

Cascade Care Workgroup

Oct. 9, 2025



Cascade Care Workgroup Agenda

Time	Topic	Facilitator
2:00	Today's Focus: Federal Changes Impacting Exchange Customers	Laura Kate Zaichkin, <i>Director of Market Competition & Affordability (she/her)</i> Ingrid Ulrey, <i>Exchange CEO (she/her)</i>
2:20	2026 Market Landscape & Customer Mitigations <ul style="list-style-type: none">How are your organizations preparing for 2026 and beyond?	Kristin Villas, <i>Senior Policy Analyst (she/her)</i>
3:05	Break	
3:15	Keeping Washingtonians Covered <ul style="list-style-type: none">Cascade Care Savings in 2027Exchange market stewardship	Laura Kate Zaichkin Christine Gibert, <i>Director of Policy & Market Strategy (she/her)</i> Julia Nestor, <i>Policy Analyst (she/her)</i>
4:45	Next Steps and Adjourn <ul style="list-style-type: none">Workgroup action for access & affordability	Laura Kate Zaichkin

Today's meeting is hybrid online and in-person at the Washington Health Benefit Exchange. Please email Tanya DeVore at tanya.devore@wabhexchange.org if you plan to attend in person.



Federal changes

Current waves

Finalized June 2025
**Marketplace
Rule**

Passed July 2025
**HR1-
Reconciliation**

Expires December 2025
**Enhanced
Premium Tax
Credits**

Upcoming impacts

- ✘ Fewer people eligible for coverage
- ✘ Harder to get and stay covered
- ✘ Higher premiums and overall costs

Exchange response to federal changes: Keep Washingtonians covered



- ▶ Strategic implementation of federal requirements, with focus on customer harm reduction



- ▶ Proactive mitigation to prevent uninsurance

2026 market landscape



Near-term federal changes

- ▶ Enhanced premium tax credits expire
- ▶ Loss of tax credit eligibility for DACA enrollees
- ▶ Lawfully present enrollees <100% FPL lose federal subsidies
- ▶ Tax credit repayment caps removed for customers at all income levels





Market landscape reflects carrier response to federal changes and uncertainty




- ▶ 12 QHP carriers
 - ▶ Entrance of WellPoint
- ▶ 86 plans (74 in 2025)
 - ▶ New Cascade Care Vital Gold plan
- ▶ Average rate increase 26%
 - ▶ Enhanced federal tax credits no longer available
 - ▶ Premium alignment increased Silver rates
- ▶ Significant market movement
 - ▶ Carrier county exits mean not every county has carrier choice, Bronze and/or public option plans



















2026 rate increases

Carrier	Final Rate Increase	Enrollment as of August 2025
United OR	38%	6,000
Coordinated Care	36%	109,000
Molina	31%	44,000
CHPW	25%	29,000
Regence OR	25%	7,000
Premera	20%	9,000
LifeWise	16%	22,000
Kaiser WA	14%	27,000
Regence WA	12%	18,000
BridgeSpan	12%	350
Kaiser NW	10%	5,000
WellPoint WA	New entrant	New entrant
Market Average	26%	276,000

All rates are weighted for enrollment and exclude non-renewing plans

Impacts of premium alignment vary based on a customer's income and eligibility

Legend	
	Coverage
	Cost
	Poor Value

	FPL Group	Silver	Gold	Bronze
Federal Subsidy Eligible	100-200%	 	 	 
	201-400%	 	 	 
Not Federal Subsidy Eligible	Any FPL	 	 	 

The cost represented is the monthly premium of the plan before any available Cascade Care Savings are applied. Silver plans marked with a red X are noted as "Poor Value" because for customers with the indicated subsidy status and FPL they offer less coverage at a higher cost than an otherwise identical Gold plan from the same insurer that offers access to the same covered services, same provider network, and same prescription drugs.

