible for an estimated 730 more undocumented immigrants to access health coverage and increase the total number of Washingtonians covered by 190 people.

2. We strongly urge HBE to reduce the amount held in reserve for 2024. Given that 2023 enrollment in Cascade Care Savings has been significantly lower than projections, the methodology assumption that HBE will continue to hold 10% in reserve seems overly conservative. We request that during this critical first year, HBE opt to hold a lower percentage in reserve.

3. Additionally, we staunchly join voices advocating for more equity in the PMPM subsidy approach. As advocates have flagged for years, we are deeply concerned that the flat fixed dollar approach to premium assistance will not allow for meaningful access to coverage for groups ineligible for federal tax credits, such as undocumented people. While federally-subsidized people can count on premium tax credits to rise in tandem with premiums, immigrants will face the full impact of premiums, other than the partial CCS subsidy. In this context, a fixed dollar approach to the CCS is deeply regressive for the immigrant population, who will be forced to pay the remaining premium no matter how low their income or how high the premium costs may go for older people and people in rural areas with fewer choices. As HBE knows, the expectation that an individual with income up to 138% FPL would be able to afford a several-hundred dollar net monthly premium does not take into account WA's high housing costs, inflation, or the economic realities of the vast majority of low-income earners. We urge HBE to begin implementing a more nuanced approach to premium assistance allocation as soon as possible in alignment with the HBE's acknowledged need to [“focus our efforts on people and places where needs are greatest.”](#)

4. Moving forward, we vigorously recommend that HBE implement cost-sharing assistance to provide meaningful access to health coverage.

Under the 1332 waiver, undocumented immigrants will be able to buy health insurance, but deductibles, co-pays, and coinsurance will present significant obstacles to accessing care. While cost-sharing assistance is authorized in the Cascade Care statute, it is not currently funded. Washington previously projected newly eligible immigrants will pay nearly \$4,000 in premiums for 2024, in addition to thousands of dollars in deductibles and other cost sharing. Multiple studies find that cost sharing results in reduced care utilization including use of necessary services, especially for lower income adults. The state must work to resolve these affordability gaps to provide meaningful access. HBE can take proactive steps in 2024 to advance these issues by studying the options and putting forward an options document for public consideration,

5. We urgently advocate for HBE to implement cost-sharing assistance to provide parity for lawfully present immigrants. Lawfully present immigrants under 138% FPL are currently allowed to buy health and dental coverage through Healthplanfinder but are unable to obtain Medicaid coverage due to federal restrictions like the “5-year bar” waiting period. This won't change in 2024, as the Medicaid-like program is limited to undocumented Washingtonians. While lawfully present immigrants are eligible for federal subsidies, any remaining premiums and cost-sharing is still a tremendous burden for families under 138% FPL – which is why Apple Health has no cost sharing for eligible adults at that income level and why Washington's COFA Islander Health Care provided \$300 a month in cost sharing assistance before this group transitioned to Medicaid. Lawfully present immigrants should have parity in meaningful access to health coverage with all other Washingtonians.

Thank you for considering our recommendations. We appreciate your partnership as we work together to ensure equitable and affordable access to high-quality and high value plans in Washington State.

Sincerely,

American Civil Liberties Union of Washington
Asian Counseling and Referral Service
Building Changes
Children's Alliance (WA)
Columbia Legal Services
Community Health Plan of WA/Community Health Network of WA
Empower Next Generations
Firelands Workers Action/Acción de Trabajadores

Foundation for Healthy Generations
King County Promotores Network (KCPN)
Latino Community Fund of Washington State
Latinos En Spokane
Legal Voice
Northwest Health Law Advocates (NoHLA)
Open Arms Perinatal Services
Pierce County Project Access
Planned Parenthood Alliance Advocates
Project Access Northwest
Unidos Nueva Alianza, Foundation
Washington Association for Community Health
Washington Healthcare Access Alliance
Washington Immigrant Solidarity Network
Washington State Public Health Association



August 18, 2023

To: Washington Health Benefit Exchange

Re: Draft 2024 Cascade Care Savings Methodology

The Washington Association for Community Health (the Association) and Community Health Network of Washington (CHNW) acknowledge the Washington Health Benefit Exchange's (WAHBE) effort to make health care and health coverage accessible and affordable for all Washingtonians. Since 1992, CHNW has served as a statewide system of community health centers that works to ensure all Washingtonians have access to medical care and health insurance coverage. CHNW represents 21 of Washington's Federally Qualified Health Centers (FQHCs). As Washington state's federally recognized primary care association, the Association represents the state's 27 FQHCs. Our FQHCs collectively operate over 440 service delivery sites and serve over 1.2 million patients per year. FQHCs serve all patients regardless of ability to pay or immigration status.

