

2026 Legislative Priorities

Presentation to the Health Benefit Exchange Board

December 11, 2025

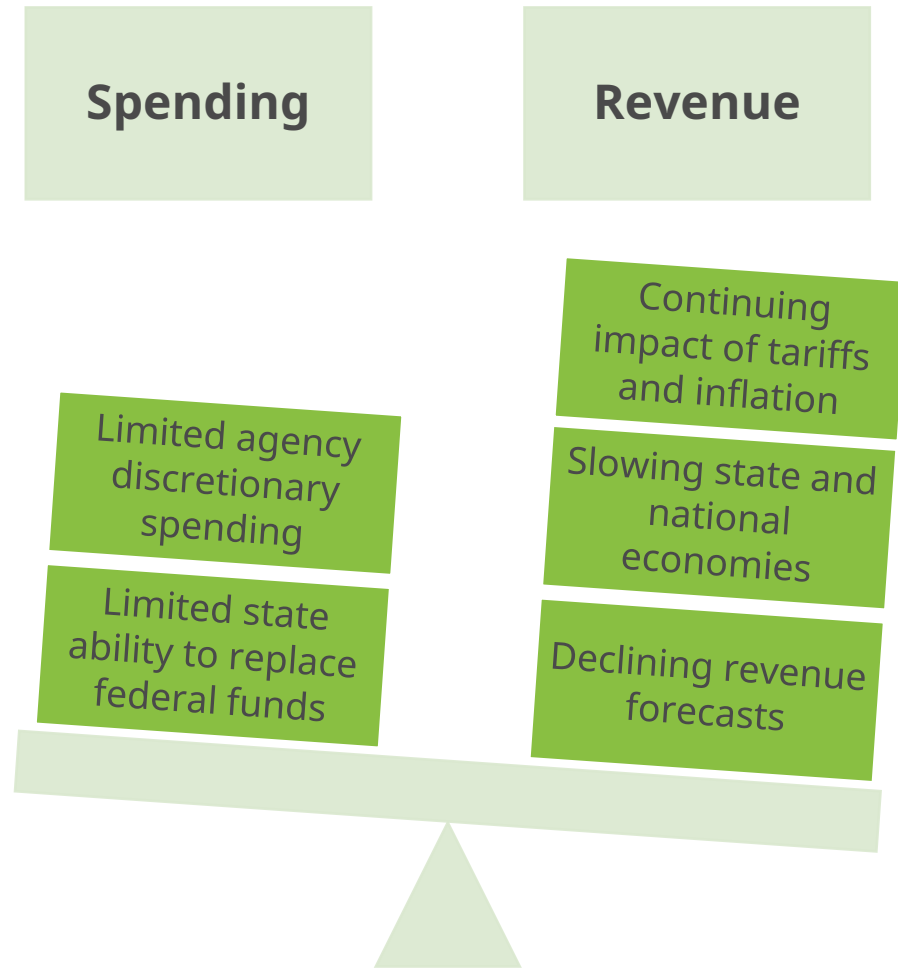


Upcoming 2026 Legislative Session



- ▶ 60-day session (in 32 days)
- ▶ Themes
 - ▶ Addressing the budget deficit
 - ▶ Responding to federal changes
- ▶ Election year