Market changes impact customers differently

Experience of federally subsidized customer

40-year-old federally subsidized customer in King County with an income of \$32,000 accesses more comprehensive benefits with same carrier for <\$10 premium

	2025	2026
Gross Premium	\$415 (Ambetter Cascade Select Silver)	\$478 (Ambetter Cascade Select Vital Gold)
Federal Tax Credits	\$373	\$415
Cascade Care Savings	\$42	\$55
Net Premium	\$0	\$8

Experience of customer losing federal tax credits

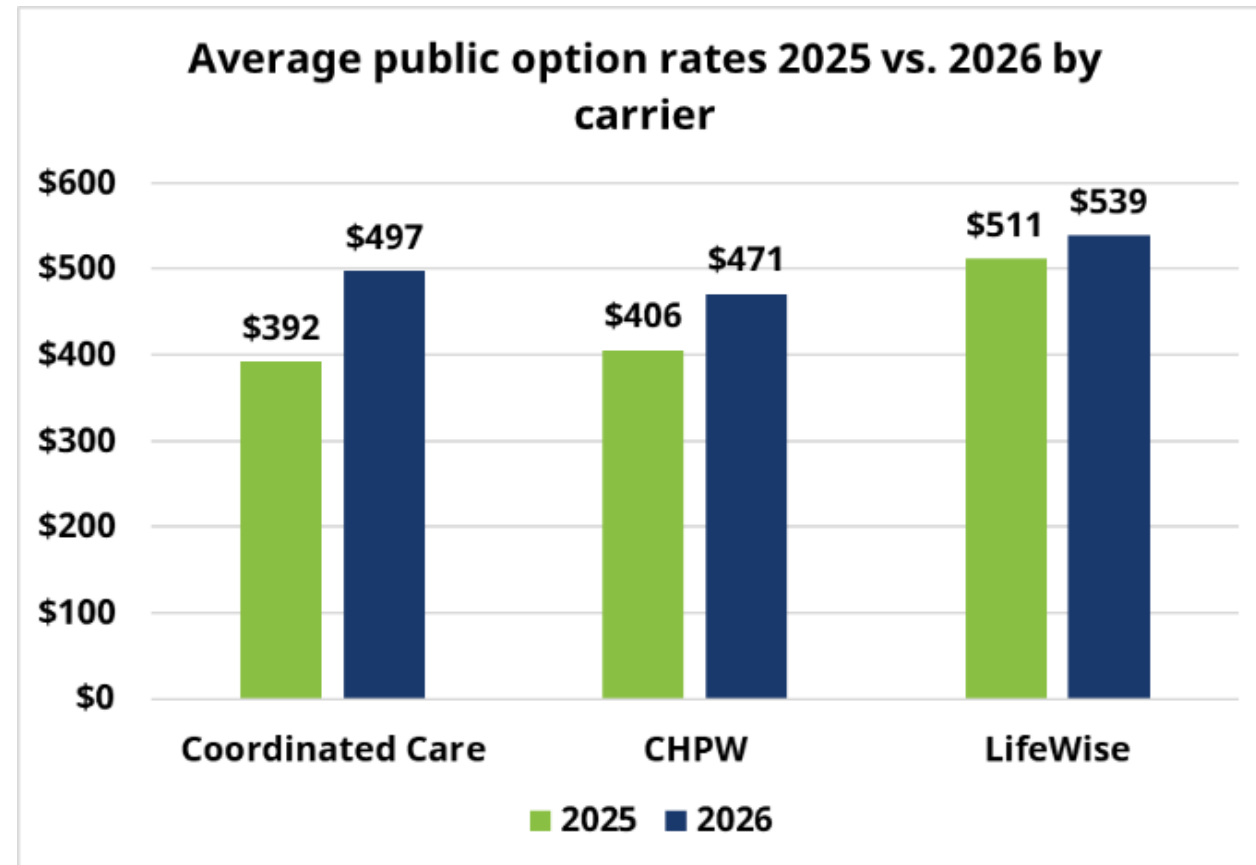
40-year-old DACA customer in King County with an income of \$32,000 no longer eligible for tax credits nor CSRs **now pays over \$200** per month for coverage

	2025	2026
Gross Premium	\$415 (Ambetter Cascade Select Silver)	\$478 (Ambetter Cascade Select Vital Gold)
Federal Tax Credits	\$373	\$0
Cascade Care Savings	\$42	\$250
Net Premium	\$0	\$228

