

2026 Supplemental Budget Requests

Decision Packages

9/10/2025

2025 Legislative Session Recap

Activity Type	Decision Package	2025-27 Requested Funding	Conference Budget	Notes
Premium Assistance	Cascade Care Savings	\$ 95,000,000	☑	Funded at \$55M for plan year 2026 only.
Operational	Cost Allocation Update	\$ -	✓	Funded as Requested
	Healthplanfinder M&O Increase	\$ 968,000	✓	Funded as Requested
	Lead Organization M&O Increase	\$ 702,000	☒	Finish procurement first, then submit supplemental DP
	Responsive to Fed ACA			
	ETEAM	\$ 4,307,000	✓	Requested ongoing but funded one-time
	ACA Equity FTE	\$ 364,000	✓	Requested ongoing but funded one-time
	CSC and SI Procurements	\$ 2,640,000	✓	Funded as Requested.
	HPF and Customer Support			
	SHIELD (onetime)	\$ 3,668,000	✓	Funded as Requested.
	Operation's Department Leadership	\$ 489,000	☒	Not Funded
	Customer Support Center Quality Management	\$ 740,000	☒	Not Funded
	Apple Health Expansion	\$ 344,000	☒	Maintains current program size
	General Wage Increase	\$ 1,750,000	✓	3% July 2025 and 2% July 2026.
	HHS Coalition Support	\$ 840,000	☒	Not Funded
	Expanding Language Access			
	Expanded Languages supported via correspondences	\$ 250,000	✓	Funded as Requested
	Direct Mail campaigns	\$ 200,000	✓	Funded as Requested
	Adobe Upgrade	\$ 400,000	✓	Funded as Requested
	Non-Magi Medicaid	\$ 16,876,000	☑	DDI Only with gated funding. No M&O and no cost allocation, Submit DP when ready to go-live
	Facilitated Enrollment	\$ 4,046,000	☑	Development delayed until January 1, 2027, with gated funding
Total Operational Funds		\$ 38,584,000		

2026 Supplemental Budget Instructions

- Washington state continues to face challenging budget environment.
- Limit all discretionary budget requests, consistent with efficiency and performance management efforts to streamline and improve services while reducing costs.
- Budget requests should be limited to only those initiatives which meet the state's highest priority needs for the most efficient, high-quality services to the public over the long term.
- The state's ability to replace lost or reduced federal funding will be very limited.
- Budget submission should be limited to:
 - Non-discretionary changes in legally mandated caseloads or workloads.
 - Necessary technical corrections to the enacted 2025-27 budgets.
 - Additions or reductions to federal or private/local funding anticipated for the remainder of the biennium.
 - Critical and emergent costs that cannot be accommodated with savings or efficiencies in the existing budget.
 - Additional options for efficiencies, reform, administrative savings, or reductions in non-essential services and programs.

Maintenance Level Decision Packages

- **Lead Organization M&O Increase**
 - In 2025, the Exchange re-procured Lead Navigator services as required under the federal Patient Protection and Affordable Care Act. The procurement resulted in increased contract costs of 15% to sustain current levels of navigator support for Exchange customers. Lead navigator contracts have not increased since the program's inception in 2012.
 - Cost: \$351,000 per year (50% federal)

Policy Level Decision Packages

- **Cascade Care Savings**

- Continued funding for Cascade Care Savings for individuals up to 250% of the federal poverty level enrolling in health insurance through Washington Healthplanfinder.
- Cost: Proposed request level is \$130 million per year (\$65 million for SFY2027). Health Care Affordability Account (General Fund-State)

- **CSC Transition Costs** (placeholder submittal)

- One-time transition costs will be required in Fiscal Year 2027 to implement a new contract for call center and other customer support services to Exchange customers. The Exchange is currently seeking vendor bids for these services.
- Cost: Display zero cost for placeholder, pending receipt of bids and evaluation during open procurement.

Cascade Care Savings

	\$55M/Yr	\$95M/Yr	\$130M/Yr
<i>Alternatives Explored</i>	Maintain Current CCS Funding Level	CCS Keeps Pace with Inflation	WAHBE Request : Mitigate Premium Impacts of Loss of Federal tax credits
	Maintain funding for the state premium assistance program to provide some support for customers despite significant premium increases.	Fund the state premium assistance program at a level that keeps pace with historical annual average premium increases.	To mitigate federal changes, use state premium assistance to help stabilize customer net premiums for those who need assistance & lose federal tax credits.

Note: To attempt to backfill federal changes (ePTC expiration, HR 1, Marketplace Integrity rule) would cost over \$220 million per year

Cascade Care Savings Request

Cascade Care Savings funding by fiscal year at \$130M