Fiscal Landscape

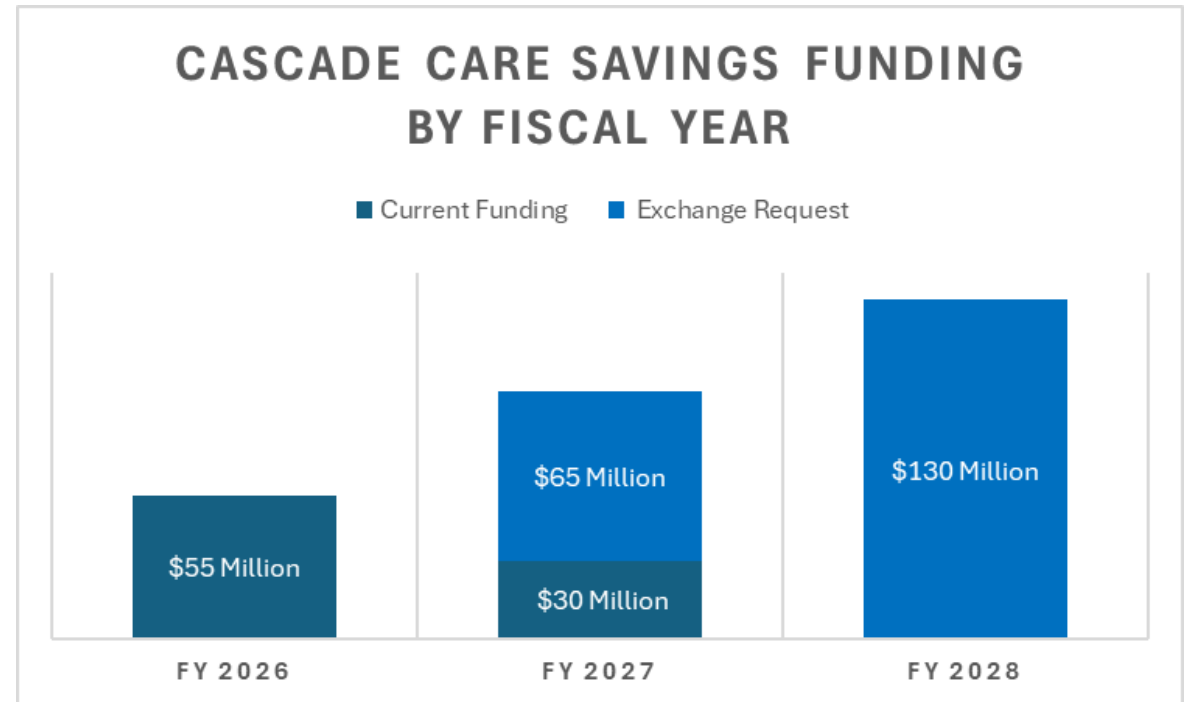


- ▶ 2026 supplemental budget
- ▶ Reluctance for significant new revenue given revenue package passed in 2025
- ▶ Anticipate cuts to health care

- ▶ **November Revenue Forecast – \$950+ million deficit over 4 years**
- ▶ OFM working on the Gov budget – mid-Dec
- ▶ Anticipate a cuts-only budget

Cascade Care Savings

- ▶ Funded only through PY 2026
- ▶ Request is for PY 2027
 - ▶ **\$130M per year:** Help mitigate federal changes, including loss of federal tax credits
- ▶ Request is scalable, given state's fiscal challenges
 - ▶ \$95M per year: Help keep pace with average premium increases
 - ▶ \$55M per year: Maintain existing funding level

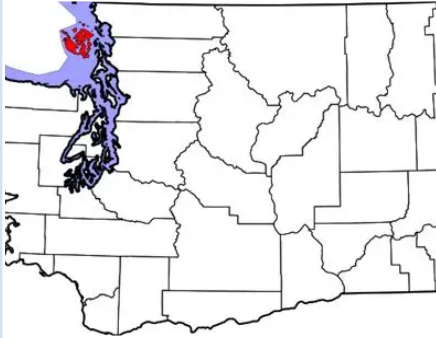


Other Budget Priorities

- ▶ **\$22,000 GF-S (\$972,000 total)** to support **Navigators**, including a modest 5% funding increase and a 15% increase due to recent re-procurement of Lead Organizations
- ▶ **\$105,000 GF-S (\$4.5M total)** to support **sales tax liability** on digital services due to 2025 legislation.
- ▶ **\$632,000 GF-S (\$3.4M total)** to support ongoing efforts to implement CMS Eligibility Solutions (**non-MAGI**)
- ▶ **\$886,000 GF-S (\$4.5M total)** to support ongoing efforts to implement federal **work requirements**.



Problem – Market Dynamics in 2026



On the path to bare counties – San Juan County

- Customers choose from only **one** carrier
- Customers do not have a Bronze plan available