Maintains access to QHP through Immigrant Health Coverage program

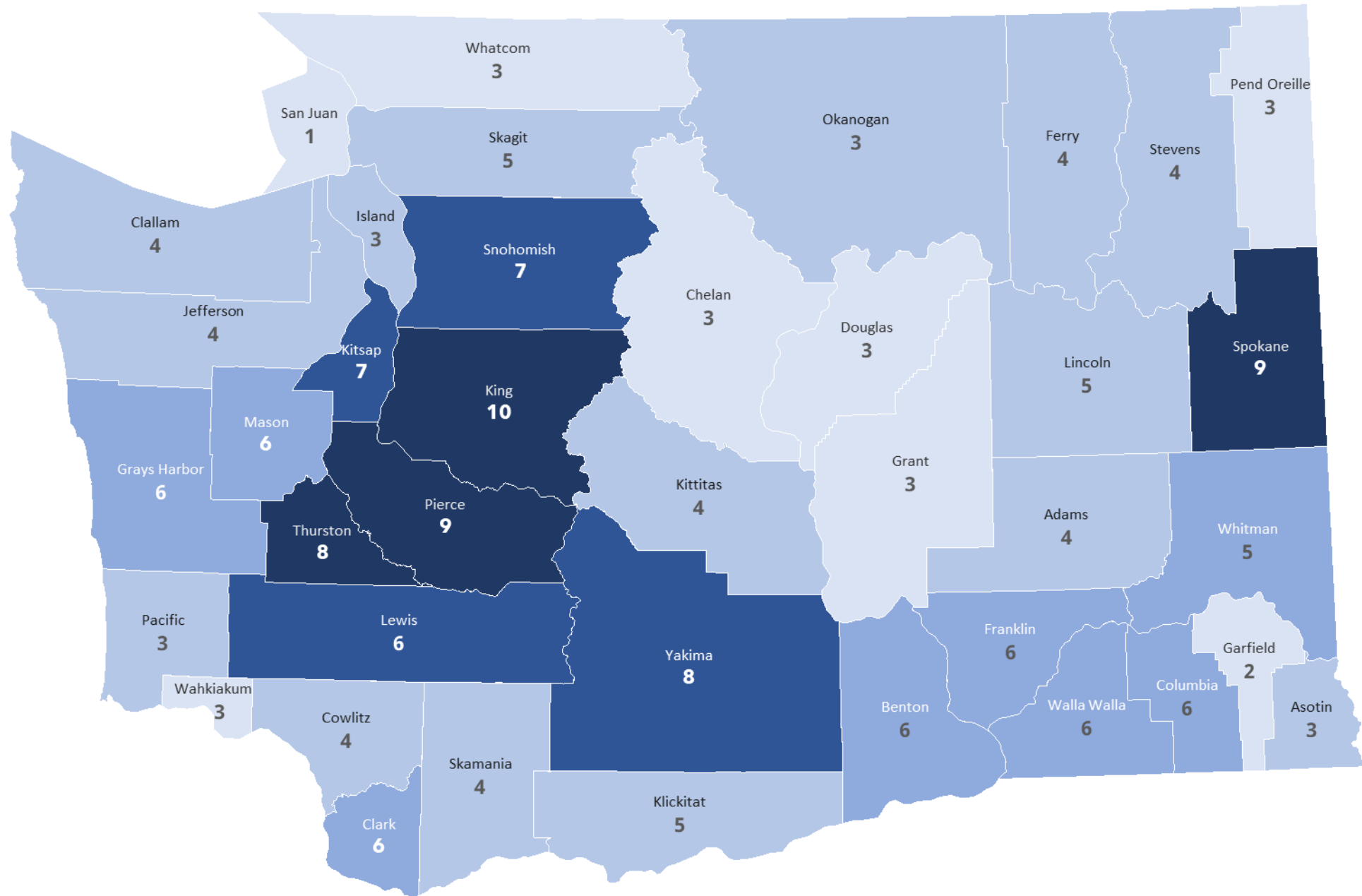
Setbacks for public option – Affordability and access challenges

- ▶ Public option plan average rate increase by carrier:
 - ▶ Coordinated Care: 27%
 - ▶ CHPW: 16%
 - ▶ LifeWise: 5%
- ▶ Public option plans are lowest-cost Silver plan in only eight counties
 - ▶ Coordinated Care priced Silver public option rates higher than its non-standard plan rates



Rates changes shown are the average of all metal levels for a 40-year-old and are not weighted for enrollment