We strongly recommend the WAHBE adopt Option 2 in the Cascade Care Savings subsidy proposals. This is a more equitable approach to distributing state health insurance subsidies for individuals least able to afford premiums. The newly Exchange eligible undocumented population, who are ineligible for federal Advanced Premium Tax Credits (APTCs), will benefit from the increased subsidies in Option 2. As outlined in the [2024 Cascade Care Savings \(CCS\) Subsidy Amount Analysis](#), the higher Cascade Care Savings subsidies will provide greater relief from the expensive monthly premiums. Because Group 1 is eligible for both APTCs and the Cascade Care Savings program, there are already significant premium supports for the currently eligible populations. Until all Washington residents are eligible for APTCs and Cascade Care Savings subsidies, we believe the higher Cascade Care Savings subsidies should be targeted towards Groups 2 and 3.

The approval of the 1332 waiver was an important step forward to ensure undocumented individuals have access to health insurance. Undocumented individuals prolong health care needs because the cost to visit a doctor or maintain care is too high, often leading to chronic conditions or life-threatening emergencies. People are more inclined to seek preventative or immediate care if they have access health insurance coverage. The \$15 per month increase in premium assistance proposed in Option 2 is estimated to increase enrollment for the newly eligible undocumented population by an additional 730 individuals, while increasing total enrollment by 190 people. This will make a significant difference in access to health care for those who can least afford it.

CHNW and the Association support all measures that support and expand coverage the health care safety net. The next step is to ensure that undocumented individuals can afford and access the insurance for which they now qualify. With the limited funding for the Medicaid-equivalent program, we anticipate that Qualified Health Plans will be the most accessible coverage option

for undocumented individuals in 2024. **We urge the WAHBE to utilize all available funding that will support undocumented individuals and maximize enrollment.**

Thank you for the opportunity to provide feedback. Please contact us with any questions or concerns. Bob Marsalli may be reached by email at bmarsalli@wacommunityhealth.org or by phone at (360) 786-9722. Leanne Berge may be reached by email at leanne.berge@chnwa.org or by phone at (206) 660-6647.

Thank you,



Bob Marsalli
Chief Executive Officer
Washington Association for Community Health



Leanne Berge
Chief Executive Officer
Community Health Network of Washington

Laura Kate Zaichkin

Senior Policy Advisor

Washington Health Benefit Exchange

RE: Cascade Care Saving Methodology

Dear Ms. Zaichkin:

Premera Blue Cross (“Premera”) is writing to respond to Washington Health Benefit Exchange’s July 19, 2023 draft Cascade Care Savings Amount Methodology report. Premera greatly appreciates the opportunity to comment and provide feedback. While Premera is largely neutral or supportive of the draft, below we have noted a few key considerations.

Key Considerations:

First, Premera recognizes the continued importance of Cascade Care in providing affordable and accessible care to Washingtonians. We strongly support WAHBE’s continued success in improving the program year-over-year.

Second, upon review of Option 1 & Option 2 outlined on page 6 of the proposed draft, Premera supports Option 1. Premera hopes to both build enrollment and support a high-level of member persistency by promoting a year-to-year consistency and comparability between the maximum subsidies available.

The differential and per-member cost impacts felt by reducing the maximum subsidy from \$155 (2023-Group 1) to \$80 (2024-Group 1- Option 2) could have unintended consequences for enrollees who utilize the maximum subsidy amounts. Premera does not feel the projected enrollments capture the risk of the financial consequences for members who utilize maximum subsidies amounts.

Again, Premera appreciates WAHBE’s continued commitment to improving the access to health care services in Washington state.

Respectfully,

Samuel Wilcoxson

CC: Kristin Meadows, VP & GM of Individual Markets

Sven Peterson, VP of Regulatory Compliance and Ethics