Oversaturated counties – King County

- Customers choose from **63 health plans** from 10 carriers

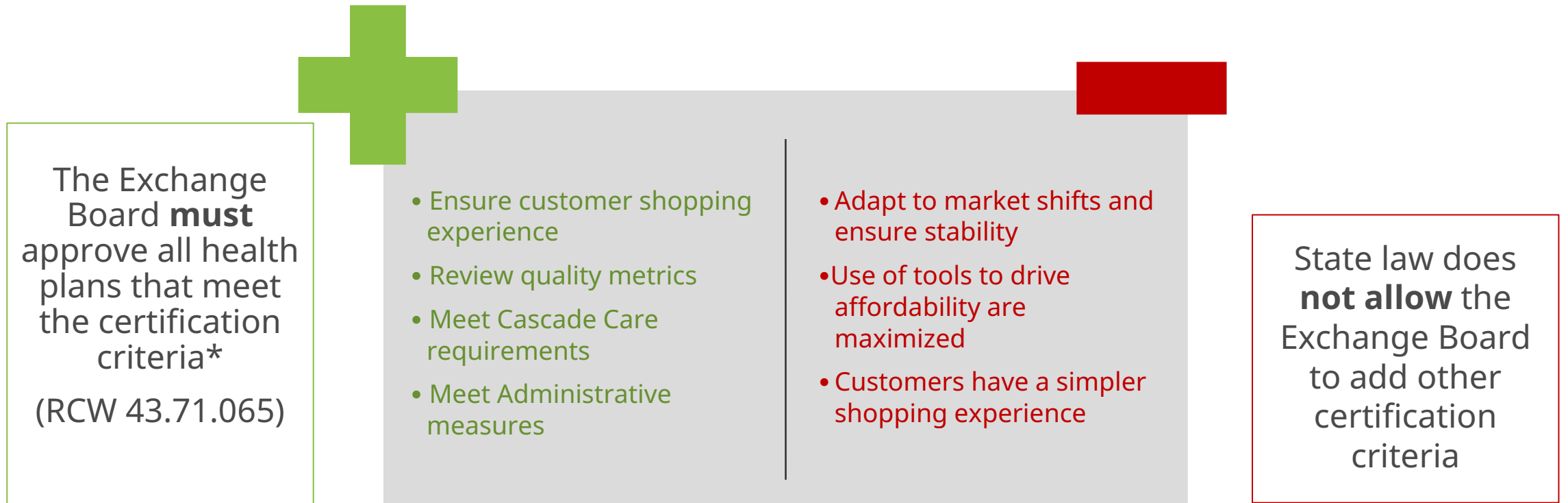
18 Bronze Plans

16 Silver Plans

28 Gold Plans

1 Catastrophic Plan

Problem – Limited Board Response



*See appendix for full list of criteria used by the Exchange and OIC in health plan review process

Safeguarding Consumers

▶ Affordable Care Act

- ▶ In general, an exchange may certify a health plan as a qualified health plan if –
 - ▶ Such health plan meets the requirements for certification as promulgated by the Secretary under subsection (c)(1); and
 - ▶ The Exchange determines that making such health plan through the Exchange is in the **interest of qualified individuals** and qualified employers in the State or States in which such Exchange operates...

▶ Other states

- ▶ ACA language included in state statutes in **CA, CT, DC, IL, MD, MN, NY, VA**
- ▶ “meaningfully different” criteria in **CA, CO, DC, ID, MA, NM, NY, PA, RI, VT**

Legislative Proposal

Allow the Exchange to add certification criteria each year to address access and affordability.

Access to health plans

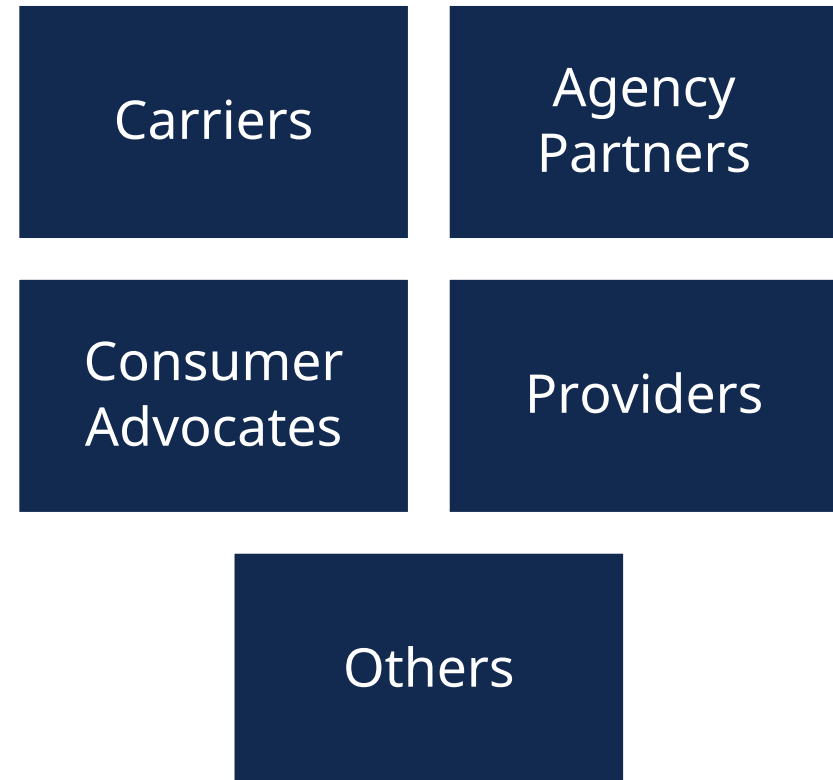
- Be meaningfully different (benefits, premiums, network, quality)
- Available from more than one carrier in each county