Number of 2026 Carriers (#) and Plans (Color) by County



■ < 20 ■ 20-30 ■ 31-40 ■ 41-50 ■ 51+

Customers in San Juan County limited to one carrier, no Bronze plans

Limited choice and high premium for least expensive plan — especially challenging for unsubsidized customers

Scenario: Early retirees 60 and 63 in Friday Harbor; not eligible for tax credits **now paying \$1,000 more** per month for coverage in lowest cost plan

	2025	2026
Offerings	3 carriers; 20 plans	1 carrier; 5 plans
Lowest Cost Plan	Ambetter Essential Care 1 Bronze	Ambetter Secure Care 5 Gold
Premium for Couple	\$1,353	\$ 2,394



Discussion

How are your organizations supporting continued coverage?
What are your priority watchpoints for 2026?



Break



**Meeting the
moment: Keeping
Washingtonians
covered**



Federal changes present risks to market & customers



Plan year
2025

- Eliminating tax credits for DACA population as of Oct. 1, 2025. Remain in QHP coverage through state's immigrant health coverage program.



Plan year
2026

- Eliminating federal subsidies for lawfully present immigrants with incomes below 100% FPL.
- Removing APTC repayment caps.
- Enhanced premium tax credits expire.



Plan year
2027

- Shortening open enrollment period.
- AV changes increasing out of pocket costs.*
- Eliminating federal subsidies for many lawfully present immigrants.
- People denied Medicaid due to work requirements also denied QHP federal subsidies.



Plan year
2028 & beyond

- Eliminating automatic re-enrollment and conditional eligibility for federal subsidies.
- Canceling APTCs for failure to reconcile after one year.*

CUSTOMER MITIGATIONS

2027 Cascade Care Savings



2027 Cascade Care Savings: Target for vulnerable populations



State subsidy today

- Nearly **100,000** low-income customers reduced monthly premiums with Cascade Care Savings in 2025.
- With **rate increases & federal changes**, subsidies cannot stretch as far.
- **Maintain and maximize** publicly-funded affordability supports.

Looking forward: How might Cascade Care Savings be targeted toward populations increasingly facing access and affordability barriers?

- Those who are not eligible for federal subsidies — newly, ever or for periods of time
- Immigrants
- Customers transitioning from Apple Health

Policy options: Targeting Cascade Care Savings for vulnerable populations

Change benchmark to lowest-cost Cascade Care Gold plan

Target plans eligible for Cascade Care Savings based on affordability

Reduce income eligibility for federally subsidized customers

Make Bronze Cascade Care plans eligible for selective groups

Workgroup discussion

1. What policy approaches might have the most impact?
2. What concerns do you have about the policy approaches?
3. What equity implications might the policy approaches raise?
4. Are there options not listed you would like the Exchange to consider?

PY 2027 Cascade Care Savings policy timeline



CUSTOMER MITIGATIONS

Exchange market stewardship



Exchange certification role and authority

- ▶ **Board direction:** Exchange Board needs authority to curate the market to address market failures and federal changes that present risk
 - ▶ Focus on premium affordability, access to coverage & care, and simplified customer experience



Current state:

- ▶ Only plans certified by the Board may be offered in the Exchange
- ▶ Under WA law, the Exchange Board is required to certify any plan that meets the certification criteria
 - ▶ Criteria does not include premium factors, county coverage, or Bronze requirements
 - ▶ Added benefit design standards starting plan year 2021 with Cascade Care legislation
- ▶ State law prohibits the Board from adding certification criteria

Exchange Board authority options



Active purchasing

Actively purchase QHPs offered on Exchange



Plan certification criteria

Market stability & affordability standards



Sharpen Cascade Care Tools

Strengthen reference pricing and hospital participation; standardize the market

Exchange options to address market risks

What do you want to address?

Keep Premiums Affordable

- + Public option active purchasing* (HCA)
- + Premium alignment (OIC)
- Active selection of low-premium plans*
- + Sustained public subsidy funding
- Plan meaningful difference standards protecting APTC benchmark*
- Target application of state subsidy to most affordable plans

Mitigate Bare Counties (carriers & plans)

- + Public option participation enforcement & strengthening* (HCA)
- Plan meaningful difference standards that define & incentivize market needs by geography*

Protect Against Skippy Coverage

- + Limit or eliminate* non-standard plans
- Active selection of high-quality carriers*
- Plan meaningful difference standards prioritizing high-value care access*
- Target application of state subsidy to highest-quality plans or carriers

Help Customers Through Complicated Eligibility/Enrollment

- + Curated plan shelf & decision support
- + Facilitated enrollment
- Eliminate non-standard plans*
- Targeted state subsidy for populations most vulnerable to uninsurance
- Plan meaningful difference standards to simplify choices*

+ Some progress in WA w/ opportunities to advance
*Requires additional authority

○ Not in progress in WA
*Requires additional authority

Small groups: Your feedback on options & priorities

To advance the below future-state goals:

- What effective Exchange levers are already in place? What needs strengthening?
- What Exchange action(s) would have the most impact?
- What Exchange action(s) are most feasible to meet the moment for customers in the near term?

Impact of federal changes

- ✘ Fewer people eligible for coverage
- ✘ Harder to get and stay covered
- ✘ Higher premiums and overall costs

Current state

Extremes of oversaturation or no access (networks, metal levels)

Unaffordable premiums

Future state goals

Prevent bare counties

Ensure statewide access to distinct & meaningful plan options

Optimize federal and state premium subsidies

WORKGROUP COLLECTIVE ACTION

Next steps



Cascade Care

Cascade Care makes health insurance accessible and affordable for every *Washington Healthplanfinder* customer.



-  **Lower premiums**
-  **Higher quality benefits**
-  **Lower copays**
-  **Easier plan shopping**
-  **Available in all counties**
-  **Extra savings for those who qualify**

Coverage-focused discussion table

- ▶ Leverage cross-sector Workgroup's focus on access and affordability for **coordinated, strategic collaboration and response to federal policy changes** that threaten or disrupt health coverage
- ▶ **Focus: Keep Washingtonians covered**
 - Input on Exchange implementation of federal policy changes to mitigate risks and disruption
 - Partnership on proactive Marketplace strategies to mitigate coverage disruptions and strengthen coverage protections



Cascade Care Workgroup Next meeting

1-2 p.m. Nov. 18

- ▶ 2-2:30 p.m. public comment meeting

- ▶ **Plan year 2027 Cascade Care tools**

- ▶ Cascade Care Savings policy

- ▶ Public option update

- ▶ Cascade Care plan design – public comment meeting on draft designs



Appendix

- Cascade Care Workgroup roster
- Meeting reference materials



Cascade Care Workgroup members

- ▶ Jane Beyer,
Office of the Insurance Commissioner
- ▶ Jennifer Brackeen,
Washington State Hospital Association
- ▶ Emily Brice, *Northwest Health Law Advocates*
- ▶ John-Pierre Cardenas, *Kaiser Permanente*
- ▶ Justin Cusber, *Premera/Lifewise*
- ▶ Dekker Dirksen,
Community Health Plan of Washington
- ▶ Jim Freeburg, *Patient Coalition of Washington*
- ▶ Stu Freed, *Confluence Health retired*
- ▶ Sean Graham,
Washington State Medical Association
- ▶ Rhonda Hauff,
Yakima Neighborhood Health Services
- ▶ David Iseminger, *Health Care Authority*
- ▶ Daphne Pie,
Public Health-Seattle & King County
- ▶ Susanne Towill, *Coordinated Care*

Cascade Care Workgroup meeting reference materials

- ▶ Federal changes:
 - ▶ Overview of key marketplace changes: https://www.wahbexchange.org/blog_080125/
 - ▶ Customer voices: https://www.wahbexchange.org/blog_093025/
- ▶ September Exchange Board meeting – 2026 plan certification: <https://www.wahbexchange.org/event/091125-exchange-board-meeting/>
- ▶ Cascade Care Savings:
 - ▶ Final Plan Year 2026 Cascade Care Savings Per Member Per Month Methodology: <https://www.wahbexchange.org/about-the-exchange/initiatives/cascade-care/cascade-care-savings/>
 - ▶ 2026 supplemental budget request: <https://www.wahbexchange.org/content/dam/wahbe-assets/budget-finance/HBE-Cascade-Care-Savings-2026.pdf>
- ▶ July Exchange Board annual retreat: <https://www.wahbexchange.org/event/072325-exchange-board-annual-retreat-day-1/>



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