Affordability of health plans

- Maximize federal tax credits
- Efficiently use state funds
- Available at each metal level

Stakeholder Engagement and Feedback

- ▶ Ongoing discussions through committees, workgroups, and one-on-one discussions
- ▶ Draft bill language shared late-Nov
- ▶ Beginning to gather feedback
- ▶ Ongoing legislator discussions





New certification criteria proposal

What proposed legislation means
for draft plan year 2027 QHP
Guidance for Participation

Today's discussion

Seeking Board directional alignment:

Proposed plan year 2027 access & affordability standards

- ▶ Incremental approach focused on highest-priority customer risks in 2027:
 - ▶ Preventing bare counties
 - ▶ Ensuring Bronze plans available in all counties
- ▶ Proposed timelines and processes

Reminder: QHP criteria define parameters for Exchange Board plan certification action



See PY 2026 [Guidance for Participation of Health Plans in the Washington Health Benefit Exchange](#) for reference.

Customer shopping experience criteria

Use *Healthplanfinder* application, meet benefit display standards, participate in Exchange-wide provider directory, follow Exchange marketing guidelines

Quality criteria

Report quality metrics to Exchange, engage in quality improvement efforts

Cascade Care criteria

Meet standard plan design requirements, participate in premium assistance program

Administrative criteria

Pay Exchange user fees, maintain accreditation with national accrediting body, provide plan benefit and rate data

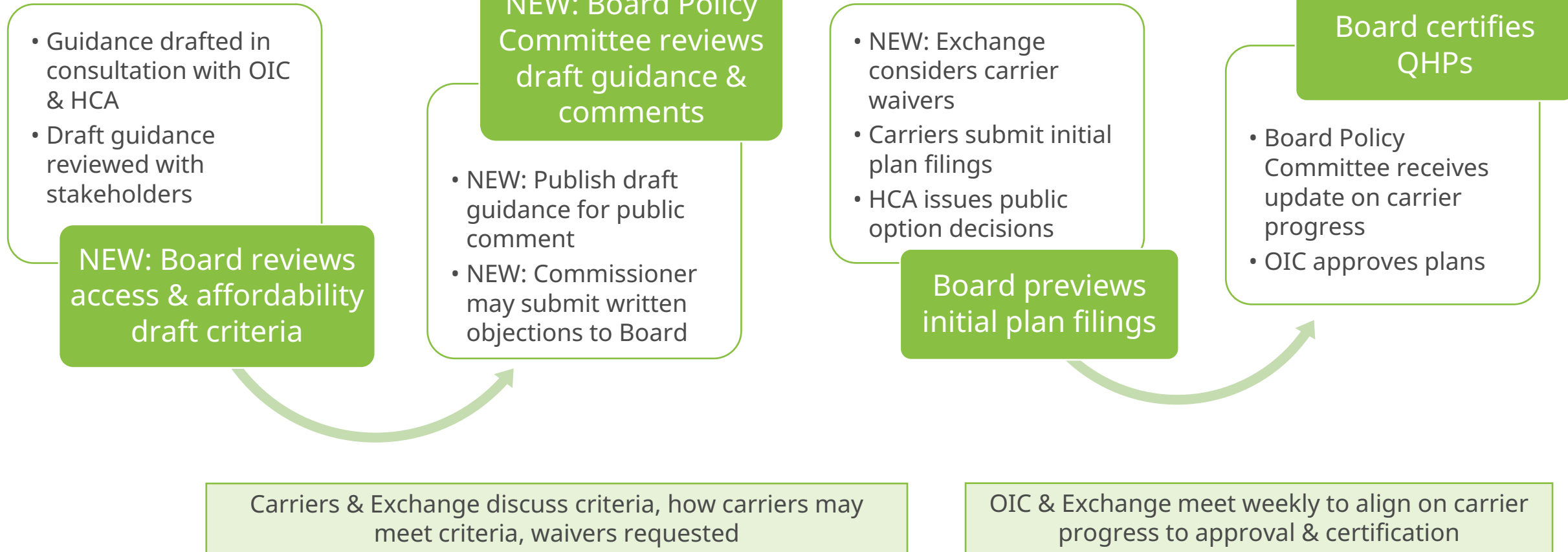
Proposed access & affordability Exchange Board milestones

November-December

January

May-July

August-September



Proposed: Address underserved counties in 2027

Draft PY 2027 access & affordability standard

- ▶ Carriers filing plans in rating area 8 must file plan in San Juan County
- ▶ Carriers proposing to expand into counties with more than 6 carriers in 2026 must file plan in San Juan County

Why this is a priority for PY 2027

- ▶ San Juan County has one carrier option in 2026
- ▶ As an underserved county, San Juan customers are at risk of having no QHP access in 2027

Intended Exchange customer outcome

- ▶ Exchange customers in every county have access to QHPs from at least two carriers



Proposed: Ensure range of premiums in 2027

Draft PY 2027 access & affordability standard

- ▶ Coverage proposed in underserved counties must include Bronze, Silver and Gold metal levels

Why this is a priority for PY 2027

- ▶ As an underserved county, San Juan customers don't have access to Bronze plans in 2026
- ▶ More carriers at risk of not offering Bronze in future plan years
- ▶ Gaps in current law: ACA requires Gold & Silver; public option requires Bronze

Intended Exchange customer outcome

- ▶ Exchange customers in every county have access to a Bronze plan
- ▶ Access to lower-premium Bronze plans help keep customers enrolled who may otherwise drop coverage



Discussion

Board alignment on proposed plan year 2027 access & affordability standards

- ▶ Incremental approach focused on highest-priority customer risks in 2027:
 - ▶ Addressing underserved counties
 - ▶ Ensuring range of premiums in all counties





Appendix

Waiver process for proposed access & affordability standards

- ▶ Exchange will work with carriers to understand barriers to meeting requirements and consider waivers
- ▶ PY 2027 scenario:

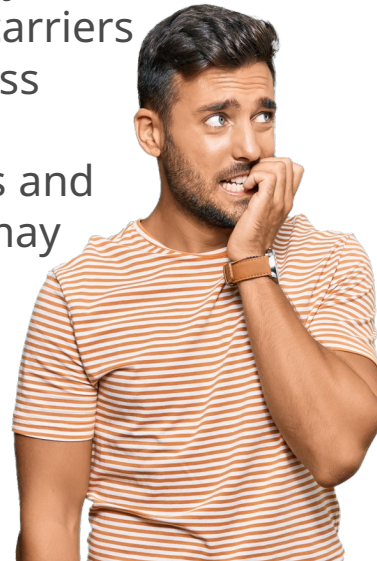


Carriers planning to file in rating area 8 required to file Bronze, Silver, Gold plans in San Juan County



From Dec-May, Exchange & carriers actively discuss certification requirements and factors that may be barriers

For example, provider network or impact on premiums



Prior to May filing deadline, Exchange considers totality of coverage options proposed, and the impacts on customers of waiving requirements

Exchange Certification Role and Authority



- ▶ Only plans certified by the Board as qualified health plans (QHPs) may be offered in the Exchange
- ▶ Under WA law, the Exchange Board is required to certify any plan that meets the certification criteria
- ▶ The Board independently cannot add certification criteria

Current Plan Certification Criteria

Exchange authority

- ▶ Pay assessed user fees
- ▶ Comply with Cascade Care requirements**
- ▶ Achieve accreditation with a national organization
- ▶ Use the Exchange enrollment application
- ▶ Meet marketing requirements
- ▶ Submit provider directory data
- ▶ Implement a quality improvement strategy
- ▶ Submit health plan data in standard format for presenting health benefit plan options to consumers
- ▶ Report quality and health performance data
- ▶ Comply with benefit design standards (cost sharing limits, metal level, essential health benefits, standard plan design)**
- ▶ Submit health plan benefit, cost-sharing, and premium rate data to display on web pages for consumer shopping**

OIC authority

- ▶ Be licensed and good standing
- ▶ Comply with risk adjustment program
- ▶ Comply with Cascade Care requirements**
- ▶ Comply with non-discrimination rules
- ▶ Meet network access requirements
- ▶ Use hospital patient safety contracts
- ▶ If offered, integrate direct primary care medical home into QHP
- ▶ Comply with benefit design standards (essential health benefits, limits on cost sharing, metal levels, standard benefit design)**
- ▶ Comply with service area standards for a QHP (county, zip code) and submit rates for a plan year
- ▶ Must post justifications for premium increases
- ▶ Must submit QHP benefit and rate data for public disclosure**

**Under the authority of both the Exchange and OIC

Shaping the Exchange Marketplace Together



- ▶ **Step 1:** OIC approves plans that meet regulatory standards (e.g., actuarially sound rates and adequate networks)

- ▶ **Step 2:** Exchange evaluates if carriers have met additional certification criteria to be offered on Exchange (e.g., standard plan design, quality reporting)



- ▶ **Step 3:** After OIC approval and Exchange certification, HCA contracts with select carriers to offer Public Option plans (e.g., additional contracting and provider reimbursement requirements)